

INTERIM REPORT

JANUARY – MARCH 2024

“Focus on organic
EBITA growth”

First quarter, 1 January – 31 March 2024

- Net sales decreased by 9 percent to SEK 8,358 million (9,213). Organic sales growth was -6 percent.
- Adjusted EBITA decreased by 21 percent to SEK 703 million (885), corresponding to an adjusted EBITA margin of 8.4 percent (9.6). Organic EBITA growth was -21 percent.
- Operating profit (EBIT) decreased by 43 percent to SEK 478 million (832), corresponding to an operating margin of 5.7 percent (9.0).
- Profit for the period decreased by 72 percent to SEK 143 million (515).
- Basic and diluted earnings per share amounted to SEK 0.07 (0.28). Adjusted diluted earnings per share amounted to SEK 0.09 (0.18).
- Cash flow from operating activities was SEK 109 million (467).
- Three add-on acquisitions were completed, with combined annual sales of SEK 7 million.
- Daniel Kaplan resigned as CEO and was replaced by Christer Hansson, previously EVP Head of Business Area Trade, as interim CEO. Åsa Murphy assumed the role of interim EVP Head of Business Area Trade.
- Storskogen refinanced both of its outstanding unsecured facility agreements, resulting in the average maturity of its debt portfolio being extended, and the scope of its bank financing reduced.

Significant events after the end of the period

- On 3 April 2023, Storskogen issued two convertibles in connection with the acquisition of AC Electrical Services Group Limited. The conversion of these to 16,561,182 B shares (corresponding to a dilution effect of approximately 0.98 percent of the share capital and approximately 0.55 percent of the votes) was completed on 3 April 2024.

Amounts in parentheses are for the corresponding period in 2023.

8,358

SEK m, net sales

703

SEK m, adjusted EBITA

8.4

%, adjusted EBITA margin

Key performance measures

SEK m	Q1			Apr-Mar	Full-year
	2024	2023	Δ%	23/24	2023
Net sales	8,358	9,213	-9	35,150	36,006
Adjusted EBITA	703	885	-21	3,056	3,238
Adjusted EBITA margin, %	8.4	9.6		8.7	9.0
Operating profit	478	832	-43	2,092	2,446
Operating margin, %	5.7	9.0		6.0	6.8
Profit for the period	143	515	-72	572	944
Basic earnings per share, SEK	0.07	0.28	-75	0.26	0.47
Diluted earnings per share, SEK	0.07	0.28	-75	0.26	0.46
Adjusted diluted earnings per share, SEK	0.09	0.18	-49	0.37	0.46
Interest-bearing net debt/adjusted RTM EBITDA (12 months), x	2.8	2.6		2.8	2.5
Return on equity, % (12 months)	2.8	10.0		2.8	4.6
Return on capital employed, % (12 months)	6.8	10.7		6.8	7.7
Cash flow from operating activities	109	467		3,004	3,361
Adjusted cash conversion, %	72	79	-8	104	104

Focus on organic EBITA growth

In this year's first quarter, net sales reached SEK 8,358 million (9,213). Adjusted EBITA reached SEK 703 million (885), with a corresponding EBITA margin of 8.4 percent (9.6). Our focus on cash flow remains, which is reflected in the adjusted cash conversion (LTM) of 104 percent. Compared to the first quarter 2023, this year's first quarter was softer, which was in line with our expectations as overall demand is weaker. It was also partly an effect of the early Easter holiday causing fewer working days, which had a negative impact on March – usually the strongest month of the year. The first quarter of the year was thus in line with typical seasonality of softer first and third quarters and stronger second and fourth quarters. Considering the uncertain market situation, with subdued demand and a weak Swedish krona, it is positive that we managed to improve the margin sequentially from the fourth quarter. Our companies' initiatives to strengthen profitability is already having some effect, and this will be more noticeable once the economic climate improves.

Focus areas for the quarter

Since assuming the role of interim CEO in February, my primary focus has been organic EBITA growth. In 2023, we made substantial advances in our working capital management across the Group. In addition, the companies have done well reviewing costs and we have also made investments in increased production capacity and developed product offerings in several business units. Operational efficiency improvements like these give us conditions for increasing profitability once the market turns. Furthermore, new initiatives for price optimisation and sales improvements will contribute to organic EBITA growth. Our ambition is to implement these projects with the same rigor as last year's successful efforts to improve cash flow.

“Our focused efforts on increasing organic EBITA growth and maintaining strong cash flows, are crucial steps towards reducing the leverage ratio and resuming growth through acquisitions”

In my first weeks, I have engaged with many of our company CEOs and visited several business units within Industry and Services – areas in which I was less involved in my previous role. This has provided me with a better understanding of how these businesses address current challenges but has also highlighted the exciting opportunities ahead of us. It is gratifying to see the commitment our teams show to our strategic priorities.

A testament to the effectiveness of Storskogen's business model is our recent success in northern Sweden, where our collective capabilities have allowed us to land projects that single entities could not have managed. We have been able to secure projects, which involve industrial work closely linked to the green transition, in areas such as electrification and renewable energy, by submitting joint proposals under the Storskogen umbrella. This illustrates how the Group with joint forces can create business opportunities.



Financial strategy and outlook

We have continued to strengthen our financial profile, including extending our debt maturity profile significantly. During the quarter, we extended the average maturity from 18 to 33 months by adapting our bank financing to our needs. This has resulted in a more balanced debt portfolio and a well-distributed maturity profile, with no debt maturing until December 2025.

While the future always holds uncertainty, I can assure you that the entire Storskogen team is committed to delivering improved profitability and to growing EBITA. Our focused efforts on increasing organic EBITA growth and maintaining strong cash flows, are crucial steps towards reducing the leverage ratio and resuming growth through acquisitions. In turn, this enables sustainable and profitable growth.

Christer Hansson
Interim CEO

The Group's performance

FIRST QUARTER

Sales

Net sales for the first quarter decreased by 9 percent to SEK 8,358 million (9,213). The change from last year constituted of organic sales growth of -6 percent and divestments of -5 percent, while acquisitions and exchange rate effects were +2 percent. The Industry business area saw demand normalise from previously high levels. For the Trade and Services business areas, the first quarter of the year is typically seasonally softer, apart from the comparison quarter, which was strong, partly owing to a late Easter.

Earnings

Adjusted EBITA decreased by 21 percent to SEK 703 million (885) in the first quarter, corresponding to an adjusted EBITA margin of 8.4 percent (9.6). Items affecting comparability of SEK -19 million (153) were added back to adjusted EBITA. For more information, see Definitions of alternative performance measures on p. 23.

Organic EBITA growth was -21 percent. In the Trade and Services business areas, companies exposed to end consumers and construction continued to see a challenging market. The Industry business area worked with price adjustments and operational initiatives to maintain solid profitability after seeing a normalisation of demand following a very strong first quarter 2023. Despite this, earnings in the business area were weaker than in the comparison quarter, although they improved from the fourth quarter. For further information on the business areas, see pp. 5-7.

Operating profit (EBIT) decreased by 43 percent to SEK 478 million (832). The decrease was partly a result of negative organic EBITA growth for the business areas. In addition, about half of the change was attributable to items affecting comparability, which had a negative impact on the first quarter of this year, in contrast to the positive effect on the first quarter last year. The operating margin came in at 5.7 percent (9.0) for the quarter.

Profit before tax decreased by 69 percent to SEK 198 million (638), primarily impacted by previously mentioned negative organic growth since the comparison period as well as items affecting comparability.

Net financial items amounted to SEK -280 million (-194), consisting of net interest expenses of SEK -217 million (-177), which increased due to the high interest rate environment, and exchange rate effects and other financial items of SEK -63 million (-17), of which SEK -24 million was related to refinancing of credit facilities. Tax on profit for the quarter was SEK -55 million (-123), corresponding to an effective tax rate of 28 percent (19).

