

INTERIM REPORT

JANUARY–SEPTEMBER

2021

Q3

“Including the 59 acquisitions we have made so far this year, RTM adjusted EBITA is up at SEK 2.4 billion.”

Daniel Kaplan, CEO



THIRD QUARTER (1 JUL–30 SEP 2021)

- Net sales increased by 118 percent to SEK 4,744m (2,176).
- Operating profit (EBIT) grew by 118 percent to SEK 450m (206), equivalent to an operating margin of 9.5 percent (9.5).
- Adjusted EBITA increased by 100 percent to SEK 492m (246), equivalent to an adjusted EBITA margin of 10.4 percent (11.3).
- Profit for the period grew by 87 percent to SEK 314m (168).
- Earnings per share were SEK 0.20 (0.13).
- Cash flow from operating activities at SEK -410m (219).
- A rights issue in July generated proceeds of SEK 329m.
- Two acquisitions were made during the quarter, with combined annual sales of SEK 77m for 2020.
- A new EUR 1,000m revolving credit facility was agreed.

FIRST NINE MONTHS (1 JAN–30 SEP 2021)

- Net sales increased by 80 percent to SEK 11,457m (6,353).
- Operating profit grew by 77 percent to SEK 980m (555), equivalent to an operating margin of 8.6 percent (8.7).
- Adjusted EBITA increased by 82 percent to SEK 1,145m (629), equivalent to an adjusted EBITA margin of 10.0 percent (9.9).
- Profit for the period grew by 69 percent to SEK 696m (412).
- Cash flow from operating activities at SEK 677m (470).
- Return on equity was 12.6 percent (12.9).
- 45 acquisitions were made during the period, with combined annual sales of SEK 8,424m for 2020.

EVENTS AFTER THE END OF THE PERIOD

- New shares issued as part of the Company's IPO on Nasdaq Stockholm on 6 October generated proceeds of SEK 7,169m after costs.
- Storskogen has completed another 14 acquisitions with combined annual sales of SEK 1,925m and EBITA of SEK 284m for 2020. Two further acquisitions with combined annual sales of SEK 419m and EBITA of SEK 29m for 2020 have been agreed but not yet completed.
- At the date of this report Storskogen has signed 10 non-binding letters of intent and are a preferred buyer in 7 transactions. Altogether, these potential acquisitions generated net sales of SEK 2,600m and EBITA of more than SEK 400m in 2020.
- The SEK 3,000m bond issued earlier in the year was admitted for trading on Nasdaq Stockholm on 11 November.
- Storskogen is considering issuing an additional bond at the end of November, at an amount around SEK 2,000m within a SEK 5,000m framework and maturity of 4 years.

Amounts in parentheses are for the corresponding periods in 2020.

PERFORMANCE MEASURES

SEK m	Jul-Sep 2021	Jul-Sep 2020	Change %	Jan-Sep 2021	Jan-Sep 2020	Change %	12 months until 30 Sep 2021	Full year 2020
Net sales	4,744	2,176	118	11,457	6,353	80	14,037	8,933
Operating profit	450	206	118	980	555	77	1,199	774
Operating margin, %	9.5	9.5		8.6	8.7		8.5	8.7
Adjusted EBITA	492	246	100	1,145	629	82	1,371	854
Adjusted EBITA-margin, %	10.4	11.3		10.0	9.9		9.8	9.6
Profit before tax	396	183	116	877	499	76	1,051	673
Profit for the period	314	168	87	696	412	69	858	574
Net debt/adjusted EBITDA (12 months)					1.6		4.0	1.9
Net debt/adjusted RTM EBITDA (12 months)					1.4		2.8	1.6
Total assets (balance day)					11,299		26,108	12,002
Basic and diluted earnings per share, Series A & B, SE	0.20	0.13		0.48	0.37		0.60	0.49
Return on equity, % (12 months)					12.9		12.6	14.2
Return on capital employed, % (12 months)					9.6		8.8	10.1
Equity/assets ratio, %					43.9		35.6	43.8
Cash flow from operating activities	-410	219		677	470		1,022	814

For definitions of alternative performance measures in accordance with the ESMA guidelines, see definitions of performance measures.

Comments from the CEO

A series of growth and profitability initiatives in the first nine months of the year generated organic EBITA growth of 30 percent. We have managed supply chain and freight disruptions well through systematic stock-building to safeguard deliveries in the coming months, which has impacted cash flow negatively in the short term but ensures that we can meet our customer's demand further ahead. Including the 59 acquisitions we have made so far this year, RTM adjusted EBITA is up at SEK 2.4 billion, an increase of more than 140 percent this year alone compared to 31 December 2020. With a strong cash position, new credit and bond facilities and a strong acquisition pipeline, we look to the winter season with confidence.

It is just over a decade since we had the idea behind Storskogen – to acquire profitable companies in need of new ownership and to be the best owner with an infinite ownership horizon. Our business concept is unchanged today, and we play an important role in society as a long-term, professional and entrepreneurial owner of small and medium-sized enterprises. Our companies are and have always been at the heart of Storskogen, and we relish the process of supporting each individual business and its people to realise their full potential.

100 percent growth in third-quarter EBITA

Adjusted EBITA for the third quarter was SEK 492 million, up 100 percent on the same period last year. This is due to strong organic EBITA growth of 30 percent for the first nine months as well as the acquisitions of the past year. The adjusted EBITA margin was 10.4 percent for the quarter and 10.0 percent for the first nine months.

Financial foundations for continued growth

Storskogen's IPO on 6 October raised SEK 7.2 billion after costs, and we are humbled by and grateful for the confidence shown in us. Together with our shareholders, both old and new, we now have everything in place to take Storskogen to the next level. At the end of September, we refinanced our loans with a new, larger facility of EUR 1 billion, and today we announced plans to issue a new bond of around SEK 2 billion. All this will give us even more flexibility to continue to grow within our leverage target.

Growing pipeline outside Sweden

We limited our work on acquisitions for formal reasons ahead of the IPO, with two add-ons during the quarter. Since then, however, we have completed 14 acquisitions with combined EBITA of SEK 284 million in 2020. We have also signed 10 non-binding letters of intent and are a preferred buyer in 7 transactions. Altogether, these companies generated sales of approximately SEK 2.6 billion and EBITA of more than SEK 400 million in 2020.

We are seeing a stable inflow of acquisition opportunities in Sweden, and the pipeline in other geographies is expanding rapidly. All in all, we have 150 percent more relevant opportunities to consider than at this time last year. This is a direct consequence of gradually expanding our presence in new geographies by building teams during the year in Norway, Denmark, the UK, Germany and Switzerland. We plan to continue strengthening our local presence and investment operations in these geographies in 2022, and a cautious expansion into markets such as Finland, Benelux, North America and Southeast Asia is inching ever closer.

The best owner of small and medium-sized enterprises

The first nine months of 2021 has been good for Storskogen strategically, operationally and financially, but everything ultimately depends on our fantastic companies and our day-to-day work. Sometimes we achieve great things together, and sometimes we make mistakes, but always there is our passion for our companies. Our vision is to be the best owner of small and medium-sized enterprises, and for us nothing can be more important.

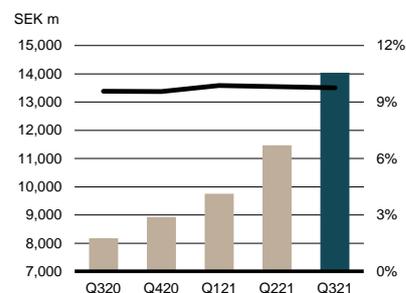
Daniel Kaplan, CEO



“Including the 59 acquisitions we have made so far this year, RTM adjusted EBITA is up at SEK 2.4 billion”

Daniel Kaplan, CEO

NET SALES AND ADJUSTED EBITA MARGIN, ROLLING 12 MONTHS



MEDIUM-TERM FINANCIAL TARGETS

ORGANIC EBITA GROWTH

Real GDP growth plus 1-2 percentage points (existing markets)

EBITA GROWTH INCLUDING ACQUISITIONS

Growth in line with historical results

ADJUSTED EBITA MARGIN

10 percent

ADJUSTED CASH CONVERSION

>70 percent (LTM)

NET DEBT/RTM ADJUSTED EBITA

2.0x-3.0x

The Group's performance

SALES

Net sales for the third quarter increased by 118 percent to SEK 4,744 million (2,176), with organic sales growth of 16 percent. Net sales for the first nine months increased by 80 percent to SEK 11,457 million (6,353), with organic sales growth of 14 percent. Had Storskogen owned all subsidiaries throughout the previous 12-month period (RTM), sales would have been SEK 19,381 million.

EARNINGS

Third quarter

For the third quarter, operating profit (EBIT) increased by 118 percent to SEK 450 million (206) and the operating margin was 9.5 percent (9.5). Adjusted operating profit before amortisation of intangible assets (EBITA) grew by 100 percent to SEK 492 million (246), equivalent to an adjusted EBITA margin of 10.4 percent (11.3). Organic EBITA growth was 16 percent. Financial items amounted to SEK -54 million (-23) and profit before tax increased by 116 percent to SEK 396 million (183). Profit for the period increased by 87 percent to SEK 314 million (168).

Items affecting comparability which are eliminated in adjusted EBITA amounted to SEK -32 million (11) and consisted of revaluations of contingent considerations of SEK -49 million (11) and costs related to the IPO of SEK 17 million (0).

Adjusted earnings for the quarter were affected by higher costs for Group functions related to preparations for the IPO (especially increased consulting fees) and the reinforcement of the organisation, mostly with new recruits outside Sweden to enable further organic and acquisition-driven growth. The business areas' combined adjusted EBITA margin excluding Group functions and Group adjustments was 11.4 percent (11.3) for the quarter. The Trade and Industry business areas increased their adjusted EBITA margins by more than a percentage point to 11.8 percent (11.1) and 12.6 percent (10.5) respectively despite the shortages of components and higher costs for freight and materials. The Services business area's adjusted EBITA margin decreased to 9.8 percent (11.9), however, due partly to sickness absence, stiffer competition and delays to major projects. For further information on the individual business areas, see pages 5-7.

