

INTERIM REPORT

JANUARY – SEPTEMBER 2024

**“We are making progress
in driving cash flow,
profitability and organic
profit growth”**

Third quarter, 1 July – 30 September 2024

- Net sales decreased by 4 percent to SEK 7,991 million (8,333).
- Adjusted EBITA increased by 8 percent to SEK 783 million (725), corresponding to an adjusted EBITA margin of 9.8 percent (8.7).
- Operating profit (EBIT) increased to SEK 604 million (489).
- Profit for the quarter increased to SEK 256 million (170).
- Basic earnings per share amounted to SEK 0.13 (0.09).
- Diluted earnings per share amounted to SEK 0.13 (0.08). Adjusted diluted earnings per share amounted to SEK 0.13 (0.10).
- Cash flow from operating activities was SEK 453 million (584).
- The previously communicated divestment of nine companies with combined annual sales of SEK 1,512 million and adjusted EBITA of SEK -110 million as of 30 June was completed on 14 August. An add-on acquisition with annual sales of SEK 10 million was also completed.
- S&P affirmed Storskogen's credit rating at BB and improved the outlook from negative to stable.

The period, 1 January – 30 September 2024

- Net sales decreased by 5 percent to SEK 25,592 million (27,009). Organic sales growth was 0 percent.
- Adjusted EBITA decreased by 6 percent to SEK 2,380 million (2,532), corresponding to an adjusted EBITA margin of 9.3 percent (9.4). Organic EBITA growth was -7 percent.
- Operating profit (EBIT) decreased to SEK 814 million (1,926), including items affecting comparability of SEK -970 million (40)¹.
- Profit for the period decreased to SEK -271 million (801), including items affecting comparability of SEK -1,030 million (-18)¹.
- Basic and diluted earnings per share amounted to SEK -0.22 (0.40). Adjusted diluted earnings per share amounted to SEK 0.39 (0.41).
- Cash flow from operating activities was SEK 1,417 million (1,903).
- Four add-on acquisitions were completed with combined annual sales of SEK 17 million.
- Ten divestments were completed, with combined annual sales of SEK 1,708 million.

Significant events after the end of the period

- Storskogen issued bonds of SEK 1,250 million maturing in 2028, and repurchased bonds of SEK 908 million maturing in 2025.

Amounts in parentheses are for the corresponding period in 2023.

¹ For more information about items affecting comparability, see pp. 4 and 27.

7,991

SEK m, net sales

783

SEK m, adjusted EBITA

9.8

%, adjusted EBITA margin

Key performance measures

SEK m	Q3			Jan-Sep			Oct-Sep	Full-year
	2024	2023	Δ%	2024	2023	Δ%	23/24	2023
Net sales	7,991	8,333	-4	25,592	27,009	-5	34,589	36,006
Adjusted EBITA	783	725	8	2,380	2,532	-6	3,086	3,238
Adjusted EBITA margin, %	9.8	8.7	1.1 pp	9.3	9.4	-0.1 pp	8.9	9.0
Operating profit	604	489	23	814	1,926	-58	1,334	2,446
Operating margin, %	7.6	5.9	1.7 pp	3.2	7.1	-3.9 pp	3.9	6.8
Profit for the period	256	170	50	-271	801	N/A	-128	944
Basic earnings per share, SEK	0.13	0.09	57	-0.22	0.40	N/A	-0.16	0.47
Diluted earnings per share, SEK	0.13	0.08	59	-0.22	0.40	N/A	-0.16	0.46
Adjusted diluted earnings per share, SEK	0.13	0.10	35	0.39	0.41	-6	0.43	0.46
Interest-bearing net debt/adjusted RTM EBITDA (12 months), x	2.6	2.6		2.6	2.6		2.6	2.5
Return on equity, % (12 months)	-0.6	6.1	-6.7 pp	-0.6	6.1	-6.7 pp	-0.6	4.6
Return on capital employed, % (12 months)	4.3	8.1	-3.8 pp	4.3	8.1	-3.8 pp	4.3	7.4
Cash flow from operating activities	453	584	-22	1,417	1,903	-26	2,876	3,361
Adjusted cash conversion, %	75	85	-10 pp	82	90	-8 pp	99	104
Items affecting comparability, EBITA	8	-11		-239	40		-210	69
Items affecting comparability, profit for the period	8	-19		-1,030	-18		-1,001	11

Continued progress in focus areas

In the third quarter, a seasonally weaker quarter for our three business areas, net sales reached SEK 7,991 million (8,333). Adjusted EBITA was SEK 783 million (725), with an adjusted EBITA margin of 9.8 percent (8.7). We continue to prioritise cash flow, organic profit growth and profitability, reflected in a cash conversion of 99 percent (LTM), improved profitability and marginally positive organic profit growth for the quarter.

I am pleased that we continue to progress in our prioritised areas. All business areas have made focused efforts despite challenging market conditions, and achieved positive organic sales growth in the quarter. The development in recent quarters also illustrates the benefit of Storskogen's diversified approach, with challenges in one business area compensated for by strengths in another.

“We continue to progress in our prioritised areas, and the result for the quarter illustrates the benefit of Storskogen's diversified approach”

Operational initiatives have helped protect market shares

For the Trade business area, consumer demand remained subdued. However, we are seeing early signs of recovery in consumer sentiment, and we anticipate further support from interest rate cuts as their impact gradually takes hold. Nevertheless, operational initiatives resulted in organic sales growth and strengthened margins, with the possibility of even better profitability as demand gradually recovers. One example of such an initiative is the merger of five Storskogen companies into ASHE Sports, forming a leading Nordic distributor and brand partner in sports and active lifestyle.

Services reported lower sales but significantly higher profitability for the third quarter, both metrics affected by divestments. However, we saw underlying improvements in most areas, including Digital Services, Logistics and Installation, while the market for companies exposed to construction remained soft. The dedicated efforts to adapt costs have had a positive effect during the year and helped maintain profitability in the third quarter, when demand recovered slightly.

Industry's profitability and net sales were in line with last year. The sequential margin development was to some extent explained by subdued demand in the UK. The operational focus to offset fluctuating demand in some sectors remains central. As an example, the automation company Elektroautomatik has successfully implemented dynamic pricing to improve the profitability of complex projects.



Dedicated strategic efforts

The affirmed credit rating and improved outlook from S&P are testament to the successful efforts to improve the overall credit profile of Storskogen. Additionally, we refinanced most of the outstanding bonds maturing in 2025 at better terms than earlier this year. As of now, we have no major bond maturities until 2027.

Since assuming the role of CEO in February, I have visited many of our colleagues across different geographies. Meeting with our business units and discussing their challenges and opportunities has been both inspiring and reassuring, strengthening my confidence that we are on the right path. Insights from these visits have contributed to the strategic work that has been ongoing for the past year. I look forward to sharing this work and our ambitions at Storskogen's Capital Market's Day on 27 November.

In summary, we are making progress in driving cash flow, profitability and organic profit growth. I am pleased that we saw organic sales growth across all business areas in the quarter, an important parameter in the business units' ambition to protect market shares. I am confident that we are well positioned to allocate capital to value-creating acquisitions once we see persistent organic profit growth combined with an improved leverage ratio.

Christer Hansson
CEO

The Group's performance

THIRD QUARTER

Sales

Net sales for the third quarter decreased by 4 percent to SEK 7,991 million (8,333). The change was mainly affected by divestments and acquisitions of -5 percent, which was counteracted by positive organic growth. The third quarter is seasonally weaker for all three business areas. Demand in the Trade business area was slightly improved, while Industry was in line with last year. Services experienced stronger markets in several sectors. Sales initiatives aimed at increasing the business areas' market shares contributed to the positive organic growth.

Earnings

Adjusted EBITA increased by 8 percent to SEK 783 million (725) in the quarter. The change was affected by divestments and acquisitions of 4 percent, and lower central costs. The adjusted EBITA margin was 9.8 percent (8.7). In adjusted EBITA, items affecting comparability of SEK 8 million (-11) are excluded.

Earnings and profitability improved in the third quarter compared to last year. The change was positively affected by Services and Trade, partly due to divestments of non-profitable companies. Industry performed in line with last year. Services saw improved market conditions, which combined with a continued cost focus contributed to strengthened profitability. Price adjustments, efficiency measures and cost control remain focus areas for all three business areas and counteracted subdued demand in some segments. It will also allow for further improvement in profitability as demand returns. For more information, see pp. 6-8.

Central costs were somewhat lower due to adjustments for earlier incentive programmes.

Items affecting comparability in operating profit (EBIT) were SEK 8 million (-11), comprising capital gains of SEK 9 million (2) and remeasurements of contingent considerations of SEK -1 million (-14).

EBIT increased to SEK 604 million (489), primarily affected by improved operating profit in the Services business area. The operating margin was 7.6 percent (5.9) for the quarter. Adjusted for items affecting comparability, EBIT would have been SEK 597 million (501) with an operating margin of 7.5 percent (6.0).