Profit for the period decreased by 72 percent to SEK 143 million (515), impacted by weaker operating profit and higher net financial items. Earnings per share amounted to SEK 0.07 (0.28) in the quarter. Adjusted for items affecting comparability, diluted earnings per share amounted to SEK 0.09 (0.18)

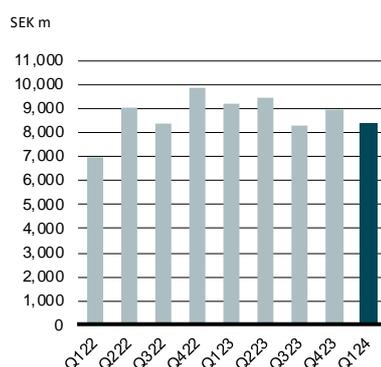
Financial position

At the end of the quarter, the Group had equity of SEK 20,739 million (SEK 20,437 million on 31 December 2023) and an equity/assets ratio of 46 percent (46 percent on 31 December 2023). On 31 March, cash and cash equivalents amounted to SEK 1,407 million (SEK 1,560 million on 31 December 2023). In addition, at the end of the period, there were unutilised credit facilities of SEK 2,304 million.

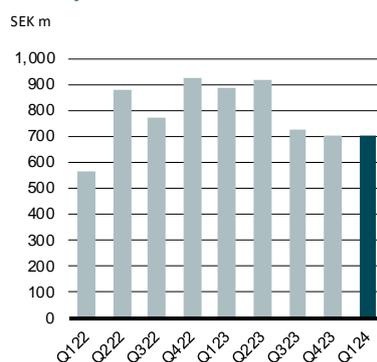
The Group's total net debt, which also includes liabilities for contingent considerations and minority options, increased by SEK 571 million in the quarter. Total interest-bearing debt, including leasing and pension liabilities, but excluding future contingent considerations and minority options, increased by SEK 471 million to SEK 12,996 million, primarily driven by higher leasing liabilities and somewhat higher utilised credit facilities mainly related to refinancing in the quarter. The Group's interest-bearing net debt increased by SEK 607 million to SEK 11,510 million in the quarter. The increase was primarily attributable to new leasing contracts and negative cash flow from investing activities, which was mainly driven by payments of contingent considerations for acquisitions in previous years of SEK -150 million.

Interest-bearing net debt/EBITDA, based on RTM adjusted EBITDA for the past 12-month period, was 2.8x (2.6). The increase was primarily a result of RTM adjusted EBITDA decreasing faster than interest-bearing net debt. This level is within Storskogen's target range of 2-3x, but the ambition to reach the lower end of the interval remains.

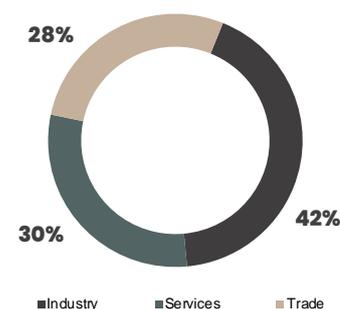
NET SALES PER QUARTER



OPERATING PROFIT (ADJUSTED EBITA) BY QUARTER



BREAKDOWN OF SALES BY BUSINESS AREA, Q1 2024



Cash flow and investments

Cash flow from operating activities amounted to SEK 109 million (467). Changes in working capital were in line with last year and affected cash flow by SEK -163 million (-110). The change was primarily attributable to increased inventory and trade receivables, while increased operating liabilities had a positive effect on working capital.

Adjusted cash conversion (adjusted EBITDA after changes in working capital and net investments in tangible assets as a percentage of adjusted EBITDA) was 72 percent (79) for the quarter. Adjusted cash conversion for the past 12-month period was 104 percent (71), which is above the target of a minimum of 70 percent.

Cash flow from investing activities amounted to net SEK -281 million (-238) in the first quarter, of which SEK -112 million (-133) was attributable to net investments in tangible assets, corresponding to 1.3 percent (1.4) of net sales. Cash flow from business combinations and divestments, which include payments of contingent considerations for acquisitions in previous years, amounted to SEK -150 million (-1) in the quarter. For more information about cash flow from business combinations and divestments, see Note 4 on p. 18.

Returns

Return on average equity in the past 12-month period was 2.8 percent (10.0). The decrease compared to last year was primarily a consequence of lower operating profit, a negative contribution from items affecting comparability and higher net financial items. Return on capital employed was 6.8 percent (10.7). The change compared to last year was primarily a result of lower operating profit.

OTHER INFORMATION

RTM (rolling 12 months pro forma)

If Storskogen had owned all of its subsidiaries as of 31 March throughout the previous 12-month period (RTM), and also excluded divested companies for the whole period, the Group would have generated net sales of SEK 34,707 million, adjusted EBITDA of SEK 4,130 million and adjusted EBITA of SEK 3,066 million, corresponding to an adjusted EBITA margin of 8.8 percent.

NET SALES BY BUSINESS AREA AND FOR THE GROUP

SEK m	Q1			Apr-Mar	Full-year
	2024	2023	Δ%	23/24	2023
Services	2,490	2,784	-11	11,051	11,346
Trade	2,330	2,608	-11	9,770	10,048
Industry	3,551	3,833	-7	14,380	14,662
Operations	8,371	9,225	-9	35,201	36,056
Group operations and eliminations	-13	-12		-51	-50
Net sales, Group	8,358	9,213	-9	35,150	36,006

OPERATING PROFIT (EBIT) BY BUSINESS AREA AND FOR THE GROUP

SEK m	Q1			Apr-Mar	Full-year
	2024	2023	Δ%	23/24	2023
Services	204	250	-18	1,011	1,057
Trade	169	219	-23	754	804
Industry	387	483	-20	1,550	1,646
Group operations	-57	-68		-259	-270
Adjusted EBITA	703	885	-21	3,056	3,238
Reversal of adjusted items	-19	153		-103	69
EBITA	684	1,038	-34	2,953	3,307
Amortisation of intangible non-current assets	-206	-207		-861	-861
Operating profit, EBIT	478	832	-43	2,092	2,446

SERVICES

SEK m	Q1			Apr-Mar	Full-year
	2024	2023	Δ%	23/24	2023
Net sales	2,490	2,784	-11	11,051	11,346
Adjusted EBITA	204	250	-18	1,011	1,057
Adjusted EBITA margin, %	8.2	9.0		9.1	9.3
Number of employees, end of period	4,159	5,152		4,159	4,352
Number of business units, end of period	57	62		57	58

DEVELOPMENTS IN THE QUARTER

Net sales in the Services business area decreased by 11 percent to SEK 2,490 million (2,784) in the first quarter. Organic sales growth was -3 percent.

Adjusted EBITA decreased by 18 percent to SEK 204 million (250) in the first quarter, resulting in an adjusted EBITA margin of 8.2 percent (9.0). Organic EBITA growth was -24 percent in the quarter.

The business area is affected by distinct seasonality and the beginning of the year is usually characterised as low season, which was the case this quarter, while the first quarter 2023 was seasonally unusually strong. A cold winter combined with fewer working days than normal in March, which is normally the strongest month of the quarter, impacted both sales and profitability.

Companies exposed to construction continued to experience dampened demand. This was primarily the case for companies building steel halls, while technology consultancy companies were less affected. Installation companies, which are active later in the construction cycle, experienced a relatively solid market, despite somewhat decreased profitability.

Companies in the logistics sector noted slightly lower volumes and increased competition in the quarter. However, the market remains solid.

For the product and consultancy companies within Digital Services, the quarter was characterised by good demand and profitability, largely driven by the continued need for efficiency improvements, where digitalisation plays an essential part. Companies in the HR and Competence vertical continued to experience weak demand due to a low number of participants in matching services for the unemployed and lower allocation of courses.

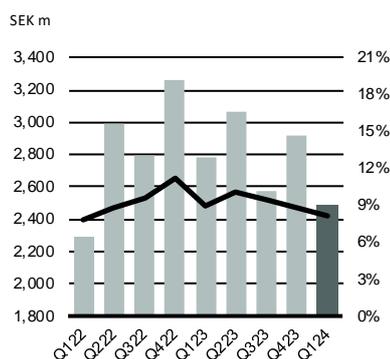
OUTLOOK

The second quarter is seasonally stronger for the majority of the companies in Services, although the current market is difficult to predict and somewhat uncertain. In our assessment, a possible lower interest rate environment would have a positive impact on the majority of the companies in this business area in the long term.