First nine months

For the first nine months, operating profit increased by 77 percent to SEK 980 million (555), equivalent to an operating margin of 8.6 percent (8.7). Adjusted EBITA grew by 82 percent to SEK 1,145 million (629), equivalent to an adjusted EBITA margin of 10.0 percent (9.9). Organic EBITA growth was 30 percent. Financial items amounted to SEK -103 million (-56) and profit before tax was SEK 877 million (499), an increase of 76 percent. Profit for the period increased by 69 percent to SEK 696 million (412).

Items affecting comparability which are eliminated in adjusted EBITA amounted to SEK 17 million (-2) and consisted of revaluations of contingent considerations of SEK -1 million (-2) and costs related to the IPO of SEK 17 million (0).

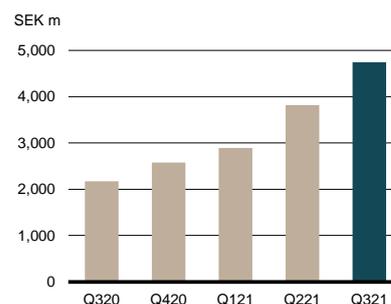
RTM (rolling 12 months pro forma)

Had Storskogen owned all subsidiaries throughout the previous 12-month period (RTM), the Group would have generated adjusted EBITDA of SEK 2,693 million and adjusted EBITA of SEK 2,147 million, corresponding to an adjusted EBITA margin of 11.1 percent.

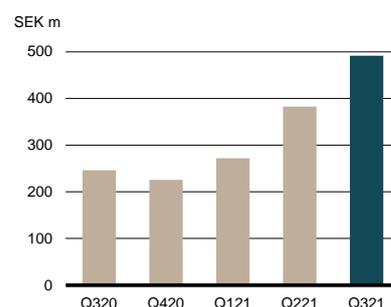
RETURNS

For the previous 12-month period, the return on equity was 12.6 percent (12.9) and the return on capital employed was 8.8 percent (9.6). These return measures are subject to the dilutive effects of new issues during these periods, to the extent that they had not yet been used for acquisitions.

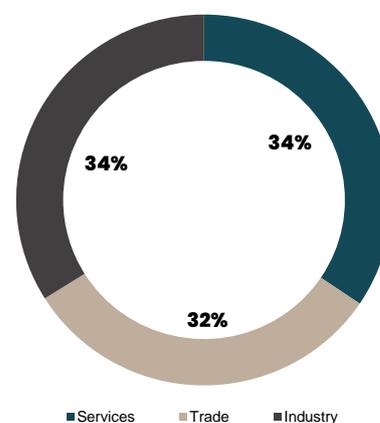
NET SALES BY QUARTER



OPERATING PROFIT (ADJUSTED EBITA) BY QUARTER



BREAKDOWN OF SALES BY BUSINESS AREA, Q3 2021



Net sales by business area and for the Group

SEK m	2021		Change %	2020		Change %	12 months until 30 Sep 2021	Full year 2020
	Jul-Sep	Jul-Sep		Jan-Sep	Jan-Sep			
Services	1,634	992	65	4,570	2,693	70	5,713	3,837
Trade	1,502	620	142	3,615	1,831	97	4,368	2,584
Industry	1,608	568	183	3,273	1,832	79	3,961	2,519
Operations	4,743	2,180	118	11,459	6,356	80	14,042	8,940
Group operations	0	-3		-2	-3		-5	-6
Net sales, Group	4,744	2,176	118	11,457	6,353	80	14,037	8,933

Operating profit (EBIT)

SEK m	2021		Change %	2020		Change %	12 months until 30 Sep 2021	Full year 2020
	Jul-Sep	Jul-Sep		Jan-Sep	Jan-Sep			
Services	160	118	35	452	289	57	546	382
Trade	177	69	157	429	179	139	507	257
Industry	203	60	239	404	174	132	472	242
Group operations	-48	-1		-140	-14		-153	-27
Adjusted EBITA	492	246	100	1,145	629	82	1,371	854
Reversal of adjusted item	32	-11		-17	2		13	32
EBITA	524	235	123	1,129	630	79	1,384	885
Amortisation of intangible non-current assets	-74	-28		-149	-76		-185	-111
Operating profit, EBIT	450	206	118	980	555	77	1,199	774

FINANCIAL POSITION

The Group had equity of SEK 9,287 million (4,956) and an equity/assets ratio of 35.6 percent (43.9) on 30 September 2021. A rights issue during the third quarter generated proceeds of SEK 329 million after costs.

Cash and cash equivalents totalled SEK 4,820 million (2,618) on 30 September 2021. The Group also had unutilised credit facilities of SEK 236 million at the end of the period. The Group's net debt, including lease liabilities in accordance with IFRS 16, increased during the quarter by SEK 741 million to SEK 7,434 million. Net debt/EBITDA, based on RTM adjusted EBITDA, amounted to 2.8 (1.4). In addition to interest-bearing non-current and current liabilities, net debt includes contingent consideration liabilities and liabilities for outstanding minority options of SEK 1,534 million (416). Excluding these liabilities, net debt/EBITDA based on RTM adjusted EBITDA would have been 2.2. The Parent Company's borrowings were refinanced at the end of September with a new, larger credit facility of EUR 1,000 million.

CASH FLOW AND INVESTMENTS

Cash flow from operating activities was SEK -410 million (219) for the third quarter, SEK 677 million (470) for the first nine months and SEK 1,022 million for the previous 12-month period. The cash flow for the quarter was negatively affected by non-recurring payments relating to acquisitions and projects which reduced current liabilities. There was a corresponding positive effect on the cash flow for the second quarter. Storskogen's communicated target is cash conversion, calculated as operating cash flow (adjusted EBITDA after changes in working capital and net CAPEX as a percentage of adjusted EBITDA of more than 70 percent over a 12-month period. The Group's cash conversion of 63 percent for the previous 12-month period can be explained by stock-building in the Trade and Industry business areas to safeguard deliveries in the coming months given the current shortages of materials and freight problems. With inventories at normal levels for the season, cash conversion would have been an estimated 71 percent. Cash conversion was -38 percent (88) for the quarter and 61 percent (69) for the first nine months.

The Group's net investments in tangible assets, CAPEX, amounted to SEK 48 million (49) or 1.0 percent (2.2) of net sales for the third quarter, and SEK 237 million (127) or 2.1 percent (2.0) of net sales for the first nine months. Investments were temporarily lower than normal in the third quarter, especially in the Industry business area, due to a number of large investments in the preceding quarters. Additionally, newly acquired companies invest less during the immediate process of selling the company and transferring ownership to Storskogen. Acquisitions of subsidiaries, including payments of conditional considerations for acquisitions in previous years, came to SEK 136 million (334) for the quarter and SEK 5,594 million (1,403) for the first nine months. Storskogen actively kept acquisitions at a low level during the quarter due to the IPO.

Services business area

RESULTS

Net sales in the Services business area increased by 65 percent to SEK 1,634 million (992) for the third quarter and by 70 percent to SEK 4,570 million (2,693) for the first nine months. Organic sales growth for the first nine months was 6 percent.

Adjusted EBITA grew by 35 percent to SEK 160 million (118) for the quarter and by 57 percent to SEK 452 million (289) for the first nine months. The adjusted EBITA margin was 9.8 percent (11.9) for the quarter and 9.9 percent (10.7) for the first nine months. Organic EBITA growth for the first nine months was 9 percent.

SEK m	2021			2020			12 months until 30 Sep 2021	Full year 2020
	Jul-Sep	Jul-Sep	Change %	Jan-Sep	Jan-Sep	Change %		
Net sales	1,634	992	65	4,570	2,693	70	5,713	3,837
Adjusted EBITA	160	118	35	452	289	57	546	382
Adjusted EBITA-margin, %	9.8	11.9		9.9	10.7		9.5	10.0
Number of employees					1,746		3,331	1,822
Number of business units					26		45	28

Most verticals in Services reported profitability in line with 2020 or better. One of the main reasons for the slightly lower EBITA margin than last year is that companies in the Installation vertical, one of the largest in the business area, were affected more by the Covid-19 pandemic through higher staff absence, stiff competition and increased risks to projects in the form of rescheduling and delays. Another contributing factor was that companies acquired during the period diluted the business area's EBITA margin somewhat. The verticals that are performing strongest are HR & Competence and Logistics.

The third quarter is also affected by the summer/holiday season, which generally has a considerable impact on labour-intensive businesses and can be seen in both revenue and EBITA margins. The fourth quarter is generally seasonally stronger and is expected to be so again this year.

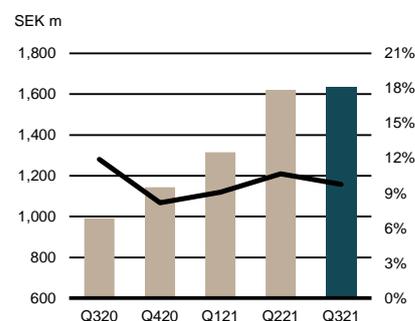
ACQUISITIONS DURING THE QUARTER

The third quarter saw the acquisition of all shares in Frigo AG, a Swiss installation company operating in the refrigeration market. The company was founded in 1947 and has operations in Bern and Biel. Frigo is an add-on to Frigel AG.

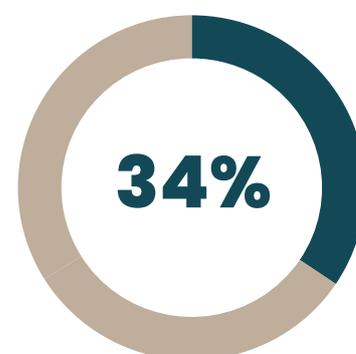


The Services business area comprises service companies with strong positions in specific B2B niche markets. It consists of 45 business units in the following verticals: Construction & Infrastructure, Installation, Logistics, Engineering Services, Digital Services, and HR & Competence.

