

Interim report Q3 2023

PRESS RELEASE, 2023-11-07

“The third quarter results developed as expected, with sales of SEK 8.3 billion (8.4) and an adjusted EBITA margin of 8.7 percent (9.2). Our strategic focus on improving our cash flow has yielded strong results, as evidenced by adjusted cash conversion (LTM) of 95 percent and cash flow from operating activities of SEK 1,903 million (356) year-to-date. The leverage ratio was unchanged at 2.6x in this seasonally weaker quarter but we are well positioned to reduce it in the seasonally stronger fourth quarter”, says Daniel Kaplan, CEO of Storskogen.

THIRD QUARTER (1 JULY–30 SEPTEMBER 2023)

- Net sales decreased by 1 percent to SEK 8,333m (8,417).
- Adjusted EBITA decreased by 6 percent to SEK 725m (772), corresponding to an adjusted EBITA margin of 8.7 percent (9.2).
- Operating profit (EBIT) decreased by 27 percent to SEK 489m (671), corresponding to an operating margin of 5.9 percent (8.0).
- Profit for the period decreased by 63 percent to SEK 170m (463).
- Earnings per share before dilution amounted to SEK 0.09 (0.26) and earnings per share after dilution amounted to SEK 0.08 (0.26).
- Cash flow from operating activities increased to SEK 584m (204).
- Two acquisitions were completed, with combined annual sales of SEK 112m.
- Five divestments were completed, with combined sales in the previous 12-month period of SEK 578m.
- Storskogen redeemed the remaining SEK 404m of the outstanding bonds maturing in April 2024, through early redemption.

THE PERIOD (1 JANUARY–30 SEPTEMBER 2023)

- Net sales increased by 11 percent to SEK 27,009m (24,414). Organic sales growth was -2 percent.
- Adjusted EBITA increased by 14 percent to SEK 2,532m (2,216), corresponding to an adjusted EBITA margin of 9.4 percent (9.1). Organic EBITA growth was -9 percent.
- Operating profit (EBIT) increased by 6 percent to SEK 1,926m (1,821), corresponding to an operating margin of 7.1 percent (7.5).
- Profit for the period decreased by 32 percent to SEK 801m (1,176).
- Earnings per share before/after dilution amounted to SEK 0.40 (0.64).
- Cash flow from operating activities increased to SEK 1,903m (356).
- Nine acquisitions were completed, with combined annual sales of SEK 511m.
- Ten divestments were completed, with combined annual sales of SEK 1,850m.

AMOUNTS IN PARENTHESES ARE FOR THE CORRESPONDING PERIODS IN 2022.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- No significant events have occurred after the end of the period.

PRESENTATION OF THE INTERIM REPORT

Daniel Kaplan, CEO, and Lena Glader, CFO, will hold a presentation of the interim report on 7 November 2023 at 09:00 (CET). The presentation and the subsequent Q&A can be followed via webcast or telephone conference.

For participation via webcast, please use the following link:

<https://ir.financialhearings.com/storskogen-group-q3-2023/register>

If you wish to participate via telephone conference, please register via the link below. After registration you will be provided with a phone number and conference ID to access the conference. You can ask questions verbally via the telephone conference.

<https://conference.financialhearings.com/teleconference/?id=5009345>

Questions can also be sent to ir@storskogen.com.

The presentation and the webcast will be made available on Storskogen's website after the presentation and can be found via the following link: www.storskogen.com/en/investors/financial-reports/.

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ABOUT STORSKOGEN

Storskogen is an international group of businesses across Trade, Industry, and Services. We are uniquely positioned to identify, acquire, and develop market leaders with sustainable business models over an infinite ownership horizon. Storskogen creates value by providing access to capital and strategic direction combined with active governance and a decentralised operational model. Storskogen has over 12,100 employees, net sales of SEK 36.8 billion (LTM) across a diversified group of businesses and is listed on Nasdaq Stockholm.