Net financial items amounted to SEK -242 million (-298), consisting of net interest expenses of SEK -207 million (-257), which decreased due to lower outstanding debt and lower interest rate levels. The remaining part of net financial items consisted of exchange rate effects and other financial items of SEK -35 million (-41).

Profit before tax increased to SEK 362 million (192).

Tax for the quarter was SEK -106 million (-21). The effective tax rate was 29.4 percent (10.9), the comparison period having seen a positive effect related to the previous year.

Profit for the quarter increased to SEK 256 million (170), thanks to higher operating profit and lower net financial items.

In the quarter, basic earnings per share amounted to SEK 0.13 (0.09), and diluted earnings per share amounted to SEK 0.13 (0.08). Adjusted for items affecting comparability, diluted earnings per share were SEK 0.13 (0.10), an increase of 35 percent.

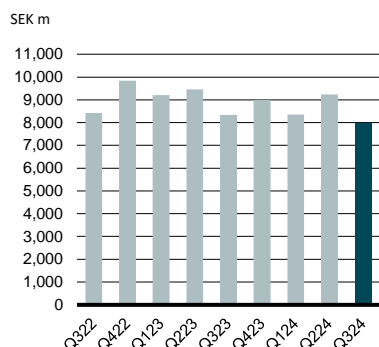
Cash flow and investments

Cash flow from operating activities amounted to SEK 453 million (584). Changes in working capital affected cash flow by SEK -142 million (-6). The change was primarily attributable to increased operating receivables and reduced operating liabilities, which were counteracted by decreased accounts receivables. Slightly higher inventory levels, in line with seasonal expectations, also had some impact.

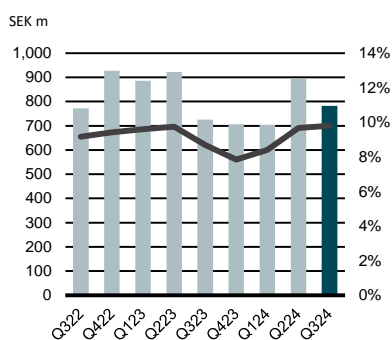
Adjusted cash conversion (adjusted EBITDA after changes in working capital and net investments in tangible assets as a percentage of adjusted EBITDA) was 75 percent (85) in the quarter.

Cash flow from investing activities amounted to net SEK -366 million (-66) in the third quarter, of which SEK -115 million (-144) was attributable to net investments in tangible assets, corresponding to 1.4 percent (1.7) of net sales. Cash flow from business combinations and divestments, which includes acquisition of minority shares in subsidiaries, amounted to SEK -91 million (65) in the quarter. For more information, see note 4, p. 20.

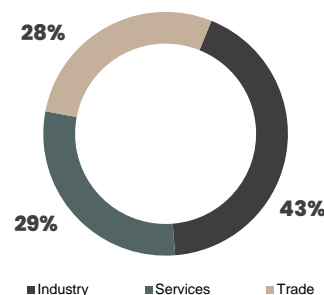
NET SALES PER QUARTER



ADJUSTED EBITA AND EBITA MARGIN BY QUARTER



BREAKDOWN OF SALES BY BUSINESS AREA, Q3 2024



JANUARY – SEPTEMBER 2024

Sales

Net sales for the first nine months of the year decreased by 5 percent to SEK 25,592 million (27,009), primarily impacted by divestments. Organic sales growth for the first nine months was 0 percent. Demand in the Industry business area was somewhat weaker than in the comparison period. Adjusted for divestments, the Services and Trade business areas experienced cautiously optimistic market sentiment in several sectors, and sales initiatives aimed at increasing the business areas' market shares also contributed positively.

Earnings

Adjusted EBITA decreased by 6 percent to SEK 2,380 million (2,532) in the first nine months, corresponding to an adjusted EBITA margin of 9.3 percent (9.4). The change was affected by divestments of -1 percent, acquisitions and exchange rate effects of 2 percent, and organic EBITA growth of -7 percent. Items affecting comparability of SEK -239 million (40) were added back to adjusted EBITA. For more information, see p. 27.

Earnings for the first nine months of the year were lower than in the comparison period, mainly due to the Industry business area, which saw demand normalising versus the strong first six months of 2023. The Services and Trade business areas experienced continued subdued and competitive markets, primarily for companies exposed to construction and end consumers. This affected profitability, which was somewhat lower than last year, although price adjustments, efficiency-enhancing measures and cost control partly counteracted the softer demand and are expected to contribute further as markets slowly recover. For more information, see pp. 6-8.

Items affecting comparability in operating profit amounted to SEK -970 million (40), mainly consisting of SEK -974 million reported in connection with the divestment of nine unprofitable business units, distributed between impairment of goodwill in the affected verticals of SEK -550 million, other tangible and intangible assets of SEK -316 million, and capital losses of SEK -108 million. The transaction, which was completed on 14 August, strengthens Storskogen's profitability and potential for profitable growth. Other items affecting comparability amounted to SEK 4 million, mainly consisting of capital gains of SEK 36 million, remeasurement of contingent considerations of SEK -10 million, and central restructuring costs of SEK -19 million.

Operating profit (EBIT) decreased to SEK 814 million (1,926), impacted by items affecting comparability of SEK -970 million (40). The operating margin came in at 3.2 percent (7.1) for the first nine months. Adjusted for items affecting comparability, EBIT would have been SEK 1,784 million (1,886), with a corresponding operating margin of 7.0 percent (7.0).

Net financial items amounted to SEK -796 million (-848) in the first nine months, consisting of net interest expenses of SEK -669 million (-703), a decrease of SEK 34 million, mainly due to lower interest expenses, but also lower one-off costs related to the bond repurchase of SEK -17 million (-59). Exchange rate effects and other financial items were SEK -126 million (-146), of which SEK -20 million (0) pertained to the written procedures that were initiated in conjunction with the divestment of nine business units, and SEK -24 million to the refinancing of credit facilities in the first quarter of 2024.

Profit before tax decreased to SEK 19 million (1,077), driven by items affecting comparability of SEK -1,030 million (-18).

Tax for the period was SEK -290 million (-277). The high tax level in relation to profit was explained by non-tax-deductible costs related to the divestment of nine business units.

Profit for the period decreased to SEK -271 million (801), impacted by items affecting comparability of SEK -1,030 million (-18). Earnings per share amounted to SEK -0.22 (0.40). Adjusted for items affecting comparability, diluted earnings per share were SEK 0.39 (0.41)

Cash flow and investments

Cash flow from operating activities amounted to SEK 1,417 million (1,903). Changes in working capital affected cash flow by SEK -251 million (106), mainly due to increased operating receivables, partly offset by increased operating liabilities. Through the company's focus on improving working capital in 2023, a solid level has been reached. Looking ahead, working capital in relation to net sales is expected to be relatively steady, albeit with quarterly fluctuations.

Adjusted cash conversion (adjusted EBITDA after changes in working capital and net investments in tangible assets as a percentage of adjusted EBITDA) was 82 percent (90) for the period. Adjusted cash conversion for the last 12 months was 99 percent (95), which is above the target level of at least 70 percent.

Cash flow from investing activities amounted to net SEK -785 million (-736) in the first nine months, of which SEK -520 million (-404) was attributable to net investments in non-current assets. Of this, SEK -331 million (-443) was attributable to tangible assets, corresponding to 1.3 percent (1.6) of net sales. Cash flow from business combinations and divestments, which includes payments of contingent considerations for acquisitions in previous years and acquisition of minority shares in subsidiaries, amounted to SEK -264 million (-332) in the first nine months. For more information, see note 4, p. 20.

RETURNS

Return on average equity was -0.6 percent (6.1). Return on capital employed was 4.3 percent (8.1). The decreases in both return on equity and return on capital employed compared to last year were primarily explained by items affecting comparability, which included an effect on EBIT amounting to SEK -974 million reported in connection with the divestment of nine business units. Adjusted for items affecting comparability, return on equity would have been 4.3 percent (5.7) and return on capital employed would have been 7.1 percent (7.7).

FINANCIAL POSITION

At the end of the period, the Group had equity of SEK 20,128 million (SEK 20,437 million on 31 December 2023) and an equity/assets ratio of 46 percent (46 percent on 31 December 2023). On 30 September, cash and cash equivalents amounted to SEK 1,278 million (SEK 1,560 million on 31 December 2023). In addition, at the end of the period, there were unutilised credit facilities of SEK 2,149 million.

The Group's total net debt, which also includes liabilities for contingent considerations and minority options, decreased by SEK 442 million in the quarter, and by SEK 270 million in the first nine months, to SEK 12,890 million.