SALES, SEK M ADJUSTED EBITA MARGIN, %



SHARE OF GROUP SALES, Q3 2021



Trade business area

RESULTS

Net sales in the Trade business area increased by 142 percent to SEK 1,502 million (620) for the third quarter and by 97 percent to SEK 3,615 million (1,831) for the first nine months. Organic sales growth for the first nine months was 21 percent.

Adjusted EBITA grew by 157 percent to SEK 177 million (69) for the quarter and by 139 percent to SEK 429 million (179) for the first nine months. The adjusted EBITA margin was 11.8 percent (11.1) for the quarter and 11.9 percent (9.8) for the first nine months. Organic EBITA growth for the first nine months was 45 percent.

SEK m	2021			2020			12 months until	Full year 2020
	Jul-Sep	Jul-Sep	Change %	Jan-Sep	Jan-Sep	Change %		
Net sales	1,502	620	142	3,615	1,831	97	4,368	2,584
Adjusted EBITA	177	69	157	429	179	139	507	257
Adjusted EBITA-margin, %	11.8	11.1		11.9	9.8		11.6	9.9
Number of employees					646		1,430	666
Number of business units					14		23	14

Most business units reported healthy sales growth, driven by organic growth initiatives, additions and, to some extent, a recovery from the Covid-19 pandemic. A few are still being affected by the pandemic, however, were the majority faced challenges with delayed supplies due to the ongoing shortages of goods and components and high costs for materials and freight.

The increased profitability compared to last year was a result of strong demand, especially in the Brands and Distributors verticals, which benefited from strong B2B activity combined with good cost control. Higher costs for materials and freight were largely offset through price increases.

Inventory levels have been higher than normal at some units as a result of strategic stock-building both to safeguard future deliveries given the current shortages of materials and to avoid some of the expected continued rise in costs. The higher costs for materials and freight are also pushing up inventory values.

The outlook for the fourth quarter is bright for the business area as a whole, with further strong demand. While a few business units may have problems sourcing items in time, most have successfully managed to build up their inventories.

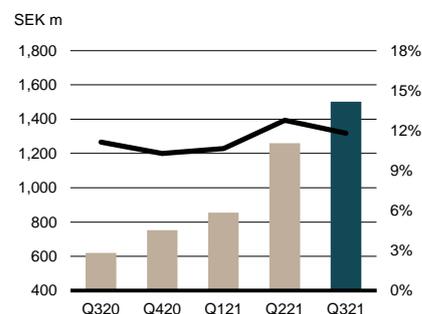
ACQUISITIONS DURING THE QUARTER

The third quarter saw the acquisition of Swiss company Marwell AG, a B2B supplier in the market for professional hair and beauty products. Marwell is an add-on to PerfectHair AG and is Storskogen's third acquisition in the hair and beauty market outside Sweden.

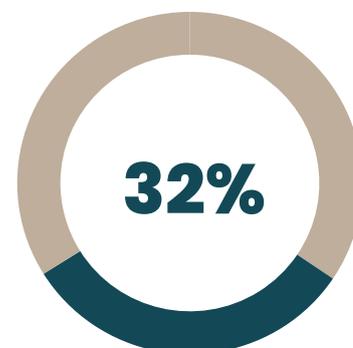


The Trade business area focuses on companies with strong brands in their markets, mostly distributors and wholesalers with both their own and external brands. It consists of 23 business units in the following verticals: Distributors, Brands and Producers.

SALES, SEK M ADJUSTED EBITA MARGIN, %



SHARE OF GROUP SALES, Q3 2021



Industry business area

RESULTS

Net sales in the Industry business area increased by 183 percent to SEK 1,608 million (568) for the third quarter and by 79 percent to SEK 3,273 million (1,832) for the first nine months. Organic sales growth for the first nine months was 18 percent.

Adjusted EBITA grew by 239 percent to SEK 203 million (60) for the quarter and by 132 percent to SEK 404 million (174) for the first nine months. The adjusted EBITA margin was 12.6 percent (10.5) for the quarter and 12.4 percent (9.5) for the first nine months. Organic EBITA growth for the first nine months was 42 percent.

SEK m	2021			2020			12 months until	Full year 2020
	Jul-Sep	Jul-Sep	Change %	Jan-Sep	Jan-Sep	Change %		
Net sales	1,608	568	183	3,273	1,832	79	3,961	2,519
Adjusted EBITA	203	60	239	404	174	132	472	242
Adjusted EBITA-margin, %	12.6	10.5		12.4	9.5		11.9	9.6
Number of employees					1,044		2,190	1,050
Number of business units					15		26	16

The business area continued to perform well in the third quarter with healthy growth in sales and earnings as a result of organic growth initiatives, acquisitions, a strong underlying market – especially for companies supplying the engineering and automotive industry – and a recovery from the Covid-19 pandemic. The adjusted EBITA margin improved, with higher prices for raw materials – in particular steel – largely offset through price rises. Many business units also faced supply chain challenges.

The Products vertical, which accounts for more than half of the business area's earnings following the acquisition of Brenderup, Wibe and Scandia Steel, performed well with good growth in volumes and strong inflows of new orders driven by a strong underlying market. The Automation vertical reported solid growth, and the highest in the business area in percentage terms, again driven by a strong underlying market, especially in the forest industry. Financial performance in the Industrial Technology vertical was more varied, with generally healthy volumes and earnings at the contract manufacturers but a more challenging situation for the welding companies.

The outlook for the coming months is still generally strong for units in the business area, with healthy demand and order books. Prices for materials are now decreasing after the increases earlier in the year, and the units are beginning to benefit from some of their own price increases. The previous supply chain issues and semiconductor shortages seem to have eased.

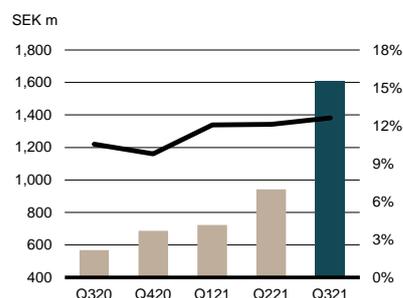
ACQUISITIONS DURING THE QUARTER

No acquisitions were made in the third quarter.

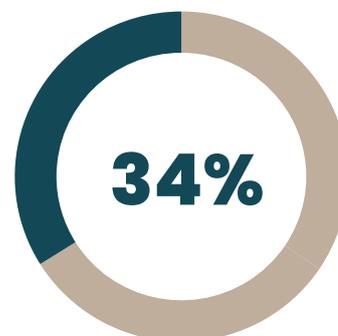


The Industry business area focuses on traditional B2B industrial companies in heavy and medium-heavy industry, manufacturing and automation. It consists of 26 business units in the following verticals: Automation, Industrial Technology, and Products.

SALES, SEK M ADJUSTED EBITA MARGIN, %



SHARE OF GROUP SALES, Q3 2021



Acquisitions

In view of the IPO, Storskogen actively kept acquisitions at a low level during the quarter, which saw just two investments, both add-ons in Switzerland, with a total of 30 employees and combined annual sales of SEK 77 million and EBITA of SEK 5 million for 2020. No disposals were made during the quarter.

ACQUISITIONS DURING THE PERIOD

Acquisitions completed in the period January-September 2021 break down between the Group's business areas as follows:

Acquisitions (divestment)	Acquisition date	Net sales, SEK m (2020)	Number of employees	Share of capital/votes, Business % unit	
Pierre Entreprenad i Gävle AB	January	177	55	90.1	Services
Örnsberg EI Tele & Data AB	January	62	29	90.1	Services
Continovagruppen, incl. subsidiaries	January	219	47	90.1	Trade
Ockelbo Kabelteknik AB	January	106	31	100	Services
Tjällmo Grävmaskiner AB, incl. subsidiaries	January	149	44	100	Services
Strand i Jönköping AB, incl. subsidiaries	January	132	36	95.0	Services
Allan Eriksson Mark AB	January	70	31	100	Services
Såg- och Betongborring i Uddevalla AB	January	99	34	100	Services
Nymålat i Skellefteå AB	January	39	43	94.8	Services
BEC Trägolvprodukter AB	January	10	2	100	Trade
Delér Måleri AB	January	100	59	94.8	Services
Stockholm Industrigolv AB	January	2	1	94.8	Services
Strigo AB, incl. subsidiaries	February	133	237	90.2	Services
PerfectHair AG	February	321	121	75.0	Trade
Primulator AS, incl. subsidiaries	March	360	190	100	Trade
Danmatic A/S, incl. subsidiaries	March	264	32	75.0	Industry
Top Swede Konfektion AB, incl. fellow subsidiary	March	142	12	91.0	Trade
HP Rör AB, incl. subsidiaries	March	95	27	94.0	Services
AGIO System och Kompetens i Skandinavien AB	April	107	75	90.1	Services
Bombayworks AB, incl. subsidiaries	April	70	75	90.1	Services
SGS Engineering UK Ltd, incl. subsidiaries	April	314	55	80.0	Trade
Scandia Steel Sweden AB, incl. subsidiaries	May	435	95	95.0	Industry
Mattbolaget i Uddevalla AB	May	23	6	100	Trade
Harrysson Entreprenad Aktieföretag (HEAB)	May	133	25	90.1	Services
Stockholm Kvadratmeter AB	May	60	10	100	Trade
Aktieföretaget LM-Transport	May	81	25	90.1	Services
Lindberg Stenberg Arkitekter Aktieföretag	May	60	50	90.1	Services
Vårdväska AB, incl. subsidiaries	May	70	25	90.1	Trade
Persiennkompaniet Norden Aktieföretag	May	45	15	90.1	Trade
R. Ardbo Golv AB	June	52	9	100	Trade
Silanex AB	June	8	1	100	Trade
Jofrab TWS AB, incl. subsidiaries	June	207	50	100	Trade
Lan Assistans Sweden AB (Ecochange)	June	227	13	90.1	Trade
Newton Kompetensutveckling AB, incl. subsidiaries	June	58	35	100	Services
Zymbios Logistics Contractor AB	June	43	30	90.1	Services
Roleff GmbH & Co. KG, incl. subsidiaries	June	175	140	95.1	Industry
Aktieföretaget Wibe, incl. subsidiaries	June	735	230	100	Industry
Ashe Invest AB, incl. subsidiaries	June	128	10	75.0	Trade
On Target AB	June	90	5	75.0	Trade
Nordisk VVS-Teknik AB	June	128	40	92.0	Services
Artum AG, incl. subsidiaries	June	1,745	500	98.9	Industry, Services & Trade
Enrival AB	June	63	195	92.0	Services
Brenderup Group AB, incl. subsidiaries	June	810	430	98.7	Industry
Marwell AG	July	58	20	75.0	Trade
Friigo AG	August	19	10	100.0	Services
Sum		8,424	3,205		

Since the end of the quarter, Storskogen has completed another 14 acquisitions with combined annual sales of SEK 1,925 million for 2020 (see "Significant events after the end of the period" for further information). Two further acquisitions with combined annual sales of SEK 419 million for 2020 have been agreed and are expected to be completed in December.