TRANSACTIONS IN THE QUARTER

In the quarter, three small add-on acquisitions were made to the business units SoVent Group, Nimbus Gruppen and Nitro Consult.

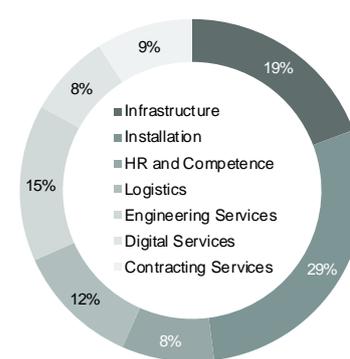
NET SALES, SEK M
ADJUSTED EBITA MARGIN, %



SHARE OF GROUP NET SALES, Q1 2024



NET SALES PER VERTICAL, Q1 2024



TRADE

SEK m	Q1			Apr-Mar	Full-year
	2024	2023	Δ%	23/24	2023
Net sales	2,330	2,608	-11	9,770	10,048
Adjusted EBITA	169	219	-23	754	804
Adjusted EBITA margin, %	7.3	8.4		7.7	8.0
Number of employees, end of period	2,422	2,372		2,422	2,477
Number of business units, end of period	29	33		29	32

DEVELOPMENTS IN THE QUARTER

Net sales in the Trade business area decreased by 11 percent to SEK 2,330 million (2,608) in the first quarter of the year. Organic sales growth was -6 percent.

Adjusted EBITA decreased by 23 percent to SEK 169 million (219) in the quarter, resulting in an adjusted EBITA margin of 7.3 percent (8.4). Organic EBITA growth was -21 percent for the quarter.

The first quarter of the year was seasonally weak, in line with previous years. Primarily companies exposed to the consumer market experienced subdued demand. This was partly counteracted by companies within the Health and Beauty vertical. Companies exposed to the housing and construction industry experienced continued weak demand.

Persistently high interest rates and the weak Swedish krona continued to have a negative effect on the margin for the business area. Considering the prevailing weak demand, the companies work continuously with long-term cost and efficiency measures to maintain profitability, which had a mitigating effect and contributed positively to the margin in the quarter. In the long term, this will enable organic EBITA growth as demand returns.

OUTLOOK

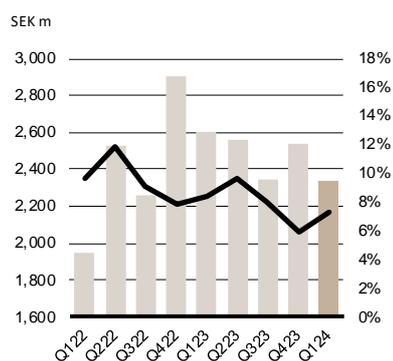
The second quarter is typically seasonally stronger for most companies in the business area. However, some caution remains in anticipation of lower interest rates and improved market conditions, which primarily could benefit companies exposed to the consumer market and construction industry. Nevertheless, demand is expected to be solid for the companies within the Health and Beauty vertical.

TRANSACTIONS IN THE QUARTER

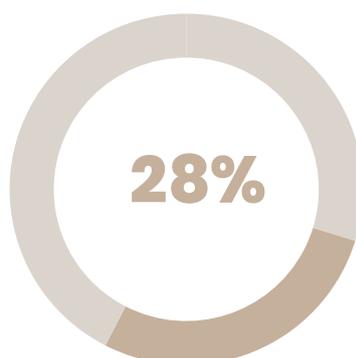
In the quarter, the business units Ashe, JO Sport and Ullmax were merged into the joint business unit ASHE, which now constitutes one of Sweden's leading distributors of sports and apparel.

No acquisitions or divestments were made in the business area in the quarter.

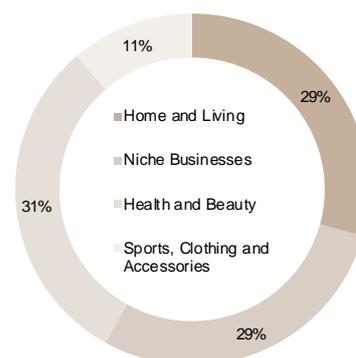
NET SALES, SEK M ADJUSTED EBITA MARGIN, %



SHARE OF GROUP NET SALES, Q1 2024



NET SALES PER VERTICAL, Q1 2024



INDUSTRY

SEK m	Q1			Apr-Mar	Full-year
	2024	2023	Δ%	23/24	2023
Net sales	3,551	3,833	-7	14,380	14,662
Adjusted EBITA	387	483	-20	1,550	1,646
Adjusted EBITA margin, %	10.9	12.6		10.8	11.2
Number of employees, end of period	5,221	5,310		5,221	5,147
Number of business units, end of period	39	39		39	39

DEVELOPMENTS IN THE QUARTER

Net sales in the Industry business area decreased by 7 percent to SEK 3,551 million (3,833) in the first quarter and organic sales growth amounted to -8 percent.

Adjusted EBITA decreased by 20 percent to SEK 387 million (483), resulting in an adjusted EBITA margin of 10.9 percent (12.6). Organic EBITA growth was -20 percent in the first quarter.

Despite macroeconomic uncertainty, the Industry business area reported sales levels in line with last quarter, but lower than the very strong first quarter last year.

Order intake generally strengthened in the quarter, with somewhat improved orderbooks for several companies. Demand for automation solutions remained strong, particularly for companies within the wood processing industry and for companies offering robot integration. Several companies within metal processing and infrastructure saw strong demand, while demand remained weak for companies exposed to the consumer market, parts of the construction industry and for some companies oriented towards workshop segments.

As a result of demand normalising after the strong start to 2023, the companies have implemented price adjustments, continuous productivity improvements and rationalisation to maintain solid profitability. In addition, revenue in other currencies also had a somewhat positive effect on the results in the quarter. This contributed to results and the EBITA margin remaining at the same level as last quarter, albeit lower than in the corresponding quarter last year.

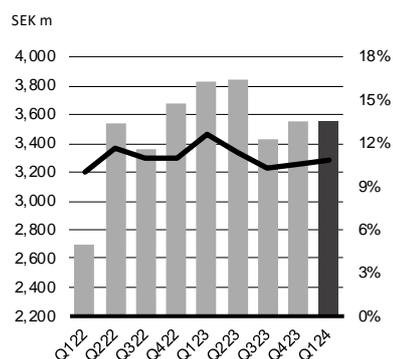
OUTLOOK

The overall market situation for the industry companies is solid, although the effects from geopolitical developments is difficult to predict. Orderbooks have generally improved from last winter and are likely to strengthen further, though demand within the consumer market and parts of the construction industry is expected to remain weak.

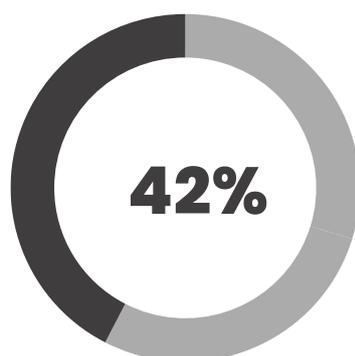
TRANSACTIONS IN THE QUARTER

No acquisitions or divestments were made in the business area in the quarter.

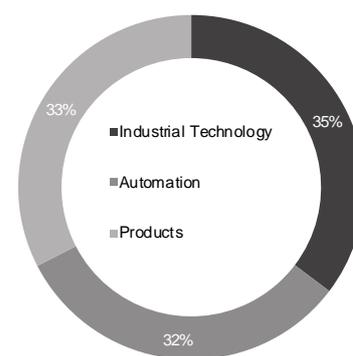
NET SALES, SEK M
ADJUSTED EBITA MARGIN, %



SHARE OF GROUP NET SALES, Q1 2024



NET SALES PER VERTICAL, Q1 2024



Transactions

ACQUISITIONS DURING THE PERIOD

Storskogen completed three add-on acquisitions in the first quarter. The acquired entities have a total of 14 employees, combined annual sales of SEK 7 million and annual EBITA of SEK 1 million.