Total interest-bearing debt, including leasing and pension liabilities, but excluding future contingent considerations and minority options, decreased by SEK 276 million in the quarter, primarily driven by reduced lease liabilities and amortisation on interest-bearing debt. In the first nine months, debt decreased by SEK 77 million to SEK 12,448 million.

The Group's interest-bearing net debt decreased by SEK 254 million in the quarter, largely explained by financial assets related to the divestment of nine business units. The increase of SEK 15 million to SEK 10,917 million was primarily attributable to new leasing contracts and payments of dividends, largely offset by positive cash flow before financing activities of SEK 633 million.

Interest-bearing net debt/EBITDA, based on RTM adjusted EBITDA for the past 12-month period, was 2.6x (2.6), which was lower than 2.7x in the second quarter, but an increase from 2.5x at year-end 2023. The increase was primarily a result of RTM adjusted EBITDA decreasing. This level is within Storskogen's target range of 2-3x, but the ambition to reach the lower end of the interval remains.

Storskogen works continuously to optimise its balance sheet, which includes the company's credit and debt portfolio. In the first nine months of the year, the scope of the credit facilities was adapted to current needs, the average maturity was extended, and bonds amounting to SEK 2,500 million were issued to finance the partial repurchase of outstanding bonds maturing in 2025. The bonds issued in the second quarter have a floating rate of 3m Stibor + 375 basis points per year, with maturity in December 2027, and the bonds issued in the third quarter, with settlement after the period, have a floating rate of 3m Stibor + 325 basis points, with maturity in October 2028. The bonds were issued at significantly improved rates compared to last year's issue of SEK 2,000 million at 3m Stibor + 687.50 basis points, with maturity in March 2027.

OTHER INFORMATION

RTM (rolling 12 months pro forma)

If Storskogen had owned all of its subsidiaries as of 30 September throughout the previous 12-month period (RTM), and excluded divested companies for the whole period, the Group would have generated net sales of SEK 33,247 million, adjusted EBITDA of SEK 4,142 million and adjusted EBITA of SEK 3,110 million, corresponding to an adjusted EBITA margin of 9.4 percent.

NET SALES BY BUSINESS AREA AND FOR THE GROUP

SEK m	Q3			Jan-Sep			Oct-Sep	Full-year
	2024	2023	Δ%	2024	2023	Δ%	23/24	2023
Services	2,339	2,576	-9	7,673	8,428	-9	10,591	11,346
Trade	2,253	2,341	-4	7,093	7,510	-6	9,631	10,048
Industry	3,414	3,429	0	10,870	11,107	-2	14,425	14,662
Operations	8,007	8,346	-4	25,635	27,044	-5	34,647	36,056
Group operations and eliminations	-16	-12		-44	-36		-58	-50
Net sales, Group	7,991	8,333	-4	25,592	27,009	-5	34,589	36,006

OPERATING PROFIT BY BUSINESS AREA AND FOR THE GROUP

SEK m	Q3			Jan-Sep			Oct-Sep	Full-year
	2024	2023	Δ%	2024	2023	Δ%	23/24	2023
Services	262	242	8	756	800	-5	1,014	1,057
Trade	202	188	8	617	653	-5	769	804
Industry	352	353	0	1,176	1,273	-8	1,549	1,646
Group operations	-33	-57		-169	-193		-246	-270
Adjusted EBITA	783	725	8	2,380	2,532	-6	3,086	3,238
Reversal of adjusted items	8	-11		-239	40		-210	69
EBITA	791	714	11	2,141	2,572	-17	2,876	3,307
Amortisation and impairment of intangible non-current assets	-186	-224		-1,327	-647		-1,542	-861
Operating profit, EBIT	604	489	23	814	1,926	-58	1,334	2,446

SERVICES

SEK m	Q3			Jan-Sep			Oct-Sep	Full-year
	2024	2023	Δ%	2024	2023	Δ%	23/24	2023
Net sales	2,339	2,576	-9	7,673	8,428	-9	10,591	11,346
Adjusted EBITA	262	242	8	756	800	-5	1,014	1,057
Adjusted EBITA margin, %	11.2	9.4		9.9	9.5		9.6	9.3
Number of employees, end of period	3,411	4,328		3,411	4,328		3,411	4,352
Number of business units, end of period	53	57		53	57		53	58

DEVELOPMENTS IN THE QUARTER

Net sales in the Services business area decreased by 9 percent to SEK 2,339 million (2,576) in the third quarter and by 9 percent to SEK 7,673 million (8,428) in the first nine months. Organic sales growth was 3 percent in the first nine months.

Adjusted EBITA increased by 8 percent to SEK 262 million (242) in the third quarter and decreased by 5 percent to SEK 756 million (800) in the first nine months. The adjusted EBITA margin was 11.2 percent (9.4) in the quarter and 9.9 percent (9.5) in the first nine months. Organic EBITA growth was -5 percent in the first nine months.

Compared to the second quarter, the third quarter is seasonally weaker, largely impacted by the vacation period. Compared to the same quarter last year, adjusted EBITA and the corresponding margin improved, partly thanks to the divestment of five non-profitable companies. Apart from this, most companies noted somewhat improved demand, while efficiency improvements and cost control remained in focus.

In line with last year, companies exposed to the construction industry experienced soft demand. However, these companies are seeing early indications of an improvement in market sentiment, albeit from low levels. This mainly pertains to companies in the Infrastructure and Contracting Services verticals. Installation companies active in the logistics sector experienced solid demand.

The product and consultancy companies in Digital Services experienced strong demand and profitability, contributing to the solid margin expansion in the business area compared to last year.

OUTLOOK

The fourth quarter has historically been seasonally stronger. The improved demand across several sectors is expected to continue. Market conditions in the construction industry are assessed to have stabilised and early positive signs can be noted. However, a tangible recovery from today's levels is expected to be delayed until 2025, when further interest rate cuts are expected to have a positive impact.

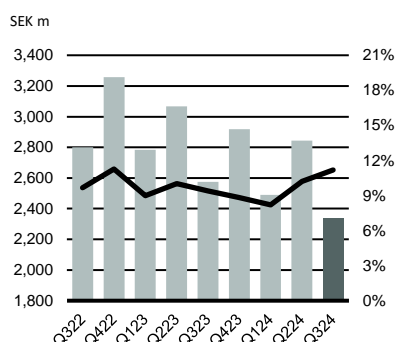
The successful efforts to create a more flexible cost base continue, along with the work to expand offerings to enable increased growth.

TRANSACTIONS IN THE QUARTER

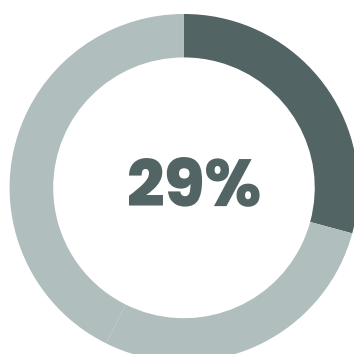
In the quarter, five business units were divested: Bergendahls El Gruppen, Elcommunication Sweden, Enrival, Strigo and Säg- och Betongborrning i Uddevalla. Harmoni Care, a subsidiary of Bergendahls El Gruppen, was retained within Storskogen and constitutes a directly owned business unit in the Digital Services vertical.

In the quarter, the SoVent Group business unit made a small add-on acquisition.

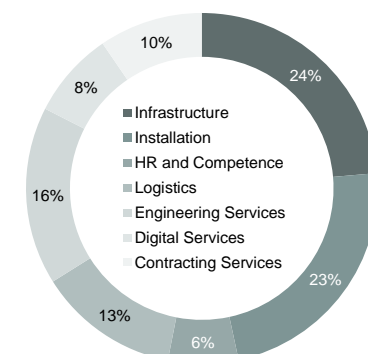
NET SALES, SEK M ADJUSTED EBITA MARGIN, %



SHARE OF GROUP NET SALES, Q3 2024



NET SALES PER VERTICAL %, Q3 2024



SEK m	Q3			Jan-Sep			Oct-Sep	Full-year
	2024	2023	Δ%	2024	2023	Δ%	23/24	2023
Net sales	2,253	2,341	-4	7,093	7,510	-6	9,631	10,048
Adjusted EBITA	202	188	8	617	653	-5	769	804
Adjusted EBITA margin, %	9.0	8.0		8.7	8.7		8.0	8.0
Number of employees, end of period	2,316	2,464		2,316	2,464		2,316	2,477
Number of business units, end of period	25	32		25	32		25	32

DEVELOPMENTS IN THE QUARTER

Net sales in the Trade business area decreased by 4 percent to SEK 2,253 million (2,341) in the third quarter and by 6 percent to SEK 7,093 million (7,510) in the first nine months. Organic sales growth was 0 percent in the first nine months.

Adjusted EBITA increased by 8 percent to SEK 202 million (188), in the quarter, but decreased by 5 percent to SEK 617 million (653) in the first nine months. The adjusted EBITA margin was 9.0 percent (8.0) in the quarter and 8.7 percent (8.7) in the first nine months. Organic EBITA growth was -8 percent in the first nine months.