Moreover, Storskogen has signed 10 non-binding letters of intent on potential acquisitions and is the preferred buyer in 7 additional processes, all in all with combined annual sales of SEK 2,600 million for 2020.

PRELIMINARY ACQUISITION ANALYSIS FOR THE PERIOD

Refers to acquisitions completed during the period January–September 2021:

SEK m	Services	Trade	Industry	Total
Intangible assets	239	436	1,321	1,996
Other non-current assets	121	262	521	904
Inventories	13	381	705	1,098
Other current assets	364	332	658	1,354
Cash and cash equivalents	278	391	401	1,069
Deferred tax liabilities/tax assets	-81	-111	-243	-435
Liabilities to credit institutions	-58	-142	-446	-646
Other liabilities	-386	-442	-1,233	-2,061
Acquired net assets	490	1,105	1,684	3,279
Goodwill	1,186	1,621	2,314	5,120
Non-controlling interests	-105	-287	-100	-491
Purchase price including contingent consideration	1,571	2,439	3,898	7,907
Less cash and cash equivalents in acquired operations	-278	-391	-401	-1,069
Less unpaid purchase consideration	-159	-134	-104	-396
Less Share issue, non cash	–	-100	-761	-861
Effect on consolidated cash and cash equivalents	1,135	1,814	2,632	5,581

Significant acquisitions during the period

SEK m	Artum - included in Industry	Brenderup - included in Industry	Wibe - included in Industry	Total included in Industry
Intangible assets	503	387	332	1,223
Other non-current assets	175	162	145	483
Inventories	338	150	78	566
Other current assets	340	133	90	564
Cash and cash equivalents	219	82	18	319
Deferred tax liabilities/tax assets	-62	-88	-59	-210
Liabilities to credit institutions	-404	-26	–	-430
Other liabilities	-354	-315	-444	-1,113
Acquired net assets	755	485	161	1,402
Goodwill	913	455	597	1,965
Non-controlling interests	-22	-12	–	-34
Purchase price including contingent consideration	1,646	929	759	3,333
Less cash and cash equivalents in acquired operations	-219	-82	-18	-319
Less unpaid purchase consideration	–	–	-71	-71
Less Share issue, non cash	-761	–	–	-761
Effect on consolidated cash and cash equivalents	666	847	669	2,182

Artum will be allocated to the business areas Services, Trade and Industry when a final audited acquisition balance is available.

Purchase considerations and estimates

Purchase considerations for acquisitions in the first nine months of 2021 totalled SEK 7,907 million, of which SEK 5,120 million has been recognised as goodwill. Considerations for non-controlling interests acquired during the period amounted to SEK 29 million, which has impacted on the Group's liquid assets. Had the period's acquisitions been made with effect from 1 January 2021, it is estimated that they would have contributed SEK 6,582 million to the Group's net sales and around SEK 702 million to the Group's profit after tax. No material changes were made during the period to the Group's acquisition analyses for previous years' acquisitions. The acquisition analyses for acquisitions during the period are preliminary, as the Group has not received final audited information from every company. All acquisitions have been reported using the acquisition method.

Goodwill

The amount recognised as goodwill on the date of acquisition is the purchase price less the fair value of the net assets acquired. This goodwill is justified by the companies' future earnings potential. On 30 September 2021, the Group recognised total goodwill of SEK 9,785 million (4,020). The Group's goodwill is tested for impairment as required, and at least annually, by cash-generating unit. Impairment tests were performed during the second quarter, and no losses were identified. Further impairment tests will take place in the fourth quarter.

Step-ups etc.

The amounts recognised for intangible non-current assets, such as customer relationships and brands, have been measured at the discounted value of future cash flows. The amortisation period is determined by an estimate of the annual decline in sales attributable to the respective asset. Customer relationships are generally written down over a period of between three and ten years. The amortisation period is based on historical customer attrition, competition in the market, degree of integration with the customer's business, and importance of the aftermarket (such as servicing and warranties). Brands are not amortised but are tested annually for impairment in accordance with IAS 36. Other step-ups identified in acquisitions during the period relate to buildings and inventories. Buildings are generally depreciated over 25 years, while inventories are depreciated on the basis of turnover.

Acquisition-related expenses

Acquisition-related expenses consist of fees to advisers in connection with due diligence. These expenses are recognised as administrative expenses in the statement of profit or loss and the statement of comprehensive income. Acquisition-related expenses for acquisitions completed during the period totalled SEK 43 million (6).

Contingent considerations

A contingent consideration, or earn-out, is a conditional additional purchase payment that is normally based on the acquired company's results during the first few years, either as a binary outcome if a certain level of earnings is achieved, or on a scale where the amount rises with the earnings of the acquired company in a predetermined future accounting period. This liability generally crystallises, if the criteria are met, one to three years from the date of acquisition. At the time of the transaction, a contingent consideration is measured at fair value by calculating the present value of the likely outcome using a discount rate of 9.6 percent (9.6). The likely outcome is based on the Group's projections for the respective entity and dependent on future earnings generated by the entity, with a set maximum. The discounted value of unpaid contingent considerations for the period's acquisitions is SEK 396 million (43), while the total liability recognised for discounted contingent considerations on 30 September is SEK 701 million (87).

Non-controlling interests

The Group measures holdings where it does not have a controlling interest at fair value based on full goodwill using the latest known market value, which is defined as the purchase price.

Acquisition-related disclosures

All acquisitions during the period took the form of purchases of shares.

EFFECT OF ACQUISITIONS ON THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR JANUARY–SEPTEMBER 2021

SEK m	Services	Trade	Industry	Group operations	Total
Effect after the acquisition date included in consolidated profit					
Sales	1,133	1,281	1,066	2	3,483
Profit for the year	68	121	116	6	310
Effect if the acquisitions had been completed on January 1					
Sales	1,630	2,202	2,748	2	6,582
Profit for the year	135	226	344	-3	702

Acquisitions completed during the first nine months of 2021 increased the Group's net sales by SEK 3,483 million, EBITA by SEK 397 million and profit after tax by SEK 310 million. Transaction costs for these acquisitions came to SEK 43 million and are included in administrative expenses in the consolidated statement of profit or loss.

Other financial information

EMPLOYEES

At the end of the period, the Group had 7,014 (3,457) employees. Acquisitions carried out during the quarter increased the number of employees by 30.

SHARE CAPITAL

On 31 October 2021, the Company had share capital of SEK 836 thousand divided into 1,525 million Series B shares and 148 million Series A shares. The series B shares consist of approximately 16.8 million shares that were not executed within the framework of the over-allotment option that was granted in connection to the IPO, the shares have been transferred back to Storskogen free of charge, for future redemption.

Share structure on 31 October 2021

The Company's share structure and ownership structure changed significantly in connection with the IPO on 6 October 2021 (see "Significant events after the end of the period" for further information). To give a fair picture of the share structure and the ten largest shareholders, these are therefore presented as they stood on 31 October rather than on the balance sheet date of 30 September 2021.

Class of share	Number of shares	Number of votes	Percentage of capital	Percentage of votes
Series A share, 10 votes per share	148,001,374	1,480,013,740	8.8	49.3
Series B share, 1 vote per share	1,524,761,814	1,524,761,814	91.2	50.7
Total number of shares	1,672,763,188	3,004,775,554	100.0	100.0

Ten largest shareholders on 31 October 2021

	Series A	Series B	Percentage of capital	Percentage of votes
Daniel Kaplan ¹⁾	38,270,140	36,745,122	4.5	14.0
Alexander Murad Bjärgård	37,539,070	26,691,998	3.8	13.4
Ronnie Bergström ²⁾	38,270,254	18,513,504	3.4	13.4
Peter Ahlgren	33,921,910	15,614,607	3.0	11.8
AMF Pension & Fonder	-	130,475,324	7.8	4.3
Futur Pension	-	98,901,102	5.9	3.3
Swedbank Robur Fonder	-	86,840,491	5.2	2.9
Philian Invest AB	-	36,200,000	2.2	1.2
Christer Hansson ³⁾	-	34,337,488	2.1	1.1
Länsförsäkringar	-	33,715,178	2.0	1.1
Total largest shareholders	148,001,374	518,034,814	39.8	66.5
Other	-	989,878,939	59.2	32.9
Shares owned by Storskogen ⁴⁾	-	16,848,061	1.0	0.6
Total	148,001,374	1,524,761,814	100.0	100.0

¹⁾ Includes shares owned by Firm Factory AB

²⁾ Includes shares owned by Ångsmon AB

³⁾ Includes shares owned by Scalata Invest AB

⁴⁾ Consists of shares that were not executed within the framework of the over-allotment option that was granted in connection with the IPO, which has therefore been transferred back to Storskogen free of charge, for future redemption.

PARENT COMPANY

The Parent Company generated net sales of SEK 27 million (0) for the third quarter and SEK 72 million (0) for the first nine months, and a loss of SEK 21 million (profit of 17) for the third quarter and SEK 154 million (profit of 2) for the first nine months.