For more information on acquisitions completed during the period 1 January – 31 March 2024, see Note 4 – Business combinations.

Breakdown of acquisitions completed during January–March 2024 by Group business area:

Acquisitions	Acquisition date	Annual net sales, SEK m	Number of employees by acquisition	Share of capital/votes, %	Business area
OFM Sotning AB	January	4	4	95.7	Services
Nimbus Direct AB (formerly ACC Kundkommunikation AB)	January	-	9	90.1	Services
IHAB Ingemar Holmberg AB	February	3	1	100	Services
Total		7	14		

DIVESTMENTS DURING THE PERIOD

No divestments were made in the first quarter.

TRANSACTIONS AFTER THE END OF THE PERIOD

After the end of the period and up until the day of this report, the business unit AB Kranlyft was divested. The company had net sales of about SEK 196 million in the last 12 months up to and including the first quarter 2024. The divestment is a result of Storskogen's continuous review of the business units and was mainly prompted by AB Kranlyft's limited growth potential in terms of both sales and margin. For more information on the divestment, see the Events after the end of the period section.

Other information

EMPLOYEES

At the end of the period, the Group had 11,893 employees (12,940). Acquisitions carried out during the quarter added 14 new employees to the Group.

SHARE CAPITAL

On 31 March 2024, the number of shares amounted to 1,669 million, divided into 1,521 million Series B shares and 148 million Series A shares.

Share structure on 31 March 2024

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	8.9	49.3
Series B share, 1 vote per share	1,521,476,679	1,521,476,679	91.1	50.7
Total number of shares	1,669,478,053	3,001,490,419	100.0	100.0

Ten largest shareholders on 31 March 2024¹

	Series A	Series B	Percentage of capital	Percentage of votes
AMF Pension & Fonder	-	149,611,749	9.0	5.0
Daniel Kaplan ²	38,270,140	35,748,380	4.4	13.9
Futur Pension	-	72,520,775	4.3	2.4
Movestic Livförsäkring AB	-	70,915,123	4.2	2.4
Swedbank Robur Fonder	-	70,401,700	4.2	2.3
Alexander Murad Bjärgård	37,539,070	22,841,998	3.6	13.3
Ronnie Bergström ³	38,270,254	16,013,504	3.3	13.3
Vanguard	-	50,466,078	3.0	1.7
Peter Ahlgren	33,921,910	15,894,607	3.0	11.8
Philian Invest AB	-	36,200,000	2.2	1.2
Total largest shareholders	148,001,374	540,613,914	41.2	67.3
Other	-	980,862,765	58.8	32.7
Total	148,001,374	1,521,476,679	100.0	100.0

¹ Source: Monitor by Modular Finance AB.

² Includes shares held by Firm Factory AB and Wombat Investments AB

³ Includes shares held by Ångsmon AB

PARENT COMPANY

The Parent Company generated net sales of SEK 45 million (33) in the first quarter. Net sales consist of intra-Group management services. Profit for the period amounted to SEK 157 million (91) for the quarter. Parent Company profit after financial items was positively affected by intra-Group interest income.

RELATED-PARTY TRANSACTIONS

No significant changes have taken place for the Group or the Parent Company in terms of transactions or relationships with related parties compared with what appears in the Annual Report 2023.

EVENTS AFTER THE END OF THE PERIOD

In connection with the acquisition of AC Electrical on 3 April 2023, Storskogen issued two convertibles. On 3 April 2024, these were converted to 16,561,182 B shares (corresponding to a dilution effect of approximately 0.98 percent of the share capital and approximately 0.55 percent of the votes).

After the end of the period, AB Kranlyft was divested. AB Kranlyft was a business unit within the Niche Businesses vertical in the Trade business area, with sales of about SEK 196 million and EBITA of SEK 17 million in the last 12 months up to and including the first quarter 2024. The divestment is a result of Storskogen's continuous review of the business units and was mainly prompted by AB Kranlyft's limited growth potential in terms of both sales and margins.

2024 ANNUAL GENERAL MEETING

The Annual General Meeting will be held on 8 May in Stockholm. The Annual General Meeting will resolve on, among other things, the proposed dividend of SEK 0.09 per share; the re-election of Annette Brodin Rampe (Chair), Alexander Bjärgård, Louise Hedberg, Johan Thorell and Robert Belkic to Storskogen's Board of Directors; implementation of share-related incentive programmes and authorisation for the Board of Directors to issue shares, warrants or convertibles, and to repurchase treasury shares.

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

Stockholm, 7 May 2024

Storskogen Group AB

Christer Hansson
Interim CEO

This report has not been subject to review by the Company's auditors.

Quarterly data

SEK m	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Net Sales						
Services	2,490	2,918	2,576	3,067	2,784	3,258
Trade	2,330	2,538	2,341	2,561	2,608	2,908
Industry	3,551	3,555	3,429	3,845	3,833	3,680
Group operations and eliminations	-13	-14	-12	-12	-12	-9
Group total	8,358	8,997	8,333	9,462	9,213	9,836
Adjusted EBITA						
Services	204	257	242	307	250	367
Trade	169	151	188	246	219	228
Industry	387	374	353	437	483	406
Group operations	-57	-77	-57	-68	-68	-74
Group total	703	706	725	922	885	927
Adjusted EBITA margin, %						
Services	8.2	8.8	9.4	10.0	9.0	11.3
Trade	7.3	6.0	8.0	9.6	8.4	7.8
Industry	10.9	10.5	10.3	11.4	12.6	11.0
Group operations	-	-	-	-	-	-
Group total	8.4	7.8	8.7	9.7	9.6	9.4
Number of employees, end of period						
Services	4,159	4,352	4,328	4,559	5,152	5,140
Trade	2,422	2,477	2,464	2,557	2,372	2,417
Industry	5,221	5,147	5,240	5,286	5,310	5,276
Group operations	91	101	102	103	106	112
Group total	11,893	12,077	12,134	12,505	12,940	12,945
Number of business units, end of period						
Services	57	58	57	61	62	62
Trade	29	32	32	32	33	35
Industry	39	39	39	39	39	39
Group total	125	129	128	132	134	136

Financial statements

CONSOLIDATED INCOME STATEMENT, CONDENSED

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Net sales	8,358	9,213	35,150	36,006
Cost of goods and services sold	-6,703	-7,321	-28,072	-28,690
Gross profit	1,654	1,892	7,078	7,316
Selling expenses	-802	-808	-3,240	-3,247
Administrative expenses	-520	-510	-2,103	-2,093
Other operating income	221	343	963	1,086
Other operating expenses	-75	-85	-606	-616
Operating profit	478	832	2,092	2,446
Net financial items	-280	-194	-1,212	-1,125
Profit before tax	198	638	881	1,321
Income tax	-55	-123	-308	-377
Profit for the period	143	515	572	944
Profit for the year attributable to:				
Owners of the parent company	116	460	434	778
Non-controlling interests	28	55	138	166
Basic earnings per share, SEK	0.07	0.28	0.26	0.47
Diluted earnings per share, SEK	0.07	0.28	0.26	0.46

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONDENSED

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Profit for the period	143	515	572	944
Other comprehensive income				
Items that will not be reclassified to the income statement				
Remeasurements of defined benefit pension plans	-3	0	-47	-44
Total items that will not be transferred to the income statement	-3	0	-47	-44
Items that have been or may be transferred to the income statement				
Exchange differences, foreign operations	258	-3	335	73
Gains/losses on holding of derivatives for cash flow hedging	36	4	-50	-81
Total items that have been or may be transferred to the income statement	294	1	285	-8
Other comprehensive income for the period, net of tax	291	1	238	-52
Comprehensive income for the period	434	516	810	892
Comprehensive income for the period attributable to:				
Owners of the parent company	335	453	618	736
Non-controlling interests	100	63	192	155