Compared to the second quarter, the third quarter is seasonally weaker. Adjusted for the divestment of three non-profitable companies, net sales improved slightly, but sentiment remains somewhat subdued.

Sports, Clothing and Accessories reported improved net sales and profitability compared to last year. The companies in Niche Businesses reported improved margins, while Health and Beauty on the other hand experienced some margin pressure, albeit with continued strong profitability.

Prevailing conflicts related to the Suez Canal continue to cause delivery delays and increased costs. The situation is also having a slight negative impact on inventory levels, as purchases must be made in advance.

Adjusted EBITA and the corresponding margin improved, largely driven by divestments, but the business units' long-term work with sales and pricing initiatives in combination with cost focus and efficiency measures also had a positive impact. These efforts should also be supportive when demand eventually normalises.

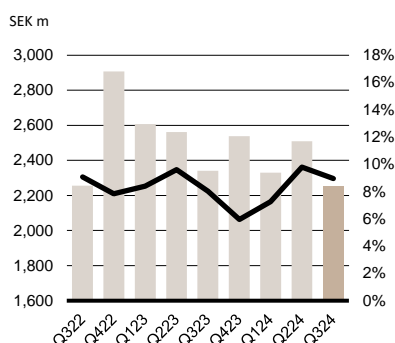
OUTLOOK

The fourth quarter has historically been seasonally stronger, but current market sentiment continues to be uncertain. Consumer confidence is positive but still tentative. Further interest rate cuts would benefit a large number of the companies in the business area, primarily those exposed to consumers.

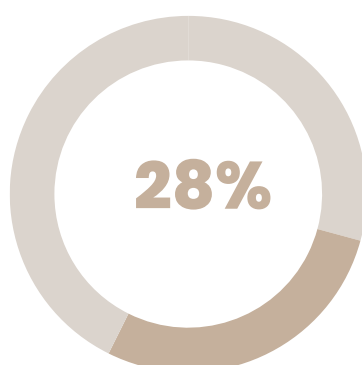
TRANSACTIONS IN THE QUARTER

In the quarter, three business units were divested: HOJ TWS, Swedfarm and Dimabay.

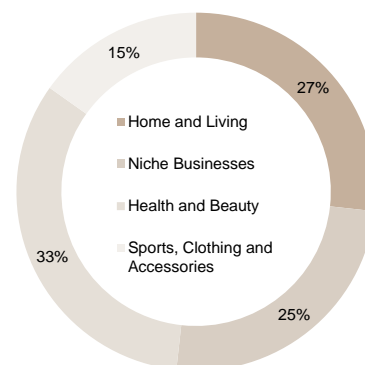
NET SALES, SEK M ADJUSTED EBITA MARGIN, %



SHARE OF GROUP NET SALES, Q3 2024



NET SALES PER VERTICAL %, Q3 2024



INDUSTRY

SEK m	Q3			Jan-Sep			Oct-Sep	Full-year
	2024	2023	Δ%	2024	2023	Δ%	23/24	2023
Net sales	3,414	3,429	0	10,870	11,107	-2	14,425	14,662
Adjusted EBITA	352	353	0	1,176	1,273	-8	1,549	1,646
Adjusted EBITA margin, %	10.3	10.3		10.8	11.5		10.7	11.2
Number of employees, end of period	5,120	5,240		5,120	5,240		5,120	5,147
Number of business units, end of period	38	39		38	39		38	39

DEVELOPMENTS IN THE QUARTER

Net sales in the Industry business area were SEK 3,414 million (3,429) in the third quarter, which was in line with last year, but decreased by 2 percent to SEK 10,870 million (11,107) in the first nine months. Organic sales growth amounted to -2 percent in the first nine months.

Adjusted EBITA was SEK 352 million (353) in the third quarter and decreased by 8 percent to SEK 1,176 million (1,273) in the first nine months. The adjusted EBITA margin was 10.3 percent (10.3) in the third quarter and 10.8 percent (11.5) in the first nine months. Organic EBITA growth was -8 percent in the first nine months.

Despite increased geopolitical uncertainty, net sales in the business area were in line with last year, but seasonality, mostly connected to the vacation period, contributed to a lower level than in the second quarter.

Order intake remained solid, albeit somewhat lower than in the first six months. In line with the first six months, companies exposed to automation solutions, especially those offering robot integrations, several metal processing companies and companies active in infrastructure experienced solid demand.

Companies exposed to the consumer market and parts of the construction industry continued to see soft demand. In addition, certain companies exposed to investment-intensive segments also experienced subdued sentiment in the quarter, largely in the UK.

The business area remains focused on continuous productivity improvements, rationalisation and other measures to counteract the effects of lower volumes for companies impacted by soft demand. In the third quarter, this resulted in adjusted EBITA and the corresponding margin being in line with last year.

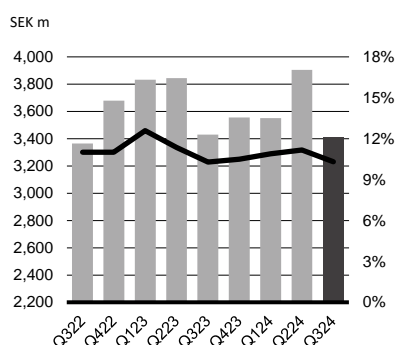
OUTLOOK

Market conditions are solid overall, and order books remain at good levels. Global uncertainty, which is hard to assess, will potentially delay the overall recovery into 2025, particularly for companies exposed to consumer markets and the construction industry. As a result, efforts to counteract these effects and maintain solid profitability continue to be highly prioritised.

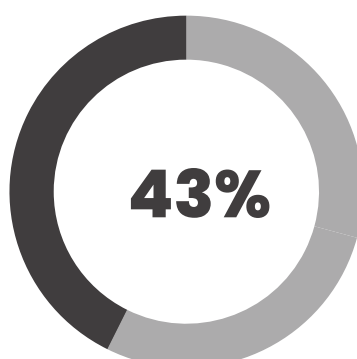
TRANSACTIONS IN THE QUARTER

In the quarter, one business unit was divested: Smederna Sverige.

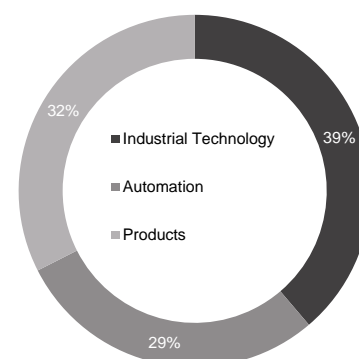
NET SALES, SEK M ADJUSTED EBITA MARGIN, %



SHARE OF GROUP NET SALES, Q3 2024



NET SALES PER VERTICAL %, Q3 2024



Transactions

ACQUISITIONS DURING THE PERIOD

In the third quarter, Storskogen completed one add-on acquisition in the Services business area. The acquired company has 9 employees, annual net sales of SEK 10 million and annual EBITA of approximately SEK 1 million.

For more information on acquisitions completed during the period 1 January – 30 September 2024, see note 4 – Business combinations.

Breakdown of acquisitions completed during January–September 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
Sörmlandskustens Sotning och Ventilation AB	September	10	9	100	Services
Total		17	23		

DIVESTMENTS DURING THE PERIOD

In the third quarter, the previously announced divestment of nine business units was completed. The divested companies were Dimabay GmbH, Bergendahls El Gruppen AB, Elcommunication Sweden AB, Swedfarm AB, HOJ TWS AB, Smederna Sverige AB, Säg- och Betongborrning i Uddevalla Aktiebolag, EnRival AB and Strigo AB.

The divested business units had combined sales of SEK 1,512 million and adjusted EBITA of SEK -110 million in the past 12 months up to and including the second quarter of 2024. Capital losses from the divestment burdened the Group's operating profit (EBIT) by SEK -108 million in the period, of which the effect in the third quarter was SEK 3 million. According to the divestment agreement, Storskogen is, through dividends from a preference share, entitled to a significant part of the profit from the divested companies and sales proceeds from a future sale of the companies to a third party. Fair value for this is not yet reported.

The capital gain/loss from divestments also improved by SEK 6 million in the quarter, due to Storskogen obtaining the final purchase consideration related to a divestment that was completed in the second quarter. The Group's capital gains/losses from divestments are reported as other operating income/operating expenses in the consolidated income statement.