Other disclosures

ACCOUNTING POLICIES

The Group's interim report has been prepared in accordance with the relevant sections of the Annual Accounts Act and IAS 34 Interim Financial Reporting. The Parent Company's interim report has been prepared in accordance with the Annual Accounts Act, Chapter 9: Interim Reporting. The Parent Company applies RFR 2. The same accounting policies and assumptions have been applied for the Group and the Parent Company as in the most recent Annual Report. No new or amended standards have had or are expected to have any material effect on the Group. All amounts in this report are expressed in millions of Swedish kronor (SEK) unless otherwise indicated. Rounding differences may occur.

RISKS AND UNCERTAINTIES

The Storskogen Group's diversified business model, with 94 business units that are active in a variety of industries and have a large number of customers and suppliers, limits the Group's business and financial risks. In addition to the risks described in Storskogen's 2020 Annual Report, the Group's assessment is that the Covid-19 pandemic, if it does not subside as currently expected, could impact a number of business units within the Group in the form of health risks for employees, customers and suppliers, operational disruptions and a weaker financial position. Some subsidiaries in the Group could be affected by the disruption of supply chains and higher commodity prices that cannot be offset with price increases. The Group believes, however, that its diversified business model will limit the operational and financial impact of these risks. This is supported by the business units' operational and financial performance.

RELATED-PARTY TRANSACTIONS

Two senior executives received fees during the period billed via their own companies, Scalata AB and Priti Intressenter AB, prior to commencing employment with Storskogen Group AB. These fees came to a total of SEK 5 million. Louise Hedeberg supplied expertise on sustainability issues during the period, billing an amount of approximately SEK 0.2 million for this work via her company Penny to Pound AB.

ESTIMATES AND JUDGEMENTS

The preparation of the interim report has required management to make judgements, estimates and assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, revenue and expenses. Actual outcomes may differ from these estimates and judgements. The critical judgements and sources of uncertainty in estimates are the same as in the most recent Annual Report.

EXTRAORDINARY GENERAL MEETINGS

An Extraordinary General Meeting was held on 6 September. The meeting resolved to carry out a 10-for-1 stock split and amend the Articles of Association accordingly, and authorised the Board to decide on a new issue of Series B shares to broaden the Company's shareholder base ahead of their admission for trading on Nasdaq Stockholm. It also approved new guidelines on executive pay.

A second Extraordinary General Meeting was held on 24 September. The meeting approved the share-based incentive programme proposed by the Board and authorised the Board to decide on one or more issues of Series B shares, convertibles that can be converted into Series B shares and/or warrants that can be used to subscribe for Series B shares. The total number of shares, convertibles and/or warrants issued under this authority may not exceed 20 percent of the total number of Series B shares in the Company at the time the Board first exercises the authority. The meeting also approved guidelines for the nomination committee to apply until further notice.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

The Group has made 14 acquisitions since the end of the quarter: six add-ons and eight platform investments.

The Trade business area has acquired a qualified majority stake in Julian Bowen Ltd, a leading supplier of home furniture to online retailers in the UK.

The Services business area has acquired Norwegian construction contractor Fon Anlegg AS and made add-on investments in DRIVE Demolering Riv Entreprenad AB, PerGus Maskinförmedling AB, GD Transport AB and Larsson Måleri i Umeå AB.

The Industry business area has acquired a majority stake in Verkstadsindustri i Norr AB (VINAB), an engineering company serving heavy industry. ÅMV Production AB has made an add-on investment in Flexi Heater Sverige AB, which manufactures and sells mobile surface heaters, and the previously announced acquisition of Jernbro Automation AB was completed in October.

Also completed in October was the acquisition from Ceder Capital of a portfolio of companies comprising Viametrics Group AB, Buildercom Group AB, DeroA AB (Adero) and SoVent Group AB in the Services business area and Kumla Handtagsfabrik AB in the Industry business area.

The acquisitions completed since the end of the period had combined sales of around SEK 1,925 million for 2020.

Storskogen has also entered into agreements on two add-ons: Specialfålgar Holding AB (via Continovagruppen AB in the Trade business area) and Cuben Utbildning AB (via Strigo AB in the Services business area). These companies had combined sales of around SEK 419 million for 2020.

In addition, the Group has signed 10 non-binding letters of intent giving Storskogen exclusivity to conduct due diligence of the targets and negotiate with the companies and their vendors. An addition of 7 processes have been initiated with us as preferred buyer. These companies had combined sales of SEK 2,600 million for 2020.

As part of the Company's IPO on Nasdaq Stockholm on 6 October 2021, a total of approx. 208 million Series B shares were issued for cash, of which approx. 156 million were part of the main offering and approx. 52 million were part of an overallocation option (of which approx. 16.8 million have since been transferred back to Storskogen without consideration for future redemption). The net issue proceeds for the Company total around SEK 7.2 billion (based on an offering price of SEK 38.50 and taking into account that there were no proceeds from the approx. 16.8 million Series B shares transferred back to the Company). In line with the Articles of Association, other changes were made to the share capital structure in connection with the IPO, in the form of the redemption without consideration of approx. 51 million Series A shares and the conversion of approx. 99 million Series A shares into a corresponding number of Series B shares.

Following these changes in connection with the IPO, the Company has share capital of SEK 836,382 divided into 148,001,374 Series A shares and 1,524,761,814 Series B shares. Each share has a quota value of SEK 0.0005.

In connection with the admission of the Company's Series B shares for trading on Nasdaq Stockholm, the Company has implemented two share-based incentive programmes for senior executives and other key personnel in the Group: a warrant programme and a share savings programme. These programmes will run for approx. three years.

Participants in the programmes have subscribed for 3,424,040 warrants, and the total number of Series B shares in the share savings programme will be a maximum of 5,431,514 with full allotment of performance shares, in total corresponding to 0.5 percent of the share capital and 0.3 percent of the votes.

The SEK 3,000 million bond issued earlier in the year was listed on Nasdaq Stockholm on 11 November.

Storskogen is considering issuing an additional four-year bond of around SEK 2,000 million at the end of November within the SEK 5,000 million framework.

The Chief Executive Officer hereby provides an assurance that this interim report presents a true and fair view of developments in the Parent Company's and the Group's operations, financial position and results, and describes material risks and uncertainties faced by the Parent Company and the companies in the Group.

Stockholm, 18 November 2021

Storskogen Group AB

Daniel Kaplan
CEO

This report has not been reviewed by the Company's auditors.

Financial statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS, CONDENSED

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Net sales	4,744	2,176	11,457	6,353	14,037	8,933
Cost of goods sold	-3,738	-1,725	-8,996	-5,054	-11,070	-7,128
Gross profit	1,006	452	2,461	1,299	2,967	1,805
Selling expenses	-376	-149	-905	-464	-1,105	-664
Administrative expenses	-243	-101	-702	-348	-857	-503
Other operating income	118	26	342	106	463	227
Other operating expenses	-55	-21	-217	-39	-269	-91
Operating profit	450	206	980	555	1,199	774
Financial income	30	3	35	7	35	7
Financial expenses	-84	-26	-138	-63	-182	-108
Profit before tax	396	183	877	499	1,051	673
Tax	-81	-15	-181	-87	-194	-100
Profit for the period	314	168	696	412	858	574
Profit for the year attributable to:						
Owners of the parent company	290	157	645	387	800	542
Non-controlling interests	25	11	51	25	57	32
Basic and diluted earnings per share, Series A & B, SEK	0.20	0.13	0.48	0.37	0.60	0.49

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONDENSED

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Profit for the period	314	168	696	412	858	574
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit pension plans	1	-	1	-	1	-
Items that have or may be transferred to profit for the year						
Exchange differences, foreign operations	20	-1	29	-9	27	-11
Gains/losses on holding of derivatives for cash flow hedging	-1	-1	-8	4	1	13
Other comprehensive income for the period, net of tax	20	-2	22	-6	30	2
Comprehensive income for the period	335	167	718	406	888	576
Comprehensive income for the period attributable to:						
Owners of the parent company	307	156	667	381	829	543
Non-controlling interests	27	11	50	25	58	33

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, CONDENSED

SEK m	30 September 2021	30 September 2020	31 December 2020
Assets			
Intangible assets	12,164	4,447	5,154
Property, plant and equipment	2,932	1,401	1,471
Financial non-current assets	31	22	24
Deferred tax assets	57	5	4
Total non-current assets	15,184	5,875	6,653
Inventories	2,417	961	935
Trade receivable	2,564	1,118	1,227
Current receivables	1,118	726	576
Current investments	5	0	745
Cash and cash equivalents	4,820	2,618	1,866
Total current assets	10,924	5,424	5,349
Total assets	26,108	11,299	12,002
Equity and liabilities			
Total equity	9,287	4,956	5,262
Interest-bearing non-current liabilities	10,052	3,509	3,629
Non-interest-bearing non-current liabilities	1,257	393	637
Provisions	344	33	34
Deferred tax liabilities	723	254	263
Total non-current liabilities	12,376	4,190	4,564
Interest-bearing current liabilities	673	464	484
Trade payable	1,542	660	652
Non-interest-bearing current liabilities	2,230	1,029	1,041
Total current liabilities	4,445	2,153	2,176
Total equity and liabilities	26,108	11,299	12,002

