

Moody's changes Storskogen's credit rating

PRESS RELEASE, 2023-03-24

Moody's Investors Service ("Moody's") has today announced its downgrading of Storskogen Group AB's credit rating (corporate family rating) from B₃ to B₁, with a negative outlook.

As earlier communicated, including at Storskogen's Capital Markets Day in September 2022, the company is working actively to improve cash flow and decrease its net debt/EBITDA ratio (defined as interest-bearing net debt/adjusted RTM EBITDA). During the fourth quarter 2022, cash flow was significantly strengthened, with a cash conversion of 109 percent, a reduction of interest-bearing net debt and a decrease in net debt/EBITDA from 2.7x to 2.6x. In the quarter net sales grew organically by 11 percent and the adjusted EBITA margin rose to 9.4 percent, from 9.0 percent in the fourth quarter of the previous year.

"Our measures to reduce the net debt/EBITDA ratio toward the lower end of the target range of 2-3x started to yield results in the fourth quarter. Storskogen's liquidity is good, with cash and cash equivalents and unutilised credit facilities amounting to more than SEK 10 billion. As a step in the process of extending the maturities in our debt portfolio, we announced on 23 February the extension of both the revolving credit facility as well as the term facility. Storskogen has no debt maturing in 2023 and only one outstanding bond, amounting to SEK 3 billion, maturing in 2024. This makes us comfortable with our financial position", says Lena Glader, CFO, Storskogen.

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This press release contains inside information that Storskogen Group AB (publ) is required to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by the above contact person on 24 March 2023 at 19:50 CET.

ABOUT STORSKOGEN

Storskogen is an international group of businesses across Trade, Industry, and Services. We are uniquely positioned to identify, acquire, and develop market leaders with sustainable business models over an infinite ownership horizon. Storskogen creates value by providing access to capital and strategic direction with active governance and a decentralised operational model. Storskogen has over 12,900 employees, generates SEK 37.4 billion RTM net sales on a proforma basis across a diversified group of businesses and is listed on Nasdaq Stockholm.