Breakdown of divestments completed during January–September 2024 by Group business area:

Divestments	Divestment date	Annual net sales, SEK m	Number of employees by divestment	Share of capital/votes, %	Business area
AB Kranlyft, incl. subsidiaries	April	196	31	-	Trade
Dimabay GmbH, incl. subsidiaries	August	128	20	-	Trade
Bergendahls El Gruppen AB, incl. subsidiaries	August	242	123	-	Services
Elcommunication Sweden AB	August	156	98	-	Services
Swedfarm AB, incl. subsidiaries	August	214	48	-	Trade
HOJ TWS AB, incl. subsidiaries	August	119	29	-	Trade
Smederna Sverige AB	August	154	80	-	Industry
Säg- och Betongborrning i Uddevalla Aktiebolag	August	83	33	-	Services
EnRival AB, incl. subsidiaries	August	154	226	-	Services
Strigo AB, incl. subsidiaries	August	261	306	-	Services
Total		1,708	994		

TRANSACTIONS AFTER THE END OF THE PERIOD

After the end of the quarter and up until the date of this report, a smaller add-on acquisition was made in the Industry business area. The acquired company has annual sales of SEK 6 million. For more information on the acquisition, see the section Events after the end of the period.

Other information

EMPLOYEES

At the end of the period, the Group had 10,930 employees (12,134). The number of employees in the Group decreased by 963 from divestments and increased by 9 from acquisitions.

SHARE CAPITAL

On 30 September 2024, the number of shares amounted to 1,686 million, divided into 1,538 million Series B shares and 148 million Series A shares.

Share structure on 30 September 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	8.8	49.0
Series B share, 1 vote per share	1,538,090,617	1,538,090,617	91.2	51.0
Total number of shares	1,686,091,991	3,018,104,357	100	100

Ten largest shareholders on 30 September 2024 ¹

	Series A	Series B	Percentage of capital	Percentage of votes
AMF Pension & Fonder	-	149,611,749	8.9	5.0
Daniel Kaplan ²	38,270,140	34,593,758	4.3	13.8
Swedbank Robur Fonder	-	70,861,962	4.2	2.3
Movestic Livförsäkring AB	-	68,600,775	4.1	2.3
Futur Pension	-	68,549,072	4.1	2.3
Alexander Murad Bjärgård	37,539,070	22,841,998	3.6	13.2
Vanguard	-	52,393,271	3.1	1.7
Ronnie Bergström ³	38,270,254	13,773,504	3.1	13.1
Peter Ahlgren	33,921,910	16,079,607	3.0	11.8
Christer Hansson ⁴	-	33,682,988	2.0	1.1
Total largest shareholders	148,001,374	530,988,684	40.3	66.6
Other	-	1,007,101,933	59.7	33.4
Total	148,001,374	1,538,090,617	100	100

¹ Source: Monitor by Modular Finance AB

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

³ Includes shares held by Ängsmon AB

⁴ Includes shares held by Scalata AB and Scalata invest AB

PARENT COMPANY

The Parent Company generated net sales of SEK 43 million (42) in the third quarter and SEK 132 million (115) in the first nine months. Net sales consist of intra-Group management services. Profit for the period amounted to SEK 15 million (-26) in the quarter and SEK 196 million (372) in the first nine months. 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

Storskogen issued bonds of SEK 1,250 million maturing in 2028, and repurchased bonds of SEK 908 million maturing in 2025. The bonds that were issued in the third quarter, with settlement after the end of the period, have a floating rate of 3m Stibor + 325 basis points.

A smaller add-on acquisition was made in the Industrial Technology vertical in the Industry business area. The acquisition was made to enable geographical expansion in northern Sweden for one of the business units in the vertical. The company has annual sales of SEK 6 million and EBITA of SEK 0 million.

The Chief Executive Officer hereby provides 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 November 2024

Storskogen Group AB

Christer Hansson
CEO

REVIEW REPORT

Storskogen Group AB (publ), corporate identity number 559223-8694

INTRODUCTION

We have reviewed the condensed interim report for Storskogen Group AB (publ) as at September 30, 2024 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, November 7, 2024

Ernst & Young AB

Åsa Lundvall
Authorised Public Accountant

Quarterly data

SEK m	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Net Sales						
Services	2,339	2,844	2,490	2,918	2,576	3,067
Trade	2,253	2,510	2,330	2,538	2,341	2,561
Industry	3,414	3,905	3,551	3,555	3,429	3,845
Group operations and eliminations	-16	-15	-13	-14	-12	-12
Group total	7,991	9,243	8,358	8,997	8,333	9,462
Adjusted EBITA						
Services	262	291	204	257	242	307
Trade	202	246	169	151	188	246
Industry	352	437	387	374	353	437
Group operations	-33	-79	-57	-77	-57	-68
Group total	783	894	703	706	725	922
Adjusted EBITA margin, %						
Services	11.2	10.2	8.2	8.8	9.4	10.0
Trade	9.0	9.8	7.3	6.0	8.0	9.6
Industry	10.3	11.2	10.9	10.5	10.3	11.4
Group operations	-	-	-	-	-	-
Group total	9.8	9.7	8.4	7.8	8.7	9.7
Number of employees, end of period						
Services	3,411	4,200	4,159	4,352	4,328	4,559
Trade	2,316	2,395	2,422	2,477	2,464	2,557
Industry	5,120	5,264	5,221	5,147	5,240	5,286
Group operations	83	89	91	101	102	103
Group total	10,930	11,947	11,893	12,077	12,134	12,505
Number of business units, end of period						
Services	53	57	57	58	57	61
Trade	25	28	29	32	32	32
Industry	38	39	39	39	39	39
Group total	116	124	125	129	128	132

Financial statements

CONSOLIDATED INCOME STATEMENT, CONDENSED ¹⁾

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Net sales	7,991	8,333	25,592	27,009	34,589	36,006
Cost of goods and services sold	-6,330	-6,726	-21,029	-21,544	-28,175	-28,690
Gross profit	1,662	1,607	4,562	5,464	6,414	7,316
Selling expenses	-715	-751	-2,519	-2,401	-3,364	-3,247
Administrative expenses	-431	-462	-1,462	-1,502	-2,052	-2,093
Other operating income	144	281	547	827	806	1,086
Other operating expenses	-55	-186	-315	-461	-469	-616
Operating profit	604	489	814	1,926	1,334	2,446
Net financial items	-242	-298	-796	-848	-1,072	-1,125
Profit before tax	362	192	19	1,077	262	1,321
Income tax	-106	-21	-290	-277	-390	-377
Profit for the period	256	170	-271	801	-128	944
Profit for the year attributable to:						
Owners of the parent company	227	143	-379	674	-275	778
Non-controlling interests	29	27	108	126	147	166
Basic earnings per share, SEK	0.13	0.09	-0.22	0.40	-0.16	0.47
Diluted earnings per share, SEK	0.13	0.08	-0.22	0.40	-0.16	0.46

¹⁾ For more information on items affecting comparability in the report, see the table on p. 27.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONDENSED

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Profit for the period	256	170	-271	801	-128	944
Other comprehensive income						
Items that will not be reclassified to the income statement						
Remeasurements of defined benefit pension plans	-16	13	-20	16	-80	-44
Total items that will not be transferred to the income statement	-16	13	-20	16	-80	-44
Items that have been or may be transferred to the income statement						
Exchange differences, foreign operations	0	-192	210	330	-46	73
Gains/losses on holding of derivatives for cash flow hedging	-43	4	-17	7	-105	-81
Total items that have been or may be transferred to the income statement	-42	-188	193	336	-151	-8
Other comprehensive income for the period, net of tax	-59	-175	174	353	-231	-52
Comprehensive income for the period	197	-5	-97	1,153	-359	892
Comprehensive income for the period attributable to:						
Owners of the parent company	167	12	-268	962	-493	736
Non-controlling interests	30	-17	170	192	134	155

CONSOLIDATED BALANCE SHEET, CONDENSED

SEK m	30 Sep 2024	30 Sep 2023	31 Dec 2023
Assets			
Intangible assets	23,915	25,236	24,982
Property, plant and equipment	5,286	5,399	5,391
Financial non-current assets	307	107	63
Pension obligation assets	2	10	4
Deferred tax assets	162	126	157
Total non-current assets	29,672	30,878	30,597
Inventories	4,461	5,031	4,522
Trade receivables	4,501	5,023	4,441
Current receivables	3,417	3,541	3,049
Current investments	0	1	0
Cash and cash equivalents	1,278	1,421	1,560
Total current assets	13,657	15,017	13,572
Total assets	43,329	45,895	44,169
Equity and liabilities			
Total equity	20,128	20,652	20,437
Interest-bearing non-current liabilities	9,973	11,339	10,080
Non-current lease liabilities	1,226	1,254	1,222
Provisions for pensions	278	185	251
Non-interest-bearing non-current liabilities	1,137	1,666	1,814
Provisions	86	100	92
Deferred tax liabilities	1,634	1,831	1,789
Total non-current liabilities	14,334	16,376	15,248
Interest-bearing current liabilities	565	147	546
Current lease liabilities	407	423	430
Trade payables	2,445	2,538	2,271
Non-interest-bearing current liabilities	5,451	5,759	5,238
Total current liabilities	8,867	8,867	8,484
Total equity and liabilities	43,329	45,895	44,169

