

**YEAR-END REPORT  
JANUARY-DECEMBER 2023**

 *storskogen*

## FOURTH QUARTER (1 OCTOBER–31 DECEMBER 2023)

- Net sales decreased by 9 percent to SEK 8,997m (9,836), of which 6 percent was attributable to divestments completed earlier in the year.
- Adjusted EBITA decreased by 24 percent to SEK 706m (927), corresponding to an adjusted EBITA margin of 7.8 percent (9.4).
- Operating profit (EBIT) decreased by 34 percent to SEK 520m (792), corresponding to an operating margin of 5.8 percent (8.1).
- Profit for the period decreased by 66 percent to SEK 143m (417).
- Earnings per share before/after dilution amounted to SEK 0.06 (0.22).
- Cash flow from operating activities increased to SEK 1,459m (1,272).
- Three acquisitions were completed, with combined annual sales of SEK 86m.
- One divestment was completed, with annual sales of SEK 25m.

## THE PERIOD (1 JANUARY–31 DECEMBER 2023)

- Net sales increased by 5 percent to SEK 36,006m (34,250). Organic sales growth was -3 percent.
- Adjusted EBITA increased by 3 percent to SEK 3,238m (3,143), corresponding to an adjusted EBITA margin of 9.0 percent (9.2). Organic EBITA growth was -13 percent.
- Operating profit (EBIT) decreased by 6 percent to SEK 2,446m (2,613), corresponding to an operating margin of 6.8 percent (7.6).
- Profit for the period decreased by 41 percent to SEK 944m (1,592).
- Earnings per share before dilution amounted to SEK 0.47 (0.86) and earnings per share after dilution amounted to SEK 0.46 (0.86).
- Cash flow from operating activities increased to SEK 3,361m (1,628).
- Twelve acquisitions were completed, with combined annual sales of SEK 597m.
- Eleven divestments were completed, with combined annual sales of SEK 1,875m.

## SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- The Board of Directors proposes a dividend of SEK 0.09 per share (0.08).

Amounts in parentheses are for the corresponding periods in 2022.

## PERFORMANCE MEASURES

SEK m	2023			2022		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Net sales	8,997	9,836	-9	36,006	34,250	5
Adjusted EBITA	706	927	-24	3,238	3,143	3
Adjusted EBITA margin, %	7.8	9.4		9.0	9.2	
Operating profit	520	792	-34	2,446	2,613	-6
Operating margin, %	5.8	8.1		6.8	7.6	
Profit before tax	243	553	-56	1,321	2,111	-37
Profit for the period	143	417	-66	944	1,592	-41
Interest-bearing net debt/adjusted RTM EBITDA (12 months), x				2.5	2.6	
Total assets (balance day)				44,169	47,482	
Basic earnings per share, SEK	0.06	0.22	-72	0.47	0.86	-46
Diluted earnings per share, SEK	0.06	0.22	-72	0.46	0.86	-46
Return on equity, % (12 months)				4.6	8.8	
Return on capital employed, % (12 months)				7.7	10.1	
Equity/assets ratio, %				46	41	
Cash flow from operating activities	1,459	1,272		3,361	1,628	
Adjusted cash conversion, %	154	109		104	59	

# Comments from the CEO

For the full year, our net sales increased by 5 percent to SEK 36.0 billion (34.3), and our adjusted EBITA by 3 percent to SEK 3.2 billion (3.1). The margin for 2023 was 9.0 percent (9.2), despite a weak fourth quarter. Our operating cash flow improved by SEK 1,733 million to a total of SEK 3,361 million (1,628), which enabled us to reduce total interest-bearing debt by SEK 2,759 million during the year. Our ambition to reduce debt and protect margins and market shares remains, to gradually increase focus on organic growth initiatives.

We are not satisfied with the margin in the fourth quarter, but we are pleased with the strong cash flow and the net sales we achieved in a complex and difficult year. Our accomplishments in the year include significantly improving cash flows, reducing debt, completing strategic divestments, reducing the negative EBITA contribution from Group operations and delivering a margin on a par with last year – in line with the priorities set at our 2022 Capital Markets Day.