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

SEK m	30 September 2021	30 September 2020	31 December 2020
Opening equity attributable to owners of the parent company	4,909	2,905	2,905
Comprehensive income			
Profit for the period	645	387	542
Other comprehensive income for the period	22	-6	1
Comprehensive income for the period	667	381	543
Transactions with the Group's owners			
Contributions from and value transfers to owners			
Dividends paid	-536	-300	-300
Share issue, cash	2,957	1,833	2,001
Share issue, non-cash	861	-	-
Transaction costs on issue of shares	-21	-80	-80
Share capital paid but not registered, cash	0	-	8
Change in fair value of minority option	-421	-81	-164
Total contributions from and value transfers to owners	2,840	1,372	1,465
Changes in ownership of subsidiaries			
Acquisition/divestment of non-controlling interests	-1	0	-3
Total changes in ownership of subsidiaries	-1	0	-3
Total transactions with the Group's owners	2,839	1,372	1,462
Closing equity attributable to owners of the parent company	8,415	4,658	4,909
Opening equity in non-controlling interests	353	202	202
Profit for the period	51	25	32
Other comprehensive income for the period	0	0	1
Comprehensive income for the period	50	25	33
Dividends to non controlling interests	-32	-21	-21
Acquisition/divestment of non-controlling interests	4	3	-5
Non-controlling interests arising on business combinations from before	496	89	144
Closing equity in non-controlling interests	872	298	353
Total equity	9,287	4,956	5,262

CONSOLIDATED STATEMENT OF CASH FLOWS, CONDENSED

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Profit before tax	396	183	877	499	1,051	673
Adjustment for non-cash items	167	83	501	292	710	500
Income tax paid	-122	-58	-338	-185	-323	-170
Change in working capital	-851	10	-362	-135	-416	-189
Cash flow from operating activities	-410	219	677	470	1,022	814
Net investments in non-current assets	-54	-50	498	-128	-306	-933
Subsidiary/business acquisitions and divestments	-136	-334	-5,594	-1,403	-6,085	-1,894
Cash flow from investment activities	-190	-384	-5,095	-1,531	-6,391	-2,828
Dividend to owners of the parent company	0	0	-536	-300	-536	-300
Dividends to minority owners	-10	0	-32	-19	-34	-21
Proceeds from issues of shares	327	1,149	2,936	1,754	3,191	2,009
Other financing activities	-1,502	160	4,988	521	4,935	468
Cash flow from financing activities	-1,185	1,309	7,356	1,955	7,557	2,156
Cash flow for the period	-1,786	1,143	2,938	894	2,187	142
Cash and equivalents at beginning of period	6,593	1,476	1,866	1,730	2,618	1,730
Exchange rate differences in cash and cash equivalents	13	-1	15	-6	15	-6
Cash and equivalents at end of period	4,820	2,618	4,820	2,618	4,820	1,866

ITEMS BY SEGMENT AND BREAKDOWN OF REVENUE

2021

Jan-Sep, SEK m	Services	Trade	Industry	Group operations	Total
Net sales	4,570	3,615	3,273	-2	11,457
Cost of goods sold	-3,589	-2,826	-2,496	-85	-8,996
Gross profit	980	790	778	-87	2,461
Selling expenses	-357	-302	-224	-22	-905
Administrative expenses	-277	-146	-239	-40	-702
Other operating income	139	131	64	8	342
Other operating expenses	-30	-60	-109	-17	-217
Operating profit	456	413	269	-158	980
Financial income	2	4	-10	39	35
Financial expenses	-18	-16	-11	-92	-138
Profit before tax	561	401	247	-332	877
Reversal of financial income/expenses	-105	12	22	174	103
Reversal of amortisation and impairments of intangible assets	58	41	49	1	149
EBITA	514	454	318	-157	1,129
Items affecting comparability	-62	-24	86	17	17
Adjusted EBITA	452	429	404	-140	1,145

2021

Jan-Sep, SEK m	Services	Trade	Industry	Group operations	Total
Sweden	4,321	2,161	1,880	-4	8,359
Within the EU, excluding Sweden	118	533	979	-	1,630
Outside the EU	131	921	414	2	1,468
Total net sales	4,570	3,615	3,273	-2	11,457

2020

Jan-Sep, SEK m	Services	Trade	Industry	Group operations	Total
Net sales	2,693	1,831	1,832	-3	6,353
Cost of goods sold	-2,139	-1,463	-1,438	-14	-5,054
Gross profit	554	368	394	-17	1,299
Selling expenses	-187	-137	-134	-6	-464
Administrative expenses	-130	-90	-137	9	-348
Other operating income	26	44	37	0	106
Other operating expenses	-5	-27	-6	0	-39
Operating profit	258	158	153	-14	555
Financial income	2	4	1	0	7
Financial expenses	-7	-10	-9	-37	-63
Profit before tax	252	152	146	-51	499
Reversal of financial income/expenses	6	6	7	37	56
Reversal of amortisation and impairments of intangible assets	37	19	20	0	76
EBITA	294	177	173	-14	630
Items affecting comparability	-6	3	1	-	-2
Adjusted EBITA	289	179	174	-14	629

2020

Jan-Sep, SEK m	Services	Trade	Industry	Group operations	Total
Sweden	2,563	1,395	1,297	-3	5,252
Within the EU, excluding Sweden	47	191	415	-	652
Outside the EU	83	245	120	-	448
Total net sales	2,693	1,831	1,832	-3	6,353

REVENUE FROM CUSTOMER CONTRACTS

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 m t.o.m 30 Sep 2021	Full year 2020
Construction & Infrastructure	548	293	1,626	885	2,009	1,268
Installation	499	337	1,319	740	1,705	1,125
Logistics	228	171	644	511	826	692
Engineering Services	164	141	505	420	640	556
Digital Services	83	39	240	128	288	175
HR and Competence	113	10	238	10	249	22
Intragroup sales within the business area	-1	0	-3	0	-3	-1
Total, Services segment	1,634	992	4,570	2,693	5,713	3,837
Distributors	914	367	2,142	1,029	2,583	1,470
Brands	482	181	1,188	569	1,418	799
Producers	108	73	292	235	376	319
Intragroup sales within the business area	-3	-1	-7	-1	-9	-3
Total, Trade segment	1,502	620	3,615	1,831	4,368	2,584
Automation	325	226	914	652	1,156	893
Industrial Technology	319	180	809	633	1,035	859
Products	971	177	1,583	562	1,810	789
Intragroup sales within the business area	-7	-15	-33	-15	-41	-23
Total, Industry segment	1,608	568	3,273	1,832	3,961	2,519
Intragroup sales eliminations	0	-3	-2	-3	-5	-6
Total	4,744	2,176	11,457	6,353	14,037	8,933

THE GROUP'S MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES

Financial assets, SEK m	30 September 2021				30 September 2020			
	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through OCI	Total carrying amount	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through OCI	Total carrying amount
Financial non-current assets	24	6	1	31	11	5	5	21
Trade receivable	2,564	-	-	2,564	1,118	-	-	1,118
Current receivables	508	-	6	513	236	-	-	236
Current investments	-	5	-	5	-	0	-	0
Cash and cash equivalents	4,820	-	-	4,820	2,618	-	-	2,618
Total	7,915	12	7	7,933	3,984	5	5	3,994

Financial liabilities, SEK m	30 September 2021				30 September 2020			
	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at fair value through OCI	Total carrying amount	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at fair value through OCI	Total carrying amount
Interest-bearing non-current liabilities	9,248	-	-	9,248	3,079	-	-	3,079
Non-interest-bearing non-current liabilities	8	423	-	431	6	64	-	70
Interest-bearing current liabilities	367	-	-	367	313	-	-	313
Trade payable	1,542	-	-	1,542	660	-	-	660
Non-interest-bearing current liabilities	1,430	278	0	1,708	666	23	-	689
Total	12,594	701	0	13,295	4,724	87	-	4,811

Financial assets, SEK m	31 December 2020			Total carrying amount
	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through OCI	
Financial non-current assets	10	6	7	24
Trade receivable	1,227	–	–	1,227
Current receivables	279	–	10	289
Current investments	–	745	–	745
Cash and cash equivalents	1,866	–	–	1,866
Total	3,382	752	17	4,150

Financial liabilities, SEK m	31 December 2020			Total carrying amount
	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at fair value through OCI	
Interest-bearing non-current liabilities	3,189	–	–	3,189
Non-interest-bearing non-current liabilities	0	232	–	232
Interest-bearing current liabilities	330	–	–	330
Trade payable	652	–	–	652
Non-interest-bearing current liabilities	758	27	1	785
Total	4,928	259	1	5,188

Fair value measurement

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The table below shows how financial instruments are measured at fair value in accordance with the fair value hierarchy. The various levels in the hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Input data other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as price quotations) or indirectly (i.e. originating from price quotations)

Level 3 – Input data for the asset or liability that are not based on observable market data (i.e. unobservable input data)

Fair value for informational purposes

The carrying amounts of assets and liabilities measured at amortised cost are considered to be an accurate approximation of their fair values. Given the prevailing low-interest-rate economic environment, calculations indicate that the difference between amortised cost and fair value is not significant.

Financial assets, SEK m	30 September 2021				Total carrying amount	30 September 2020				Total
	Level 1	Level 2	Level 3	Other ¹⁾		Level 1	Level 2	Level 3	Other ¹⁾	
Financial non-current assets	–	1	–	30	31	–	5	–	17	21
Trade receivable	–	–	–	2,564	2,564	–	–	–	1,118	1,118
Current receivables	–	6	–	508	513	–	–	–	236	236
Current investments	5	–	–	–	5	0	–	–	–	0
Cash and cash equivalents	4,820	–	–	–	4,820	2,618	–	–	–	2,618
Total	4,825	7	–	3,102	7,933	2,618	5	–	1,371	3,994

Financial liabilities, SEK m	30 September 2021				Total carrying amount	30 September 2020				Total
	Level 1	Level 2	Level 3	Other ¹⁾		Level 1	Level 2	Level 3	Other ¹⁾	
Interest-bearing non-current liabilities	–	–	–	9,248	9,248	–	–	–	3,079	3,079
Non-interest-bearing non-current liabilities	–	–	423	8	431	–	–	64	6	70
Interest-bearing current liabilities	–	–	–	367	367	–	–	–	313	313
Trade payable	–	–	–	1,542	1,542	–	–	–	660	660
Non-interest-bearing current liabilities	–	0	278	1,430	1,708	–	–	23	666	689
Total	–	0	701	12,594	13,295	–	–	87	4,724	4,811

31 December 2020					Total carrying amount
Financial assets, SEK m	Level 1	Level 2	Level 3	Other ¹⁾	
Financial non-current assets	–	7	–	16	23
Trade receivable	–	–	–	1,227	1,227
Current receivables	–	10	–	279	289
Current investments	745	–	–	–	745
Cash and cash equivalents	1,866	–	–	–	1,866
Total	2,611	17	–	1,522	4,150

31 December 2020					Total carrying amount
Financial liabilities, SEK m	Level 1	Level 2	Level 3	Other ¹⁾	
Interest-bearing non-current liabilities	–	–	–	3,189	3,189
Non-interest-bearing non-current liabilities	–	–	232	0	232
Interest-bearing current liabilities	–	–	–	330	330
Trade payable	–	–	–	652	652
Non-interest-bearing current liabilities	–	1	27	758	785
Total	–	1	259	4,928	5,188

¹⁾ To be able to reconcile the financial instruments with the balance sheet items, financial instruments not measured at fair value together with other assets and liabilities are presented in the Other column.