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

SEK m	30 Sep 2024	30 Sep 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	-379	674	778
Remeasurements of defined benefit pension plans	-19	16	-45
Other comprehensive income for the period	131	271	3
Comprehensive income for the period	-268	962	736
Transactions with the Group's owners			
Contributions from and value transfers to owners			
Dividends paid	-152	-133	-133
Conversion of loans in connection with acquisitions of companies	91	71	71
Transaction costs on issue of shares, after tax	0	0	0
Contributed capital from issued share options	11	4	4
Share-based payment transactions	20	29	37
Put options attributable to non-controlling interests	-75	113	124
Total contributions from and value transfers to owners	-104	84	103
Changes in ownership of subsidiaries			
Acquisition/divestment of non-controlling interests	65	8	2
Total changes in ownership of subsidiaries	65	8	2
Total transactions with the Group's owners	-39	92	104
Closing equity attributable to owners of the parent company	20,128	20,648	20,435
Opening equity in non-controlling interests	2	34	34
Profit for the period	108	126	166
Other comprehensive income for the period	63	66	-10
Comprehensive income for the period	170	192	155
Dividends to non-controlling interests	-72	-102	-108
Acquisition/divestment of non-controlling interests	-183	-80	-177
Acquisition of business with non-controlling interest, no controlling interest from before	2	129	191
Divestment of business with non-controlling interests, controlling interest ends	-23	-34	-34
Put options attributable to non-controlling interests	104	-135	-60
Closing equity in non-controlling interests	0	4	2
Total equity	20,128	20,652	20,437

CONSOLIDATED CASH FLOW STATEMENT, CONDENSED

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Profit before tax	362	192	19	1,077	262	1,321
Adjustment for non-cash items	386	552	2,380	1,553	2,884	2,057
Income tax paid	-153	-153	-730	-834	-710	-814
Change in working capital	-142	-6	-251	106	441	798
Cash flow from operating activities	453	584	1,417	1,903	2,876	3,361
Net investments in non-current assets	-275	-131	-520	-404	-689	-574
Business combinations and divestments	-91	65	-264	-332	-324	-392
Cash flow from investing activities	-366	-66	-785	-736	-1,014	-965
Dividend to owners of the parent company	0	-	-152	-133	-152	-133
Dividends to minority owners	-5	-5	-72	-100	-79	-108
Change in loans	-167	-950	-285	-2,180	-1,195	-3,091
Repayment of lease liability	-128	-137	-426	-415	-574	-563
Other financing activities	0	0	11	14	12	15
Cash flow from financing activities	-300	-1,091	-923	-2,815	-1,987	-3,879
Cash flow for the period	-213	-573	-290	-1,649	-125	-1,483
Cash and cash equivalents at beginning of period	1,497	1,990	1,560	3,022	1,421	3,022
Exchange rate differences in cash and cash equivalents	-6	4	8	48	-18	21
Cash and cash equivalents at end of period	1,278	1,421	1,278	1,421	1,278	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. Ongoing conflicts in the Middle East are assessed to have limited impact on the Group's business units, but continued escalation and related macroeconomic uncertainty may potentially 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-Sep, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Net sales	7,673	7,093	10,870	-44	25,592
Cost of goods and services sold	-6,329	-5,995	-8,551	-154	-21,029
Gross profit	1,343	1,097	2,319	-198	4,562
Selling expenses	-695	-933	-839	-52	-2,519
Administrative expenses	-492	-339	-687	57	-1,462
Other operating income	74	187	281	5	547
Other operating expenses	-70	-91	-150	-3	-315
Operating profit	160	-79	924	-191	814
Net financial items	-27	-94	-45	-630	-796
Profit before tax	133	-173	880	-821	19
Reversal of net financial items	27	94	45	630	796
Reversal of amortisation and impairment of intangible assets	517	569	241	0	1,327
EBITA	677	490	1,165	-191	2,141
Items affecting comparability	80	127	11	21	239
Adjusted EBITA	756	617	1,176	-169	2,380

Net sales, geographical distribution

2024

Jan-Sep, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Sweden	4,990	3,647	3,132	-44	11,724
Denmark	423	253	303	-	979
Finland	62	192	89	-	343
Germany	392	274	1,445	-	2,110
Other countries within the EU	77	522	1,315	-	1,914
Norway	839	1,108	597	-	2,544
Switzerland	510	311	436	-	1,258
UK	277	774	1,486	-	2,538
USA	4	1	1,259	-	1,264
Other countries outside the EU	98	12	808	-	918
Total net sales	7,673	7,093	10,870	-44	25,592

ITEMS BY SEGMENT AND BREAKDOWN OF REVENUE

2023

Jan-Sep, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Net sales	8,428	7,510	11,107	-36	27,009
Cost of goods and services sold	-6,658	-6,025	-8,693	-168	-21,544
Gross profit	1,769	1,485	2,414	-204	5,464
Selling expenses	-737	-802	-808	-54	-2,401
Administrative expenses	-552	-335	-678	63	-1,502
Other operating income	245	258	314	10	827
Other operating expenses	-118	-150	-193	0	-461
Operating profit	607	456	1,048	-185	1,926
Net financial items	-47	-71	-63	-668	-848
Profit before tax	560	385	985	-853	1,077
Reversal of net financial items	47	71	63	668	848
Reversal of amortisation and impairment of intangible assets	229	177	240	0	647
EBITA	836	633	1,288	-185	2,572
Items affecting comparability	-36	20	-16	-8	-40
Adjusted EBITA	800	653	1,273	-193	2,532

Net sales, geographical distribution

2023

Jan-Sep, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Sweden	6,222	3,820	2,991	-36	12,997
Denmark	347	230	293	-	871
Finland	58	172	205	-	436
Germany	290	347	1,524	-	2,161
Other countries within the EU	60	519	1,289	-	1,868
Norway	627	1,141	525	-	2,293
Switzerland	533	435	413	-	1,381
UK	193	825	1,605	-	2,623
USA	13	0	1,370	-	1,383
Other countries outside the EU	84	19	893	-	996
Total net sales	8,428	7,510	11,107	-36	27,009

NOTE 3 – REVENUE FROM CUSTOMER CONTRACTS

Net sales by vertical

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Contracting Services	224	245	694	699	964	969
Infrastructure	555	561	1,728	1,719	2,410	2,400
Installation	541	731	2,011	2,702	2,838	3,529
Logistics	305	286	901	886	1,198	1,184
Engineering Services	385	374	1,193	1,192	1,611	1,610
Digital Services	187	157	575	527	762	715
HR and Competence	152	226	601	722	846	967
Intragroup sales within the business area	-9	-6	-30	-19	-38	-27
Total, Services segment	2,339	2,576	7,673	8,428	10,591	11,346
Home and Living	603	633	2,022	2,238	2,733	2,949
Niche Businesses	564	670	1,902	2,171	2,699	2,969
Health and Beauty	746	710	2,214	2,029	2,987	2,802
Sports, Clothing and Accessories	342	332	962	1,082	1,220	1,340
Intragroup sales within the business area	-3	-4	-8	-10	-9	-11
Total, Trade segment	2,253	2,341	7,093	7,510	9,631	10,048
Automation	984	1,052	3,289	3,556	4,446	4,714
Industrial Technology	1,326	1,278	4,077	4,078	5,347	5,348
Products	1,111	1,105	3,530	3,496	4,666	4,631
Intragroup sales within the business area	-7	-5	-26	-23	-34	-31
Total, Industry segment	3,414	3,429	10,870	11,107	14,425	14,662
Intragroup sales eliminations	-16	-12	-44	-36	-58	-50
Total	7,991	8,333	25,592	27,009	34,589	36,006

Timing of revenue recognition

SEK m	Jan-Sep		Oct-Sep	Full-year
	2024	2023	23/24	2023
Goods and services transferred at a point in time				
Services	5,473	4,963	7,709	7,200
Trade	6,993	7,270	9,463	9,740
Industry	8,468	9,149	11,290	11,972
Sum goods and services transferred at a point in time	20,933	21,382	28,462	28,911
Goods and services transferred over time				
Services	2,200	3,464	2,881	4,146
Trade	100	240	168	308
Industry	2,402	1,957	3,135	2,690
Sum goods and services transferred over time	4,702	5,662	6,184	7,144
Group operations and eliminations	-44	-36	-58	-50
Total	25,592	27,009	34,589	36,006

NOTE 4 – BUSINESS COMBINATIONS

Preliminary purchase price allocation for the year

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

SEK m	Services	Trade	Industry	Total
Intangible assets	-	-	-	-
Other non-current assets	0	-	-	0
Inventories	-	-	-	-
Other current assets	5	-	-	5
Cash and cash equivalents	3	-	-	3
Deferred tax assets/tax liabilities	0	-	-	0
Liabilities to credit institutions	-	-	-	-
Other liabilities	-3	-	-	-3
Acquired net assets	5	-	-	5
Goodwill	14	-	8	22
Non-controlling interests	-	-	-2	-2
Purchase price including contingent consideration	19	-	6	25
Less cash and cash equivalents in acquired operations	-3	-	-	-3
Less unpaid purchase consideration	-4	-	-	-4
Effect on consolidated cash and cash equivalents	12	-	6	18

Purchase considerations and assessments

Purchase considerations for acquisitions in the period totalled SEK 25 million, of which SEK 22 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 -18 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 fourth quarter 2023 to the third 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 were impacted in their entirety by the following transactions.