In the fourth quarter, net sales increased 8 percent to SEK 9.0 billion compared to the third quarter. However, negative organic growth, primarily in the Trade business area, and divestments, led to a year-on-year decrease. Cash flow from operating activities improved to SEK 1,459 million (1,272), with a significant working capital decrease and strong cash conversion across all three business areas. The adjusted EBITA margin declined to 7.8 percent (9.4), largely due to margin pressure in Trade and Services. Industry on the other hand showed solid sales and margin.

In Trade, sales reached SEK 2.5 billion. Negative organic growth and divestments led to a decrease compared to last year. Profitability was pressured in the quarter, due to the weak Swedish krona and subdued consumer demand. This had significant impact on the Sports, Clothing and Accessories and Home and Living verticals throughout the year. Meanwhile, the Health and Beauty vertical stood out with its strong performance during the year. Efforts to improve working capital management, particularly through efficient inventory management, yielded significant success.

In Services, sales reached SEK 2.9 billion, in line with the figure from the same quarter last year, adjusted for divestments in 2023. Profitability for the year was almost on a par with last year, but with a first quarter ahead of our expectations and a fourth quarter below expectations. Performance across the verticals varied: Installation saw solid sales and margins throughout the year, and Digital Services and Logistics continued to deliver strong margins, while continued soft demand in new construction burdened the Engineering Services vertical and to some extent the Infrastructure vertical.

Sales in Industry increased by 4 percent to SEK 3.6 billion compared to the third quarter, with a slightly improved margin. For the full year, Industry was able to both grow sales and improve margins. Performance in Industrial Technology was strong, whereas Products experienced weaker results. In contrast to Trade, the weak SEK was supportive throughout 2023. However, the strong SEK in the fourth quarter did have a slight adverse effect, with two thirds of the business units being based outside Sweden. The focus on improving cash flow in 2023 paid off.

We have seen the world change drastically in the past two years, marked by considerable macroeconomic fluctuations. Although our focus has shifted from rapid growth to cash flow enhancement and debt reduction, it is essential that we continue our mission to empower businesses to realise their full potential. An example of this was our global CEO event in January 2024, with 114 CEOs in attendance. Meetings like these are platforms for invaluable knowledge sharing that transcend both industries and geographies. Conversations and shared stories spark collaboration and growth potential. Our priorities remain steadfast. By effectively facilitating and supporting our businesses, we will be positioned to maximise long-term value creation.

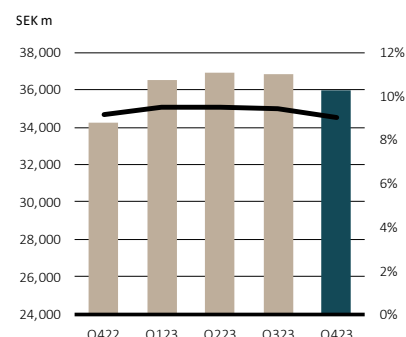
Daniel Kaplan, CEO



“We are not satisfied with the margin in the fourth quarter, but we are pleased with the strong cash flow we achieved in a complex and difficult year.”

Daniel Kaplan, CEO

## NET SALES AND ADJUSTED EBITA MARGIN, ROLLING 12 MONTHS



## MEDIUM-TERM FINANCIAL TARGETS

### ORGANIC EBITA GROWTH

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

### EBITA GROWTH INCLUDING ACQUISITIONS

Growth in line with historical 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

# The Group's performance

## SALES

### Fourth quarter 2023

Net sales for the fourth quarter decreased by 9 percent to SEK 8,997 million (9,836), of which 6 percent was attributable to divestments completed in the Services and Trade business areas. The strengthened Swedish krona had a somewhat negative effect on revenue in other currencies in the quarter, particularly in the Industry business area.

### January–December 2023

Net sales for the full year increased by 5 percent to SEK 36,006 million (34,250). Organic sales growth for the period, i.e. growth in companies that were owned by Storskogen for both complete comparable periods, was -3 percent. The negative organic sales growth was primarily attributable to the Trade business area and verticals affected by weaker consumer demand.