CONSOLIDATED BALANCE SHEET, CONDENSED

SEK m	31 Mar 2024	31 Mar 2023	31 Dec 2023
Assets			
Intangible assets	25,018	25,514	24,982
Property, plant and equipment	5,627	5,262	5,391
Financial non-current assets	77	75	63
Pension obligation assets	3	2	4
Deferred tax assets	154	127	157
Total non-current assets	30,880	30,979	30,597
Inventories	4,701	5,165	4,522
Trade receivables	4,781	4,972	4,441
Current receivables	3,303	3,473	3,049
Current investments	0	1	0
Cash and cash equivalents	1,407	2,613	1,560
Total current assets	14,192	16,224	13,572
Total assets	45,072	47,203	44,169
Equity and liabilities			
Total equity	20,739	20,215	20,437
Interest-bearing non-current liabilities	10,278	12,792	10,080
Non-current lease liabilities	1,389	1,164	1,222
Provisions for pensions	258	203	251
Non-interest-bearing non-current liabilities	1,909	2,157	1,814
Provisions	89	100	92
Deferred tax liabilities	1,767	1,846	1,789
Total non-current liabilities	15,689	18,263	15,248
Interest-bearing current liabilities	603	164	546
Current lease liabilities	471	415	430
Trade payables	2,553	2,638	2,271
Non-interest-bearing current liabilities	5,016	5,508	5,238
Total current liabilities	8,644	8,726	8,484
Total equity and liabilities	45,072	47,203	44,169

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

SEK m	31 Mar 2024	31 Mar 2023	31 Dec 2023
Opening equity attributable to owners of the parent company	20,435	19,595	19,595
Comprehensive income			
Profit for the period	116	460	778
Remeasurements of defined benefit pension plans	-3	0	-45
Other comprehensive income for the period	222	-7	3
Comprehensive income for the period	335	453	736
Transactions with the Group's owners			
Contributions from and value transfers to owners			
Dividends paid	-	-	-133
Conversion of loans in connection with acquisitions of companies	-	-	71
Transaction costs on issue of shares, after tax	-	-	0
Contributed capital from issued share options	-	-	4
Share-based payment transactions	12	7	37
Put options attributable to non-controlling interests	-65	134	124
Total contributions from and value transfers to owners	-53	141	103
Changes in ownership of subsidiaries			
Acquisition/divestment of non-controlling interests	22	1	2
Total changes in ownership of subsidiaries	22	1	2
Total transactions with the Group's owners	-30	142	104
Closing equity attributable to owners of the parent company	20,739	20,189	20,435
Opening equity in non-controlling interests	2	34	34
Profit for the period	28	55	166
Other comprehensive income for the period	72	8	-10
Comprehensive income for the period	100	63	155
Dividends to non-controlling interests	-13	-5	-108
Acquisition/divestment of non-controlling interests	-42	1	-177
Acquisition of business with non-controlling interest, no controlling interest from before	0	14	191
Divestment of business with non-controlling interests, controlling interest ends	0	0	-34
Put options attributable to non-controlling interests	-47	-81	-60
Closing equity in non-controlling interests	0	25	2
Total equity	20,739	20,215	20,437

CONSOLIDATED CASH FLOW STATEMENT, CONDENSED

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Profit before tax	198	638	881	1,321
Adjustment for non-cash items	461	370	2,148	2,057
Income tax paid	-387	-431	-770	-814
Change in working capital	-163	-110	745	798
Cash flow from operating activities	109	467	3,004	3,361
Net investments in non-current assets	-105	-154	-525	-574
Business combinations and divestments	-176	-84	-483	-392
Cash flow from investing activities	-281	-238	-1,008	-965
Dividend to owners of the parent company	-	-	-133	-133
Dividends to minority owners	-13	-5	-115	-108
Contributed capital from issued share options	-	-	4	4
Change in loans	158	-509	-2,423	-3,091
Repayment of lease liability and other financing activities	-150	-123	-579	-552
Cash flow from financing activities	-4	-637	-3,246	-3,879
Cash flow for the period	-176	-408	-1,252	-1,483
Cash and cash equivalents at beginning of period	1,560	3,022	2,613	3,022
Exchange rate differences in cash and cash equivalents	23	-1	46	21
Cash and cash equivalents at end of period	1,407	2,613	1,407	1,560

Notes

NOTE 1 – ACCOUNTING POLICIES, ESTIMATES AND ASSUMPTIONS

Accounting policies

Storskogen applies International Financial Reporting Standards (IFRS), as admitted by EU. 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 m) unless otherwise indicated. Rounding differences may occur.

Risks and uncertainties

Storskogen's operations and business units are exposed to risks that may impact the Group. The risks are assessed to be mitigated by the Group's diversified operations and are managed through the Group's finance function and operational activities.

A more in-depth account of the risks that the Group is exposed to can be found in Storskogen's Annual and Sustainability Report 2023. In line with the information provided in the annual report, the Group assesses that the ongoing conflict in Ukraine may have a certain impact on business units, with potential disruptions in operations and an impaired financial position. The ongoing conflicts in the Middle East are assessed to have limited impact on the Group's business units, but general macroeconomic uncertainty may in the long run affect Storskogen's results and financial position. Macroeconomic factors such as inflation, sanctions on certain countries, high interest rates and commodity prices, as well as disruptions in distribution chains may also have an impact on the Group's results.

Estimates and assessments

The preparation of the interim report has required management to make assessments, 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 assessments. The critical assessments and sources of uncertainty in estimates are the same as in the most recent annual report.

NOTE 2 – ITEMS BY SEGMENT AND BREAKDOWN OF REVENUE

2024

Jan-Mar, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Net sales	2,490	2,330	3,551	-13	8,358
Cost of goods and services sold	-1,979	-1,874	-2,796	-54	-6,703
Gross profit	511	455	755	-67	1,654
Selling expenses	-223	-281	-280	-18	-802
Administrative expenses	-182	-116	-229	7	-520
Other operating income	33	68	117	3	221
Other operating expenses	-2	-15	-59	0	-75
Operating profit	137	112	305	-76	478
Net financial items	-10	-23	-13	-234	-280
Profit before tax	127	89	291	-310	198
Reversal of net financial items	10	23	13	234	280
Reversal of amortisation and impairment of intangible assets	68	57	81	0	206
EBITA	205	169	386	-76	684
Items affecting comparability	-1	-0	1	19	19
Adjusted EBITA	204	169	387	-57	703

Net sales, geographical distribution

2024

Jan-Mar, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Sweden	1,663	1,178	1,000	-13	3,829
Denmark	127	79	96	-	302
Finland	19	57	30	-	106
Germany	120	102	517	-	739
Other countries within the EU	25	183	395	-	603
Norway	254	384	203	-	841
Switzerland	155	107	153	-	415
UK	96	236	453	-	785
USA	1	0	440	-	442
Other countries outside the EU	30	3	263	-	296
Total net sales	2,490	2,330	3,551	-13	8,358

ITEMS BY SEGMENT AND BREAKDOWN OF REVENUE

2023

Jan-Mar, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Net sales	2,784	2,608	3,833	-12	9,213
Cost of goods and services sold	-2,193	-2,105	-2,965	-58	-7,321
Gross profit	592	503	868	-70	1,892
Selling expenses	-248	-278	-264	-18	-808
Administrative expenses	-187	-113	-230	20	-510
Other operating income	73	136	113	21	343
Other operating expenses	-4	-20	-61	0	-85
Operating profit	226	228	425	-47	832
Net financial items	-16	-17	-13	-148	-194
Profit before tax	210	211	413	-196	638
Reversal of net financial items	16	17	13	148	194
Reversal of amortisation and impairment of intangible assets	72	58	77	0	207
EBITA	297	286	502	-47	1,038
Items affecting comparability	-47	-66	-19	-20	-153
Adjusted EBITA	250	219	483	-68	885