Level 2 derivatives have been measured at fair value based on data from the issuing institution.

Change in financial liabilities Level 3, SEK m	OB	Aquisition	Paid	Remeasured	Present Value	CB
Contingent considerations	259	490	-46	-1	-1	701

The fair value of contingent considerations has been calculated on the basis of expected outcome against the targets set out in the contracts, using a discount rate of 9.6 percent (9.6).

EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period attributable to the owners of the Parent Company by the weighted average number of ordinary shares outstanding during the period.

When calculating earnings per share after dilution, the dilution effect of potential ordinary shares and the weighted average of the additional shares that would have been outstanding in a conversion of all potential ordinary shares are taken into account.

In accordance with the Company's Articles of Association, previous preferential rights to dividends ceased with the admission of the Company's shares to the stock exchange through an initial public offering, and all Series A and Series B shares now carry the same rights to the Company's assets and profits. Earnings per share for comparative periods is presented as though all shares had the same rights to the Company's assets and profits.

In October 2021, 51,335,798 Series A shares were redeemed without payment so that the remaining Series A shares had a value corresponding to 20 percent of the Company's value immediately before the initial public offering. The redemption of these shares has been allowed for retroactively when calculating the number of ordinary shares outstanding.

SEK	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Earnings per share						
Basic earnings per share, Series A & B, SEK	0.20	0.13	0.48	0.37	0.60	0.49
Diluted earnings per share, Series A & B, SEK	0.20	0.13	0.48	0.37	0.60	0.49
SEK k						
Net profit for the period attributable to owners of the parent						
Net profit for the year for Series A & B shares attributable to owners of the parent	289,648	157,398	645,103	386,622	800,204	541,723
Number						
Weighted average number of shares used in calculating earnings per share*						
Weighted average number of shares, Series A shares	239,868,063	209,730,869	220,398,822	173,464,202	217,965,167	183,108,646
Weighted average number of shares, Series B shares	1,212,666,885	1,037,089,388	1,125,957,515	880,765,805	1,106,151,350	923,489,483
Total weighted average number of shares	1,452,534,948	1,246,820,257	1,346,356,338	1,054,230,007	1,324,116,518	1,106,598,130

* There are no potential dilutive effects related to shares for periods covered by these financial reports.

PERFORMANCE MEASURES

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Net sales	4,744	2,176	11,457	6,353	14,037	8,933
Operating profit	450	206	980	555	1,199	774
Operating margin, %	9.5	9.5	8.6	8.7	8.5	8.7
Adjusted EBITDA	653	329	1,533	853	1,853	1,172
Adjusted EBITA	492	246	1,145	629	1,371	854
Adjusted EBITA margin, %	10.4	11.3	10.0	9.9	9.8	9.6
Profit before tax	396	183	877	499	1,051	673
Profit for the period	314	168	696	412	858	574
Working capital				1,005	1,515	1,093
Return on working capital, % (12 months)				77.9	90.5	78.1
Return on equity, % (12 months)				12.9	12.6	14.2
Return on capital employed, % (12 months)				9.6	8.8	10.1
Equity/assets ratio, %				43.9	35.6	43.8
Net debt (balance day)				1,771	7,434	2,172
Debt/equity ratio (balance day)				0.4	0.8	0.4
Net debt/adjusted EBITDA (12 months)				1.6	4.0	1.9
Net debt/adjusted RTM EBITDA (12 months)				1.4	2.8	1.6
Interest coverage ratio	5.7	8.1	7.4	8.9	6.8	7.3
Average number of employees (12 months)				3,073	5,185	3,154
Number of employees at end of period				3,457	7,014	3,565
Cash flow from operating activities	-410	219	677	470	1,022	814
Cash conversion, %	-37.7	88.3	60.9	69.3	62.5	69.5
Basic and diluted earnings per share, Series A & B, SEK	0.20	0.13	0.48	0.37	0.60	0.49

PARENT COMPANY STATEMENT OF PROFIT OR LOSS, CONDENSED

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Net sales	27	0	72	0	83	11
Gross profit	27	0	72	0	83	11
Administrative expenses	-68	-3	-164	-16	-181	-33
Other operating income	2	-	3	-	3	-
Other operating cost	-7	-	-16	-	-16	-
Operating profit	-46	-3	-105	-16	-110	-22
Financial income	88	13	143	37	563	457
Financial expenses	-67	-15	-207	-41	-223	-57
Profit after financial items	-24	-4	-169	-20	230	379
Appropriations	-	-	-	-	123	123
Tax	3	21	15	21	-9	-2
Profit for the period	-21	17	-154	2	344	500

PARENT COMPANY BALANCE SHEET, CONDENSED

SEK m	30 September 2021	30 September 2020	31 December 2020
Assets			
Intangible non-current assets	0	0	0
Financial non-current assets	13,660	5,817	5,923
Total non-current assets	13,660	5,817	5,923
Current receivables	1,307	640	1,358
Cash and cash equivalents	-	-	744
Total current assets	3,724	1,814	1,125
Total current assets	5,031	2,455	3,228
Total assets	18,692	8,272	9,151
Equity and liabilities			
Restricted equity	1	1	1
Unrestricted equity	8,710	4,930	5,604
Total equity	8,711	4,931	5,604
Non-current liabilities	8,678	3,009	3,108
Current liabilities	1,303	332	438
Total equity and liabilities	18,692	8,272	9,151

Definitions and calculations

PERFORMANCE MEASURES

Storskogen presents a number of performance measures that are not defined in accordance with IFRS. The Company considers these measures to provide valuable supplementary information for investors and the Company's management, as they allow an evaluation of trends and the Company's performance. As not all companies calculate these measures in the same way, they are not always comparable with those used by other companies. These measures should therefore not be regarded as replacing measures that are defined in accordance with IFRS. Definitions of the measures used, most of which are alternative performance measures, are presented below.

RETURN ON EQUITY¹

Profit for the period/year (including profit attributable to non-controlling interests) as a percentage of total equity (including equity attributable to non-controlling interests). Profit is calculated accumulated for the previous 12-month period, and equity as the average for the previous 12-month period. The purpose is to analyse profitability in relation to equity attributable to the owners of the Parent Company.

SEK m			12 months until 30 Sep 2020	12 months until 30 Sep 2021	Full year 2020
Profit for the period			465	858	574
Equity			3,612	6,786	4,051
Return on equity, %			12.9	12.6	14.2

RETURN ON WORKING CAPITAL¹

Adjusted EBITA as a percentage of working capital. Working capital is calculated as the average for the previous 12-month period. The purpose is to analyse profitability in relation to working capital.

SEK m			12 months until 30 Sep 2020	12 months until 30 Sep 2021	Full year 2020
Adjusted EBITA			783	1,371	854
Working capital			1,005	1,515	1,093
Return on working capital, %			77.9	90.5	78.1

RETURN ON CAPITAL EMPLOYED¹

Operating profit (EBIT) plus financial income as a percentage of capital employed. EBIT and financial income are calculated accumulated for the previous 12-month period, and capital employed as the average for the previous 12-month period. The purpose is to analyse profitability in relation to capital employed.

SEK m			12 months until 30 Sep 2020	12 months until 30 Sep 2021	Full year 2020
Operating profit			644	1,199	774
Financial income			12	35	7
Operating profit including financial income			656	1,233	781
Capital employed			6,835	13,981	7,731
Return on capital employed, %			9.6	8.8	10.1

EBITA¹

Operating profit (EBIT) before amortisation and impairment of intangible assets. The purpose is to assess the Group's operating activities.

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Operating profit	450	206	980	555	1,199	774
Amortisation of intangible assets	74	29	149	76	180	107
Impairment of intangible assets	0	0	0	0	5	5
EBITA	524	235	1,129	630	1,384	885

EBITDA¹

Operating profit (EBIT) before depreciation, amortisation and impairment. The purpose is to assess the Group's operating activities. EBITDA serves as a complement to operating profit (EBIT).

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Operating profit	450	206	980	555	1,199	774
Amortisations and depreciations	235	112	537	300	662	425
Impairment	0	0	0	0	6	5
EBITDA	685	318	1,517	855	1,866	1,203

FINANCIAL ITEMS¹

Financial income less financial expenses. The purpose is to present developments in the Group's financing activities.

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Financial income	30	3	35	7	35	7
Financial expenses	-84	-26	-138	-63	-182	-108
Net financial items	-54	-23	-103	-56	-147	-101

ADJUSTED EBITA¹

Operating profit (EBIT) before amortisation and impairment of intangible assets, excluding revaluations of contingent considerations, non-recurring costs related to the IPO, and fair value adjustments of acquired assets (such as inventory step-ups). The purpose is to assess the Group's operating activities. Adjusted EBITA facilitates comparison of EBITA between periods.

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Operating profit	450	206	980	555	1,199	774
Items affecting comparability	-32	11	17	-2	-13	-32
Amortisations of intangible assets	74	29	149	76	180	107
Impairment of intangible assets	0	0	0	0	5	5
Adjusted EBITA	492	246	1,145	629	1,371	854

ADJUSTED EBITA MARGIN¹

Adjusted EBITA as a percentage of net sales. The purpose is to provide a guide to profitability in relation to sales.