### RTM (rolling 12 months pro forma)

If Storskogen had owned all of its subsidiaries as of 31 December throughout the previous 12-month period (RTM), net sales would have amounted to SEK 35,184 million. The lower number in relation to reported net sales in the previous 12-month period (LTM) is explained by divestments completed during the year.

## EARNINGS

### Fourth quarter 2023

Adjusted EBITA decreased by 24 percent to SEK 706 million (927) in the fourth quarter, resulting in an adjusted EBITA margin of 7.8 percent (9.4).

Adjusted EBITA has been adjusted for SEK -29 million (-87) in items affecting comparability. These include remeasurement of contingent considerations, which had an impact of SEK -32 million (-93), central restructuring costs of SEK 10 million (0), capital gains from divestments of SEK -7 million (5), and fair value adjustments of acquired assets (inventory) of SEK 0 million (1). Transaction costs, which are not included in items affecting comparability but are distributed per business area, impacted profit for the quarter by SEK -5 million (-6).

Group functions affected adjusted EBITA by SEK -77 million (-74). The combined adjusted EBITA margin for the business areas, excluding Group functions and transaction costs, was 8.7 percent (10.2).

Operating profit (EBIT) decreased by 34 percent to SEK 520 million (792) and was primarily impacted by a lower result in the Trade business area, and to some extent the Services business area. The operating margin came in at 5.8 percent (8.1) for the quarter.

Net financial items amounted to SEK -277 million (-239), consisting of exchange rate effects and other financial items of SEK -52 million (-53) and net interest expenses of SEK -225 million (-186). Interest-bearing debt decreased further in the quarter, resulting in lower net interest expenses compared to the third quarter. The increase compared to last year was attributable to the higher interest rate environment.

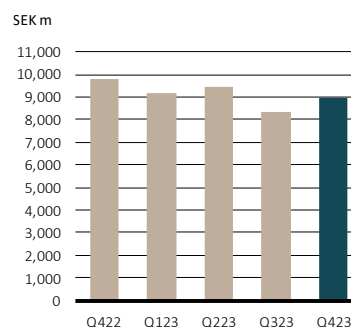
Profit before tax decreased by 56 percent to SEK 243 million (553). Tax amounted to SEK -100 million (-137) in the quarter. Profit for the period decreased by 66 percent to SEK 143 million (417) and was primarily impacted by lower operating profit, mainly attributable to the Trade business area and higher interest expenses. Earnings per share came to SEK 0.06 (0.22) before and after dilution.

The fourth quarter is usually seasonally stronger, as illustrated by net sales being 8 percent higher than in the third quarter. However, profitability came under pressure in verticals exposed to consumer end market, primarily in the Trade business area, and those exposed to new construction, primarily in the Services business area. Seasonal variations in 2023 were less distinct: for instance, the first quarter was strong, deviating from the typical seasonal pattern. Storskogen expects seasonal patterns to return to normal in 2024. Storskogen's committed work to strengthen cash flow and reduce leverage yielded strong results in 2023 and will continue in 2024, together with continuous efficiency improvements. For further information on the business areas, see pages 6–8.

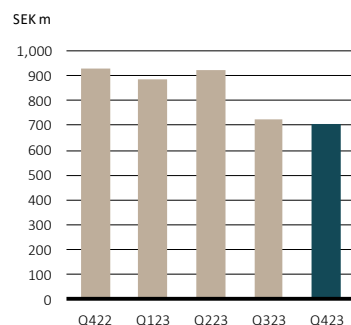
### January–December 2023

Adjusted EBITA increased by 3 percent to SEK 3,238 million (3,143) for the full year, resulting in an adjusted EBITA margin of 9.0 percent (9.2). Organic EBITA growth was -13 percent for

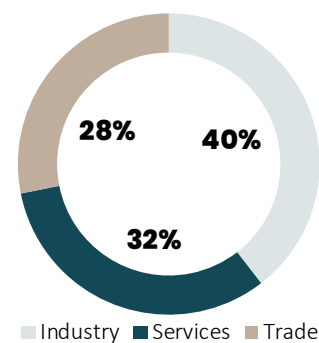
## NET SALES BY QUARTER



## OPERATING PROFIT (ADJUSTED EBITA) BY QUARTER



## BREAKDOWN OF SALES BY BUSINESS AREA, Q4 2023



the full year, i.e. growth in companies that were owned by Storskogen for both complete comparable periods. The negative development was attributable to the Trade and Services business areas.