SEK m	
Business combinations	-18
Acquisition of minority shares	-130
Divestment of minority shares	12
Paid contingent considerations, acquisitions previous years	-268
Divestment of operations	141
Cash flow from business combinations and divestments	-264

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. In the period, impairment of SEK 550 million has been reported. The impairment is a result of impairment testing carried out after the divestment of nine business units, which was completed in the third quarter. The impairment is divided between Costs of goods/services sold (SEK 445 million) and Administrative expenses (SEK 105 million) in the consolidated income statement.

Change in the Group's goodwill, SEK m	Opening balance	Acquisitions	Impairment	Divestments	Currency effects	Closing balance
Goodwill	18,763	22	-550	-40	132	18,326

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 (4).

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 (11.2). 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 1 million (48), while the total liability recognised for discounted contingent considerations on 30 September 2024 was SEK 65 million (326).

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–September 2024

SEK m	Services	Trade	Industry	Total
Effect after the acquisition date				
Sales	8	-	-	8
Profit for the period	1	-	-	1
Effect if acquisitions was completed 1 January				
Sales	15	-	-	15
Profit for the period	2	-	-	2

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

	30 Sep 2024				31 Dec 2023			
	Financial assets measured at amortised cost	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	assets measured at fair value through profit or loss	Financial assets measured at fair value through OCI	Total carrying amount
Financial assets, SEK m								
Financial non-current assets	270	37	0	307	52	9	2	63
Trade receivables	4,501	-	-	4,501	4,441	-	-	4,441
Current receivables	960	-	7	966	975	-	32	1,007
Current investments	-	0	-	0	-	0	-	0
Cash and cash equivalents	1,278	-	-	1,278	1,560	-	-	1,560
Total	7,009	37	7	7,052	7,027	9	35	7,071

	30 Sep 2024				31 Dec 2023			
	Financial liabilities measured at amortised cost	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	liabilities measured at fair value through profit or loss	Financial liabilities measured at fair value through OCI	Total carrying amount
Financial liabilities, SEK m								
Interest-bearing non-current liabilities	9,885	-	88	9,973	10,013	-	66	10,079
Non-interest-bearing non-current liabilities	43	35	-	79	42	55	-	97
Interest-bearing current liabilities	547	-	18	565	533	-	12	546
Trade payables	2,445	-	-	2,445	2,271	-	-	2,271
Non-interest-bearing current liabilities	2,476	29	-	2,505	2,763	265	-	3,028
Total	15,396	65	106	15,567	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.

	30 Sep 2024						31 Dec 2023					
Financial assets, SEK m	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 non-current assets	-	0	-	307	-	307	-	2	-	60	-	63
Trade receivables	-	-	-	4,501	-	4,501	-	-	-	4,441	-	4,441
Current receivables	-	7	-	960	-	966	-	32	-	975	-	1,007
Current investments	0	-	-	-	-	0	0	-	-	-	-	0
Cash and cash equivalents	1,278	-	-	-	-	1,278	1,560	-	-	-	-	1,560
Total	1,278	7	-	5,767	-	7,052	1,560	35	-	5,476	-	7,071

	30 Sep 2024						31 Dec 2023					
Financial liabilities, SEK m	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
Interest-bearing non-current liabilities	-	5,266	-	4,910	-202	9,973	-	5,131	-	5,041	-93	10,079
Non-interest-bearing non-current liabilities	-	-	35	43	-	79	-	-	55	42	-	97
Interest-bearing current liabilities	-	18	-	547	-	565	-	12	-	533	-	546
Trade payables	-	-	-	2,445	-	2,445	-	-	-	2,271	-	2,271
Non-interest-bearing current liabilities	-	-	29	2,476	-	2,505	-	-	265	2,763	-	3,028
Total	-	5,284	65	10,421	-202	15,567	-	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 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	1	-268	10	2	65

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 (11.2).

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.

	Q3		Jan-Sep		Oct-Sep	Full-year
SEK	2024	2023	2024	2023	23/24	2023
Earnings per share						
Basic earnings per share, SEK	0.13	0.09	-0.22	0.40	-0.16	0.47
Diluted earnings per share, SEK	0.13	0.08	-0.22	0.40	-0.16	0.46
SEK m						
Net profit for the period attributable to owners of the parent company						
Net profit for the period attributable to owners of the parent company	227	143	-379	674	-275	778
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	148,001,374	148,001,374
Weighted average number of shares, Series B shares	1,539,036,406	1,539,715,829	1,539,287,206	1,534,030,547	1,539,340,385	1,535,455,594
Total weighted average number of shares	1,687,037,780	1,687,717,203	1,687,288,580	1,682,031,921	1,687,341,759	1,683,456,968

PERFORMANCE MEASURES

	Q3		Jan-Sep		Oct-Sep	Full-year
SEK m	2024	2023	2024	2023	23/24	2023
Net sales	7,991	8,333	25,592	27,009	34,589	36,006
Adjusted EBITDA	1,037	999	3,195	3,315	4,173	4,293
Adjusted EBITA	783	725	2,380	2,532	3,086	3,238
Adjusted EBITA margin, %	9.8	8.7	9.3	9.4	8.9	9.0
Operating profit	604	489	814	1,926	1,334	2,446
Operating margin, %	7.6	5.9	3.2	7.1	3.9	6.8
Profit before tax	362	192	19	1,077	262	1,321
Profit for the period	256	170	-271	801	-128	944
Working capital	5,402	6,077	5,402	6,077	5,402	5,853
Return on working capital, % (12 months)	57.1	56.9	57.1	56.9	57.1	55.3
Return on equity, % (12 months)	-0.6	6.1	-0.6	6.1	-0.6	4.6
Return on capital employed, % (12 months)	4.3	8.1	4.3	8.1	4.3	7.4
Equity/assets ratio, %	46.5	45.0	46.5	45.0	46.5	46.3
Interest-bearing net debt	10,917	11,706	10,917	11,706	10,917	10,902
Net debt	12,890	14,055	12,890	14,055	12,890	13,159
Debt/equity ratio, x	0.6	0.7	0.6	0.7	0.6	0.6
Interest-bearing net debt/adjusted RTM EBITDA (12 months), x	2.6	2.6	2.6	2.6	2.6	2.5
Interest coverage ratio, x	2.7	1.9	1.2	2.6	1.5	2.5
Average number of employees	10,911	11,834	10,911	11,834	10,911	11,654
Number of employees at end of period	10,930	12,134	10,930	12,134	10,930	12,077
Cash flow from operating activities	453	584	1,417	1,903	2,876	3,361
Adjusted cash conversion, %	75.2	85.0	81.8	89.8	98.6	104.4
Basic earnings per share, SEK	0.13	0.09	-0.22	0.40	-0.16	0.47
Diluted earnings per share, SEK	0.13	0.08	-0.22	0.40	-0.16	0.46
Adjusted diluted earnings per share, SEK	0.13	0.10	0.39	0.41	0.43	0.46
Items affecting comparability, EBITA	8	-11	-239	40	-210	69
Items affecting comparability, profit for the period	8	-19	-1,030	-18	-1,001	11

Parent company

PARENT COMPANY STATEMENT OF PROFIT OR LOSS, CONDENSED

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Net sales	43	42	132	115	178	161
Administrative expenses	-54	-64	-245	-213	-341	-310
Other operating income	1	0	1	0	1	0
Other operating expenses	0	0	0	0	0	0
Operating profit	-10	-23	-112	-98	-162	-148
Financial income and expenses	30	0	358	584	551	777
Profit after financial items	20	-23	246	486	389	628
Appropriations	-	-11	-	-11	56	46
Tax	-5	7	-50	-103	66	13
Profit for the period	15	-26	196	372	512	687

PARENT COMPANY BALANCE SHEET, CONDENSED

SEK m	30 Sep 2024	30 Sep 2023	31 Dec 2023
Assets			
Intangible assets	0	0	0
Property, plant and equipment	1	1	1
Financial assets	28,763	28,928	28,494
Total non-current assets	28,763	28,930	28,495
Current receivables	4,131	3,702	3,980
Cash and cash equivalents	393	457	739
Total current assets	4,523	4,159	4,719
Total assets	33,287	33,089	33,214
Equity and liabilities			
Restricted equity	1	1	1
Unrestricted equity	18,044	17,566	17,887
Total equity	18,045	17,566	17,887
Non-current liabilities	9,756	11,060	9,780
Current liabilities	5,486	4,462	5,547
Total equity and liabilities	33,287	33,089	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	Oct-Sep		Full-year
	23/24	22/23	2023
Profit for the period	-128	1,217	944
Equity (Average of last 12 months)	20,362	20,030	20,322
Return on equity, %	-0.6	6.1	4.6

RETURN ON WORKING CAPITAL

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

SEK m	Oct-Sep		Full-year
	23/24	22/23	2023
Adjusted EBITA	3,086	3,459	3,238
Working capital (Average of last 12 months)	5,402	6,077	5,853
Return on working capital, %	57.1	56.9	55.3

RETURN ON CAPITAL EMPLOYED

The purpose is to analyse profitability in relation to capital employed. The definition of the performance measure has been adjusted from the second quarter of 2024. The previous definition of financial income included gross currency effects, while the new definition only includes financial income. According to the previous definition, return on capital employed would have been 4.3 percent (8.6).