Net sales, geographical distribution

2023

Jan-Mar, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Sweden	2,145	1,343	982	-12	4,459
Denmark	113	72	117	-	301
Finland	20	53	85	-	158
Germany	91	113	502	-	706
Other countries within the EU	19	161	476	-	655
Norway	169	384	131	-	683
Switzerland	161	185	114	-	459
UK	26	293	622	-	940
USA	4	0	502	-	506
Other countries outside the EU	38	6	302	-	345
Total net sales	2,784	2,608	3,833	-12	9,213

NOTE 3 – REVENUE FROM CUSTOMER CONTRACTS

Net sales by vertical

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Contracting Services	227	201	994	969
Infrastructure	481	493	2,388	2,400
Installation	717	944	3,302	3,529
Logistics	292	311	1,165	1,184
Engineering Services	369	403	1,576	1,610
Digital Services	196	196	714	715
HR and Competence	217	240	943	967
Intragroup sales within the business area	-8	-5	-31	-27
Total, Services segment	2,490	2,784	11,051	11,346
Home and Living	683	878	2,754	2,949
Niche Businesses	673	743	2,899	2,969
Health and Beauty	712	650	2,864	2,802
Sports, Clothing and Accessories	264	341	1,262	1,340
Intragroup sales within the business area	-2	-4	-9	-11
Total, Trade segment	2,330	2,608	9,770	10,048
Automation	1,144	1,280	4,578	4,714
Industrial Technology	1,256	1,390	5,214	5,348
Products	1,158	1,175	4,614	4,631
Intragroup sales within the business area	-7	-12	-27	-31
Total, Industry segment	3,551	3,833	14,380	14,662
Intragroup sales eliminations	-13	-12	-51	-50
Total	8,358	9,213	35,150	36,006

Timing of revenue recognition

SEK m	Jan-Mar		Apr-Mar	Full-year
	2024	2023	23/24	2023
Goods and services transferred at a point in time	6,813	7,413	28,262	28,861
Goods and services transferred over time	1,544	1,801	6,888	7,144
Total	8,358	9,213	35,150	36,006

NOTE 4 – BUSINESS COMBINATIONS

Preliminary purchase price allocation for the year

Refers to acquisitions completed during the period January to March 2024:

SEK m	Services	Trade	Industry	Total
Intangible assets	-	-	-	-
Other non-current assets	0	-	-	0
Inventories	-	-	-	-
Other current assets	1	-	-	1
Cash and cash equivalents	2	-	-	2
Deferred tax assets/tax liabilities	-	-	-	-
Liabilities to credit institutions	-	-	-	-
Other liabilities	-1	-	-	-1
Acquired net assets	1	-	-	1
Goodwill	7	-	-	7
Non-controlling interests	-	-	-	-
Purchase price including contingent consideration	9	-	-	9
Less cash and cash equivalents in acquired operations	-2	-	-	-2
Less unpaid purchase consideration	-	-	-	-
Effect on consolidated cash and cash equivalents	7	-	-	7

Purchase considerations and assessments

Purchase considerations for acquisitions in the period totalled SEK 9 million, of which SEK 7 million has been recognised as goodwill, including adjustments of preliminary purchase price allocation from previous years. The impact of business combinations on the Group's cash and cash equivalents is SEK 7 million. No material changes were made during the quarter to the Group's purchase price allocation for previous years' acquisitions. The purchase price allocation for acquisitions that were completed in the period from the second quarter 2023 to the first quarter 2024 are preliminary, as the Group has not received final audited information from the acquired companies. All acquisitions have been reported using the acquisition method.

Total cash flow from business combinations and divestments

Cash flow from business combinations and divestments are impacted in their entirety by the following transactions.

SEK m	
Business combinations	-7
Acquisition of minority shares	-19
Divestment of minority shares	-
Paid contingent considerations, acquisitions previous years	-150
Divestment of operations	-
Cash flow from business combinations and divestments	-176

Goodwill

At business combinations where transferred compensation exceeds the fair value of acquired assets and gained liabilities reported separately, the difference is recognised as goodwill. The goodwill is primarily justified by the companies' future earnings potential. The Group's goodwill is tested for impairment as required, and at least annually, by cash-generating unit.

Change in the Group's goodwill, SEK m	Opening balance	Acquisitions	Impairment	Divestments	Currency effects	Closing balance
Goodwill	18,763	7	-	-	146	18,916

Other identified surplus values

The amounts recognised for intangible assets, such as customer relationships, brands, technology, licenses, and inventory have been measured at the discounted value of future cash flows. Other assets that have been identified and recognised at acquisitions, during the year or earlier, relate to buildings and inventory. For more information about depreciation times, see the latest annual report.

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 income statement. Acquisition-related expenses for acquisitions during the year totalled SEK 0 million (1).

Contingent considerations

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 10.5 percent (10.6). The likely outcome is based on the Group's projections for the respective entity and is 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 0 million (2), while the total liability recognised for discounted contingent considerations on 31 March 2024 was SEK 171 million (837).

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 in respective acquisition.

Acquisition-related disclosures

All acquisitions during the period have been carried out through purchase of shares.

Effect of acquisitions on the consolidated statement of profit or loss for January–March 2024

SEK m	Services	Trade	Industry	Total
Effect after the acquisition date included in				
Sales	2	-	-	2
Profit for the period	0	-	-	0
Effect if the acquisitions had been completed on 1				
Sales	3	-	-	3
Profit for the period	0	-	-	0

Acquisitions completed during the period January to March 2024 increased the Group's net sales by SEK 2 million, EBITA by SEK 0 million and profit for the period by SEK 0 million. Transaction costs for these acquisitions came to SEK 0 million and are included in administrative expenses in the consolidated income statement.

NOTE 5 – THE GROUP'S MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES

	31 Mar 2024				31 Dec 2023			
	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through OCI	Financial assets measured at fair value through OCI	Total carrying amount	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through OCI	Financial assets measured at fair value through OCI	Total carrying amount
Financial assets, SEK m								
Financial non-current assets	54	8	15	77	52	9	2	63
Trade receivables	4,781	-	-	4,781	4,441	-	-	4,441
Current receivables	1,002	-	33	1,036	975	-	32	1,007
Current investments	-	0	-	0	-	0	-	0
Cash and cash equivalents	1,407	-	-	1,407	1,560	-	-	1,560
Total	7,245	8	48	7,301	7,027	9	35	7,071

	31 Mar 2024				31 Dec 2023			
	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at fair value through OCI	Financial liabilities measured at fair value through OCI	Total carrying amount	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at fair value through OCI	Financial liabilities measured at fair value through OCI	Total carrying amount
Financial liabilities, SEK m								
Interest-bearing non-current liabilities	10,241	-	36	10,277	10,013	-	66	10,079
Non-interest-bearing non-current liabilities	44	53	-	97	42	55	-	97
Interest-bearing current liabilities	594	-	9	603	533	-	12	546
Trade payables	2,553	-	-	2,553	2,271	-	-	2,271
Non-interest-bearing current liabilities	2,805	118	-	2,924	2,763	265	-	3,028
Total	16,237	171	45	16,454	15,622	320	79	16,021

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 on the next page 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 an accurate approximation of their fair values. Given the short fixed interest-rate periods and the maturity of the items, calculations indicate that the difference between amortised cost and fair value is not significant.