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Adjusted EBITA	492	246	1,145	629	1,371	854
Net sales	4,744	2,176	11,457	6,353	14,037	8,933
Adjusted EBITA-margin, %	10.4	11.3	10.0	9.9	9.8	9.6

ADJUSTED EBITDA¹

Operating profit (EBIT) before depreciation, amortisation and impairment, excluding revaluations of contingent considerations, non-recurring costs related to the IPO, and fair value adjustments of acquired assets (such as inventory step-ups). The purpose is to assess the Group's operating activities. EBITDA serves as a complement to operating profit. Adjusted EBITDA facilitates comparison of EBITDA between periods.

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Operating profit	450	206	980	555	1,199	774
Items affecting comparability	-32	11	17	-2	-13	-32
Amortisations and depreciations	235	112	537	300	662	425
Impairment	0	0	0	0	6	5
Adjusted EBITDA	653	329	1,533	853	1,853	1,172

ADJUSTED CASH CONVERSION ¹

Operating cash flow as a percentage of adjusted EBITDA. The purpose is to analyse cash generation.

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Adjusted EBITDA	653	329	1,533	853	1,853	1,172
Change in operating capital	-851	10	-362	-135	-416	-189
Cash flow from net investments in tangible assets	-48	-49	-237	-127	-278	-168
Operating Cash Flow	-246	291	934	591	1,158	815
Adjusted EBITDA	653	329	1,533	853	1,853	1,172
Adjusted cash conversion, %	-37.7	88.3	60.9	69.3	62.5	69.5

ITEMS AFFECTING COMPARABILITY ¹

Items such as revaluations of contingent considerations, non-recurring costs related to the IPO, and amortisation of step-ups to fair value on acquisitions are excluded to facilitate comparisons between periods.

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Revaluation of additional purchase price	-49	11	-1	-2	-39	-40
Costs related to the IPO	17	-	17	-	17	-
Fair value adjustments of acquired assets	0	-	0	-	9	8
Items affecting comparability	-32	11	17	-2	-13	-32

NET DEBT ¹

Interest-bearing liabilities (i.e. interest-bearing non-current liabilities, non-current lease liabilities, interest-bearing current liabilities and current lease liabilities) including minority options and contingent consideration liabilities, less current investments, cash and cash equivalents. The purpose is to provide an alternative measure of the Group's level of debt.

SEK m			Sep 30 2020	Sep 30 2021	Dec 31 2020
Interest-bearing liabilities			3,973	10,725	4,113
Contingent consideration liabilities			87	701	259
Minority options			329	833	411
Current investments			0	-5	-745
Cash and cash equivalents			-2,618	-4,820	-1,866
Net debt			1,771	7,434	2,172

NET DEBT/ADJUSTED EBITDA ¹

Net debt in relation to adjusted EBITDA provides a measure of leverage. Net debt is at the balance sheet date, and adjusted EBITDA is calculated accumulated for the previous 12-month period. The purpose is to provide an indication of the Group's ability to pay its debts.

SEK m			12 months until 30 Sep 2020	12 months until 30 Sep 2021	Full year 2020
Net debt			1,771	7,434	2,172
Adjusted EBITDA			1,092	1,853	1,172
Net debt/Adjusted EBITDA			1.6	4.0	1.9

NET DEBT/RTM ADJUSTED EBITDA ¹

Net debt in relation to RTM adjusted EBITDA provides a measure of leverage. Net debt is at the balance sheet date, and RTM adjusted EBITDA is calculated as adjusted EBITDA recorded for the previous 12-month period adjusted for the contribution of the businesses contractually acquired by the Group during that 12-month period. The purpose is to provide an indication of the Group's ability to pay its debts.

SEK m			12 months until 30 Sep 2020	12 months until 30 Sep 2021	Full year 2020
Net debt			1,771	7,434	2,172
Adjusted RTM EBITDA			1,265	2,693	1,337
Net debt/Adjusted RTM EBITDA			1.4	2.8	1.6

ORGANIC EBITA GROWTH ¹

Change in EBITA, excluding acquisition and divestment effects from acquisitions and adjusted for Group functions, relative to EBITA for the same companies for the same period the previous year. Acquired entities are included in organic EBITA growth once they have been part of the Group for the full comparison period. The purpose is to analyse underlying growth in operating profit.

ORGANIC NET SALES GROWTH (ORGANIC GROWTH)¹

Change in net sales, excluding acquisition and divestment effects from acquisitions, relative to the same period the previous year. Acquired entities are included in organic growth once they have been part of the Group for the full comparison period. The purpose is to analyse underlying growth in net sales.

INTEREST COVERAGE RATIO¹

Operating profit plus financial income divided by financial expenses. The purpose is to present earnings in relation to interest costs.

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Operating profit	450	206	980	555	1,199	774
Financial income	30	3	35	7	35	7
Profit after financial items, net, including financial expenses	480	209	1,015	562	1,233	781
Financial expenses	-84	-26	-138	-63	-182	-108
Interest coverage ratio	5.7	8.1	7.4	8.9	6.8	7.3

WORKING CAPITAL¹

Working capital is calculated as current operating receivables (inventories, accounts receivable and other non-interest-bearing current receivables) less current operating liabilities (accounts payable and other non-interest-bearing current liabilities excluding contingent consideration liabilities). The components are calculated as the average for the previous 12-month period. The purpose is to analyse the capital tied up in the balance sheet by the Group's operating activities.

SEK m			12 months until 30 Sep 2020	12 months until 30 Sep 2021	Full year 2020
Inventories			940	1,555	963
Accounts receivable			1,019	1,779	1,086
Other current receivables			438	711	495
Accounts payable			-586	-1,065	-607
Other current liabilities			-805	-1,464	-844
Working capital			1,005	1,515	1,093

OPERATING MARGIN¹

Operating profit (EBIT) as a percentage of net sales. The purpose is to provide a guide to profitability in relation to sales.

SEK m	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	12 months until 30 Sep 2021	Full year 2020
Operating profit	450	206	980	555	1,199	774
Net sales	4,744	2,176	11,457	6,353	14,037	8,933
Operating margin, %	9.5	9.5	8.6	8.7	8.5	8.7

OPERATING PROFIT (EBIT)

Net sales less cost of goods sold, selling expenses and administrative expenses, plus other operating income less other operating expenses. The purpose is to assess the Group's operating activities.

DEBT/EQUITY RATIO¹

Net debt divided by total equity including equity attributable to non-controlling interests. The purpose is to show the size of debt in relation to equity, i.e. a measure of capital strength and financial risk. A high debt/equity ratio will correspond to a low equity/assets ratio, while a low debt/equity ratio will correspond to a high equity/assets ratio.

SEK m			Sep 30 2020	Sep 30 2021	Dec 31 2020
Net debt			1,771	7,434	2,172
Equity			4,956	9,287	5,262
Debt/equity ratio			0.4	0.8	0.4

EQUITY/ASSETS RATIO¹

Total equity including equity attributable to non-controlling interests as a percentage of total assets. The purpose is to show the proportion of assets that are financed with equity.

SEK m			Sep 30 2020	Sep 30 2021	Dec 31 2020
Equity			4,956	9,287	5,262
Total assets			11,299	26,108	12,002
Equity/assets ratio, %			43.9	35.6	43.8

CAPITAL EMPLOYED¹

Total assets less non-interest-bearing liabilities and provisions. The components are calculated as the average for the previous 12-month period. The purpose of this measure is to track the amount of capital that is employed in operations and financed by shareholders and lenders.

SEK m			Sep 30 2020	12 months until 30 Sep 2021	Dec 31 2020
Total assets			8,887	18,311	9,957
Non-interest-bearing liabilities			-1,791	-3,727	-1,955
Provisions			-261	-603	-271
Capital employed			6,835	13,981	7,731

NUMBER OF SHARES OUTSTANDING

Total number of shares. This number is used primarily to calculate performance measures such as earnings per share which are defined in accordance with IFRS.

Total number of registered shares			Sep 30 2020	Sep 30 2021	Dec 31 2020
Serie A shares			26,200,000	298,004,760	26,200,000
Serie B shares			104,345,509	1,218,044,830	105,792,864
Number of outstanding shares			130,545,509	1,516,049,590	131,992,864

¹ Classified as an alternative performance measure under ESMA's guidelines.

About Storskogen

Storskogen is a group of companies with a vision to be the best owner of small and medium-sized enterprises. Storskogen's companies share a common focus on good profitability, stable cash flows and a strong position in their niche market. Stable and profitable companies are not built overnight and are seldom cast in the same mould. We therefore take a long-term perspective when we acquire and support companies in their continued development, without setting a limit on our ownership horizon.

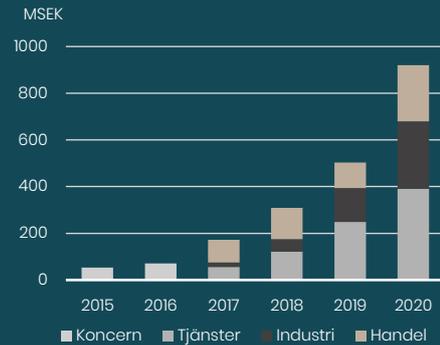
NET SALES



94

business units
in the Services,
Industry and
Trade business
areas

ADJUSTED EBITA



OUR VISION

Storskogen's vision is to be the best owner of small and medium-sized enterprises.

BUSINESS CONCEPT

Storskogen's business concept is to acquire and manage a diversified group of profitable enterprises with a strong position in their respective markets, and to do so without setting a limit on our ownership horizon.



FINANCIAL CALENDAR

Interim report Q4 2021 – 23 February 2022
Interim report Q1 2022 – 17 May 2022
Annual General Meeting – 17 May 2022, Stockholm
Interim report Q2 2022 – 16 August 2022
Interim report Q3 2022 – 15 November 2022

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