SEK m	Oct-Sep		Full-year
	23/24	22/23	2023
Operating profit	1,334	2,718	2,446
Interest income	75	65	77
Operating profit including financial income	1,409	2,783	2,523
Capital employed (Average of last 12 months)	32,937	34,499	34,142
Return on capital employed, %	4.3	8.1	7.4

EBITA

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

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Operating profit	604	489	814	1,926	1,334	2,446
Amortisation of intangible assets	186	224	596	647	810	861
Impairment of intangible assets	0	0	731	0	731	0
EBITA	791	714	2,141	2,572	2,876	3,307

EBITDA

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

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Operating profit	604	489	814	1,926	1,334	2,446
Amortisations and depreciations	441	498	1,411	1,430	1,898	1,917
Impairment	0	0	866	0	866	0
EBITDA	1,045	988	3,091	3,355	4,098	4,363

NET FINANCIAL ITEMS

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

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Interest income	23	14	52	54	75	77
Interest expenses	-229	-271	-721	-756	-969	-1,004
Financial expenses	-7	-31	-90	-92	-125	-127
Exchange rate changes and other	-28	-10	-36	-54	-54	-71
Net financial items	-242	-298	-796	-848	-1,072	-1,125

ADJUSTED EBITA

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

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Operating profit	604	489	814	1,926	1,334	2,446
Reversal of items affecting comparability, EBITA	-8	11	239	-40	210	-69
Amortisations of intangible assets	186	224	596	647	810	861
Impairment of intangible assets	0	0	731	0	731	0
Adjusted EBITA	783	725	2,380	2,532	3,086	3,238

ADJUSTED EBITA MARGIN

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

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Adjusted EBITA	783	725	2,380	2,532	3,086	3,238
Net sales	7,991	8,333	25,592	27,009	34,589	36,006
Adjusted EBITA margin, %	9.8	8.7	9.3	9.4	8.9	9.0

ADJUSTED EBITDA

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

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Operating profit	604	489	814	1,926	1,334	2,446
Reversal of items affecting comparability, EBITDA	-8	11	104	-40	75	-69
Amortisations and depreciations	441	498	1,411	1,430	1,898	1,917
Impairment	0	0	866	0	866	0
Adjusted EBITDA	1,037	999	3,195	3,315	4,173	4,293

ADJUSTED CASH CONVERSION

The purpose is to analyse cash conversion.

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Adjusted EBITDA	1,037	999	3,195	3,315	4,173	4,293
Change in working capital	-142	-6	-251	106	441	798
Cash flow from net investments in tangible assets defined as CapEx	-115	-144	-331	-443	-498	-610
Operating cash flow	780	849	2,613	2,978	4,116	4,481
Adjusted EBITDA	1,037	999	3,195	3,315	4,173	4,293
Adjusted cash conversion, %	75.2	85.0	81.8	89.8	98.6	104.4

ADJUSTED DILUTED EARNINGS PER SHARE

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

	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Net profit for the period attributable to owners of the parent company, SEK m	227	143	-379	674	-275	778
Reversal of items affecting comparability, SEK m	-8	19	1,030	18	1,001	-11
Total	219	162	651	693	726	767
Total weighted average number of shares after dilution, millions	1,687	1,688	1,687	1,682	1,687	1,683
Adjusted diluted earnings per share, SEK	0.13	0.10	0.39	0.41	0.43	0.46

ITEMS AFFECTING COMPARABILITY

Exclusion of items affecting comparability facilitates comparisons of the profit between periods.

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Remeasurement of contingent considerations	-1	-14	-10	90	22	123
Stamp tax on foreign business combinations	0	0	-3	-2	-4	-2
Central restructuring costs	-	-	-19	-	-29	-10
Capital gain/loss from divestment of business	9	2	-71	-48	-65	-41
Items affecting comparability, EBITDA	8	-11	-104	40	-75	69
Impairment of tangible fixed assets	-	-	-135	-	-135	-
Items affecting comparability, EBITA	8	-11	-239	40	-210	69
Impairment of intangible fixed assets	-	-	-731	-	-731	-
Items affecting comparability, EBIT	8	-11	-970	40	-941	69
Financial one-off costs (related to divestment of business), before tax	-	-	-20	-	-20	-
One-off items related to refinancing of interest-bearing liabilities, before tax	-	-8	-40	-59	-40	-58
Items affecting comparability, profit for the period	8	-19	-1,030	-18	-1,001	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	30 Sep 2024	30 Sep 2023	31 Dec 2023
Interest-bearing liabilities	10,538	11,487	10,626
Lease liabilities	1,633	1,677	1,652
Pension provisions, net	276	175	247
Financial assets	-253	-210	-63
Current investments	0	-1	0
Cash and cash equivalents	-1,278	-1,421	-1,560
Interest-bearing net debt	10,917	11,706	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	30 Sep 2024	30 Sep 2023	31 Dec 2023
Interest-bearing net debt	10,917	11,706	10,902
RTM adjusted EBITDA	4,142	4,502	4,305
Interest-bearing net debt/RTM adjusted EBITDA, x	2.6	2.6	2.5

NET DEBT

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

SEK m	30 Sep 2024	30 Sep 2023	31 Dec 2023
Interest-bearing liabilities	10,538	11,487	10,626
Lease liabilities	1,633	1,677	1,652
Pension provisions, net	276	175	247
Contingent consideration liabilities	65	326	320
Minority options	1,908	2,023	1,937
Financial assets	-253	-210	-63
Current investments	0	-1	0
Cash and cash equivalents	-1,278	-1,421	-1,560
Net debt	12,890	14,055	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 comparative 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 comparative 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	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Operating profit	604	489	814	1,926	1,334	2,446
Interest income	23	14	52	54	75	77
Operating profit including interest income	627	503	866	1,980	1,409	2,523
Interest expenses	-229	-271	-721	-756	-969	-1,004
Interest coverage ratio, x	2.7	1.9	1.2	2.6	1.5	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	Oct-Sep		Full-year
	23/24	22/23	2023
Inventories	4,654	5,166	5,019
Trade receivables	4,788	4,969	4,837
Other current receivables	2,733	2,860	2,798
Trade payables	-2,683	-2,768	-2,675
Other current liabilities	-4,090	-4,148	-4,127
Working capital (Average of last 12 months)	5,402	6,077	5,853

OPERATING MARGIN

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

SEK m	Q3		Jan-Sep		Oct-Sep	Full-year
	2024	2023	2024	2023	23/24	2023
Operating profit	604	489	814	1,926	1,334	2,446
Net sales	7,991	8,333	25,592	27,009	34,589	36,006
Operating margin, %	7.6	5.9	3.2	7.1	3.9	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	30 Sep 2024	30 Sep 2023	31 Dec 2023
Net debt	12,890	14,055	13,159
Equity	20,128	20,652	20,437
Debt/equity ratio, x	0.6	0.7	0.6

EQUITY/ASSETS RATIO

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

SEK m	30 Sep 2024	30 Sep 2023	31 Dec 2023
Equity	20,128	20,652	20,437
Total assets	43,329	45,895	44,169
Equity/assets ratio, %	46.5	45.0	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	Oct-Sep		Full-year
	23/24	22/23	2023
Total assets	44,554	47,017	46,412
Non-interest-bearing liabilities	-9,506	-10,384	-10,122
Provisions	-2,111	-2,134	-2,148
Capital employed (Average of last 12 months)	32,937	34,499	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 11,000 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

Capital Markets Day 2024	27 November 2024
Year-end Report 2024	13 February 2025
Annual and Sustainability Report 2024	Week 14, 2025
Interim Report Q1 2025	6 May 2025
Annual General Meeting 2025	7 May 2025
Interim Report Q2 2025	12 August 2025
Interim Report Q3 2025	5 November 2025

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