	31 Mar 2024					31 Dec 2023						
	Level 1	Level 2	Level 3	Other ¹	Difference in fair value and book value, related to market quoted bonds	Total carrying amount	Level 1	Level 2	Level 3	Other ¹	Difference in fair value and book value, related to market quoted bonds	Total carrying amount
Financial assets, SEK m												
Financial non-current assets	-	15	-	63	-	77	-	2	-	60	-	63
Trade receivables	-	-	-	4,781	-	4,781	-	-	-	4,441	-	4,441
Current receivables	-	33	-	1,002	-	1,036	-	32	-	975	-	1,007
Current investments	0	-	-	-	-	0	0	-	-	-	-	0
Cash and cash equivalents	1,407	-	-	-	-	1,407	1,560	-	-	-	-	1,560
Total	1,407	48	-	5,846	-	7,301	1,560	35	-	5,476	-	7,071

	31 Mar 2024					31 Dec 2023						
	Level 1	Level 2	Level 3	Other ¹	Difference in fair value and book value, related to market quoted bonds	Total carrying amount	Level 1	Level 2	Level 3	Other ¹	Difference in fair value and book value, related to market quoted bonds	Total carrying amount
Financial liabilities, SEK m												
Interest-bearing non-current liabilities	-	5,110	-	5,266	-99	10,277	-	5,131	-	5,041	-93	10,079
Non-interest-bearing non-current liabilities	-	-	53	44	-	97	-	-	55	42	-	97
Interest-bearing current liabilities	-	9	-	594	-	603	-	12	-	533	-	546
Trade payables	-	-	-	2,553	-	2,553	-	-	-	2,271	-	2,271
Non-interest-bearing current liabilities	-	-	118	2,805	-	2,924	-	-	265	2,763	-	3,028
Total	-	5,119	171	11,262	-99	16,454	-	5,144	320	10,650	-93	16,021

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 counterparty. Bonds and convertibles in level 2 have been valued at fair value via derivation from price quotations.

Change in financial liabilities Level 3, SEK m	OB	Aquisition	Paid	Remeasured / present value	Exchange difference	CB
Contingent considerations	320	-	-150	0	1	171

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 10,5 percent (10.6).

NOTE 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 shares outstanding during the period.

When calculating diluted earnings per share, the dilution effect of potential shares and the weighted average of the additional

shares that would have been outstanding in a conversion of all potential shares are taken into account.

In accordance with the Company's Articles of Association, each share of Series A and Series B carry equal rights to the Company's assets and profits.

SEK	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Earnings per share				
Basic earnings per share, SEK	0.07	0.28	0.26	0.47
Diluted earnings per share, SEK	0.07	0.28	0.26	0.46
SEK k				
Net profit for the period attributable to owners of the parent company				
Net profit for the period attributable to owners of the parent company	115,601	459,861	434,059	778,319
Number				
Weighted average number of shares used in calculating earnings per share after dilution				
Weighted average number of shares, Series A shares	148,001,374	148,001,374	148,001,374	148,001,374
Weighted average number of shares, Series B shares	1,539,415,780	1,523,167,587	1,539,609,649	1,535,455,594
Total weighted average number of shares	1,687,417,154	1,671,168,961	1,687,611,023	1,683,456,968

PERFORMANCE MEASURES

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Net sales	8,358	9,213	35,150	36,006
Adjusted EBITDA	987	1,133	4,148	4,293
Adjusted EBITA	703	885	3,056	3,238
Adjusted EBITA margin, %	8.4	9.6	8.7	9.0
Operating profit	478	832	2,092	2,446
Operating margin, %	5.7	9.0	6.0	6.8
Profit before tax	198	638	881	1,321
Profit for the period	143	515	572	944
Working capital	5,724	5,762	5,724	5,853
Return on working capital, % (12 months)	53.4	60.1	53.4	55.3
Return on equity, % (12 months)	2.8	10.0	2.8	4.6
Return on capital employed, % (12 months)	6.8	10.7	6.8	7.7
Equity/assets ratio, %	46.0	42.8	46.0	46.3
Interest-bearing net debt	11,510	12,125	11,510	10,902
Net debt	13,730	14,909	13,730	13,159
Debt/equity ratio, x	0.7	0.7	0.7	0.6
Interest-bearing net debt/adjusted RTM EBITDA (12 months), x	2.8	2.6	2.8	2.5
Interest coverage ratio, x	2.1	4.2	2.1	2.5
Average number of employees	11,130	12,216	11,130	11,654
Number of employees at end of period	11,893	12,940	11,893	12,077
Cash flow from operating activities	109	467	3,004	3,361
Adjusted cash conversion, %	72.1	78.5	103.7	104.4
Basic earnings per share, SEK	0.07	0.28	0.26	0.47
Diluted earnings per share, SEK	0.07	0.28	0.26	0.46
Adjusted diluted earnings per share, SEK	0.09	0.18	0.37	0.46

Parent company

PARENT COMPANY STATEMENT OF PROFIT OR LOSS, CONDENSED

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Net sales	45	33	173	161
Administrative expenses	-95	-69	-336	-310
Other operating income	0	0	0	0
Other operating expenses	0	0	0	0
Operating profit	-51	-37	-163	-148
Financial income and expenses	246	147	875	777
Profit after financial items	195	111	712	628
Appropriations	-	-	46	46
Tax	-38	-20	-5	13
Profit for the period	157	91	753	687

PARENT COMPANY BALANCE SHEET, CONDENSED

SEK m	31 Mar 2024	31 Mar 2023	31 Dec 2023
Assets			
Intangible assets	0	0	0
Property, plant and equipment	1	1	1
Financial assets	28,959	28,609	28,494
Total non-current assets	28,960	28,610	28,495
Current receivables	4,279	4,170	3,980
Cash and cash equivalents	565	1,558	739
Total current assets	4,844	5,729	4,719
Total assets	33,804	34,339	33,214
Equity and liabilities			
Restricted equity	1	1	1
Unrestricted equity	18,049	17,329	17,887
Total equity	18,050	17,330	17,887
Non-current liabilities	9,994	12,536	9,780
Current liabilities	5,760	4,473	5,547
Total equity and liabilities	33,804	34,339	33,214

Definitions of alternative performance measures

ALTERNATIVE PERFORMANCE MEASURES

Storskogen presents a number of alternative performance measures that are not defined in accordance with IFRS. The Company considers these measures to provide valuable supplementary information to 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 financial measures should therefore not be seen as a replacement for measures defined according to IFRS. Definitions of Storskogen's alternative performance measures are presented below. For a more detailed account of Storskogen's definitions, see the latest annual report.

RETURN ON EQUITY

The purpose is to analyse profitability in relation to equity attributable to the Parent Company shareholders.

SEK m	Apr-Mar		Full-year
	23/24	22/23	2023
Profit for the period	572	1,868	944
Equity (Average of last 12 months)	20,545	18,724	20,322
Return on equity, %	2.8	10.0	4.6

RETURN ON WORKING CAPITAL

The purpose is to analyse profitability in relation to working capital.

SEK m	Apr-Mar		Full-year
	23/24	22/23	2023
Adjusted EBITA	3,056	3,461	3,238
Working capital (Average of last 12 months)	5,724	5,762	5,853
Return on working capital, %	53.4	60.1	55.3

RETURN ON CAPITAL EMPLOYED

The purpose is to analyse profitability in relation to capital employed.

SEK m	Apr-Mar		Full-year
	23/24	22/23	2023
Operating profit	2,092	2,974	2,446
Financial income	197	541	198
Operating profit including financial income	2,289	3,515	2,644
Capital employed (Average of last 12 months)	33,905	32,874	34,142
Return on capital employed, %	6.8	10.7	7.7

EBITA

The purpose is to assess the Group's operating activities.

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Operating profit	478	832	2,092	2,446
Amortisation of intangible assets	206	207	861	861
Impairment of intangible assets	0	0	0	0
EBITA	684	1,038	2,953	3,307

EBITDA

The purpose is to assess the Group's operating activities.

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Operating profit	478	832	2,092	2,446
Amortisations and depreciations	490	454	1,952	1,917
Impairment	0	0	0	0
EBITDA	968	1,286	4,044	4,363

NET FINANCIAL ITEMS

The purpose is to present developments in the Group's financial activities.

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Interest income	17	27	67	77
Interest expenses	-234	-203	-1,035	-1,004
Financial expenses	-55	-25	-158	-127
Exchange rate changes and other	-7	8	-86	-71
Net financial items	-280	-194	-1,212	-1,125

ADJUSTED EBITA

The purpose is to assess the Group's operating activities. Adjusted EBITA facilitates comparison of EBITA between periods.

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Operating profit	478	832	2,092	2,446
Reversal of items affecting comparability	19	-153	103	-69
Amortisations of intangible assets	206	207	861	861
Impairment of intangible assets	0	0	0	0
Adjusted EBITA	703	885	3,056	3,238

ADJUSTED EBITA MARGIN

The purpose is to give an indication of profitability in relation to sales.

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Adjusted EBITA	703	885	3,056	3,238
Net sales	8,358	9,213	35,150	36,006
Adjusted EBITA margin, %	8.4	9.6	8.7	9.0

ADJUSTED EBITDA

The purpose is to assess the Group's operating activities. Adjusted EBITDA facilitates comparison of EBITDA between periods.

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Operating profit	478	832	2,092	2,446
Reversal of items affecting comparability	19	-153	103	-69
Amortisations and depreciations	490	454	1,952	1,917
Impairment	0	0	0	0
Adjusted EBITDA	987	1,133	4,148	4,293

ADJUSTED CASH CONVERSION

The purpose is to analyse cash conversion.

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Adjusted EBITDA	987	1,133	4,148	4,293
Change in working capital	-163	-110	745	798
Cash flow from net investments in tangible assets defined as CapEx	-112	-133	-589	-610
Operating cash flow	712	890	4,303	4,481
Adjusted EBITDA	987	1,133	4,148	4,293
Adjusted cash conversion, %	72.1	78.5	103.7	104.4

ADJUSTED DILUTED EARNINGS PER SHARE

The purpose is to facilitate comparison of diluted earnings per share between periods.

	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Net profit for the period attributable to owners of the parent company, SEK m	116	460	434	778
Reversal of items affecting comparability, SEK m	43	-153	185	-11
Total	159	307	619	767
Total weighted average number of shares, millions	1,687	1,671	1,688	1,683
Adjusted diluted earnings per share, SEK	0.09	0.18	0.37	0.46

ITEMS AFFECTING COMPARABILITY

Items affecting comparability are excluded to facilitate comparisons of the result between periods.

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Remeasurement of contingent considerations	0	157	-34	123
Stamp tax on foreign business combinations	-	-	-2	-2
Central restructuring costs	-19	-	-29	-10
Capital gain/loss from divestment of business	0	-4	-37	-41
Items affecting comparability, EBITA	-19	153	-103	69
One-off items related to refinancing of interest-bearing liabilities, before tax	-24	-	-82	-58
Items affecting comparability, earnings per share	-43	153	-185	11

INTEREST-BEARING NET DEBT

The purpose is to provide an alternative measure of the Group's debt/equity ratio. The performance measure gives an indication of the Group's financial target with regard to net debt in relation to RTM adjusted EBITDA.

SEK m	31 Mar 2024	31 Mar 2023	31 Dec 2023
Interest-bearing liabilities	10,881	12,956	10,626
Lease liabilities	1,860	1,579	1,652
Pension provisions, net	255	203	247
Financial assets	-79	-	-63
Current investments	0	-1	0
Cash and cash equivalents	-1,407	-2,613	-1,560
Interest-bearing net debt	11,510	12,125	10,902

INTEREST-BEARING NET DEBT/RTM ADJUSTED EBITDA (12 MONTH)

The purpose is to provide an indication of the Group's ability to pay its debts. The performance measure gives an indication of the Group's financial target with regard to net debt in relation to RTM adjusted EBITDA.

SEK m	31 Mar 2024	31 Mar 2023	31 Dec 2023
Interest-bearing net debt	11,510	12,125	10,902
RTM adjusted EBITDA	4,130	4,651	4,305
Interest-bearing net debt/RTM adjusted EBITDA, x	2.8	2.6	2.5

NET DEBT

The purpose is to provide an alternative measure of the Group's debt/equity ratio.

SEK m	31 Mar 2024	31 Mar 2023	31 Dec 2023
Interest-bearing liabilities	10,881	12,956	10,626
Interest-bearing liabilities	1,860	1,579	1,652
Pension provisions, net	255	203	247
Contingent consideration liabilities	171	837	320
Minority options	2,049	1,947	1,937
Financial assets	-79	-	-63
Current investments	0	-1	0
Cash and cash equivalents	-1,407	-2,613	-1,560
Net debt	13,730	14,909	13,159

ORGANIC EBITA GROWTH

Changes in EBITA, excluding exchange rate, acquisition and divestment effects and adjusted for Group operations, relative to the same period the last year. Acquired entities are included in organic EBITA growth once they have been part of the Group for the full comparison period, divested companies are excluded from both periods once they have been divested. The purpose is to analyse underlying growth in operating profit.

ORGANIC NET SALES GROWTH (ORGANIC GROWTH)

Change in net sales, excluding exchange rate, acquisition and divestment effects, relative to the same period last year. Acquired entities are included in organic growth once they have been part of the Group for the full comparison period, divested companies are excluded from both periods once they have been divested. The purpose is to analyse underlying growth in net sales.

INTEREST COVERAGE RATIO

The purpose is to present profit in relation to interest expenses, which is a measure of the Group's capacity to cover its interest expenses.

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Operating profit	478	832	2,092	2,446
Interest income	17	27	67	77
Operating profit including interest income	495	858	2,159	2,523
Interest expenses	-234	-203	-1,035	-1,004
Interest coverage ratio, x	2.1	4.2	2.1	2.5

WORKING CAPITAL

The purpose is to analyse the capital tied up in the balance sheet by the Group's operating activities. The components are calculated as the average for the previous 12-month period.

SEK m	Apr-Mar		Full-year
	23/24	22/23	2023
Inventories	4,919	4,924	5,019
Trade receivables	4,806	4,871	4,837
Other current receivables	2,813	2,664	2,798
Trade payables	-2,675	-2,763	-2,675
Other current liabilities	-4,139	-3,935	-4,127
Working capital (Average of last 12 months)	5,724	5,762	5,853

OPERATING MARGIN

The purpose is to provide an indication of profitability in relation to sales.

SEK m	Q1		Apr-Mar	Full-year
	2024	2023	23/24	2023
Operating profit	478	832	2,092	2,446
Net sales	8,358	9,213	35,150	36,006
Operating margin, %	5.7	9.0	6.0	6.8

DEBT/EQUITY RATIO

The purpose is to show the size of debt in relation to equity, i.e. a measure of capital strength and financial risk.

SEK m	31 Mar 2024	31 Mar 2023	31 Dec 2023
Net debt	13,730	14,909	13,159
Equity	20,739	20,215	20,437
Debt/equity ratio, x	0.7	0.7	0.6

EQUITY/ASSETS RATIO

The purpose is to show the proportion of assets that are financed with equity.

SEK m	31 Mar 2024	31 Mar 2023	31 Dec 2023
Equity	20,739	20,215	20,437
Total assets	45,072	47,203	44,169
Equity/assets ratio, %	46.0	42.8	46.3

CAPITAL EMPLOYED

The purpose is to track the amount of capital that is employed in operations and financed by shareholders and lenders. All components in the table are calculated as the average for the previous 12-month period.

SEK m	Apr-Mar		Full-year
	23/24	22/23	2023
Total assets	45,930	45,396	46,412
Non-interest-bearing liabilities	-9,885	-10,473	-10,122
Provisions	-2,140	-2,049	-2,148
Capital employed (Average of last 12 months)	33,905	32,874	34,142



ABOUT STORSKOGEN

Storskogen is an international group of businesses across trade, industry and services. As a long-term owner, we are positioned to identify, acquire, and develop market leaders with sustainable business models. Storskogen creates value by providing access to capital and strategic direction combined with active governance and a decentralised operational model. Storskogen has approximately 12,000 employees, net sales of SEK 35 billion (LTM) across a diversified group of businesses and is listed on Nasdaq Stockholm.

MISSION

Our mission is to empower businesses to realise their full potential.

VISION

Our vision is to be the leading international owner of small and medium-sized businesses.

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 levels

Adjusted EBITA margin

10 percent over time

Adjusted cash conversion

>70 percent (LTM)

Interest-bearing net debt/RTM adjusted EBITDA

2.0–3.0x

FINANCIAL CALENDAR

Annual General Meeting

Interim report Q2 2024

Interim report Q3 2024

8 May 2024, Stockholm

15 August 2024

7 November 2024

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