Adjusted EBITA has been adjusted for SEK -69 million (-162) in items affecting comparability. These include remeasurement of contingent considerations, which had an impact of SEK -123 million (-255), central restructuring costs of SEK 10 million (18), capital losses from divestments of SEK 41 million (5), fair value adjustments of acquired assets (inventory) of SEK 0 million (55), and an adjustment of stamp duty on foreign business combinations of SEK 2 million (14). Transaction costs, which are not included in items affecting comparability but are distributed per business area, impacted profit for the year by SEK -9 million (-72).

Operating profit (EBIT) decreased by 6 percent to SEK 2,446 million (2,613) and the operating margin was 6.8 percent (7.6).

Net financial items amounted to SEK -1,125 million (-502). Exchange rate effects and other financial items represented SEK -198 million (-17) of this, and net interest expenses accounted for SEK -927 million (-485), of which SEK -59 million (0) were one-off costs related to the redemption of the outstanding bonds maturing in 2024. Interest-bearing debt decreased significantly in the year; the increase in net interest expenses was explained by the higher interest rate environment.

Profit before tax decreased by 37 percent to SEK 1,321 million (2,111), primarily owing to an increase in net financial items. Tax amounted to SEK -377 million (-519). Profit for the year decreased by 41 percent to SEK 944 million (1,592). Earnings per share amounted to SEK 0.47 (0.86) before dilution and SEK 0.46 (0.86) after dilution.

#### RTM (rolling 12 months pro forma)

If Storskogen had owned all of its subsidiaries as of 31 December throughout the previous 12-month period (RTM), the Group would have generated adjusted EBITDA of SEK 4,305 million and adjusted EBITA of SEK 3,255 million, corresponding to an adjusted EBITA margin of 9.3 percent.

#### Net sales by business area and for the Group

SEK m	2023			2022		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Services	2,918	3,258	-10	11,346	11,351	0
Trade	2,538	2,908	-13	10,048	9,637	4
Industry	3,555	3,680	-3	14,662	13,288	10
<b>Operations</b>	<b>9,011</b>	<b>9,845</b>	<b>-8</b>	<b>36,056</b>	<b>34,276</b>	<b>5</b>
Group operations	-14	-9		-50	-26	
<b>Net sales, Group</b>	<b>8,997</b>	<b>9,836</b>	<b>-9</b>	<b>36,006</b>	<b>34,250</b>	<b>5</b>

#### Operating profit (EBIT) by business area and for the Group

SEK m	2023			2022		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Services	257	367	-30	1,057	1,079	-2
Trade	151	228	-34	804	923	-13
Industry	374	406	-8	1,646	1,460	13
Group operations	-77	-74		-270	-319	
<b>Adjusted EBITA</b>	<b>706</b>	<b>927</b>	<b>-24</b>	<b>3,238</b>	<b>3,143</b>	<b>3</b>
Reversal of adjusted items	29	87		69	162	
<b>EBITA</b>	<b>735</b>	<b>1,014</b>	<b>-28</b>	<b>3,307</b>	<b>3,305</b>	<b>0</b>
Amortisation of intangible non-current assets	-215	-222		-861	-692	
<b>Operating profit, EBIT</b>	<b>520</b>	<b>792</b>	<b>-34</b>	<b>2,446</b>	<b>2,613</b>	<b>-6</b>

#### RETURNS

Return on average equity in the past 12-month period was 4.6 percent (8.8). The decrease compared to 2022 was primarily a consequence of lower profit and increased average equity. Return on capital employed in the past 12-month period was 7.7 percent (10.1). The change compared to the previous year was primarily a result of lower operating profit (EBIT).



## FINANCIAL POSITION

At the end of the year, the Group had equity of SEK 20,437 million (19,628) and an equity/assets ratio of 46 percent (41). Cash and cash equivalents amounted to SEK 1,560 million (3,022). The Group also had unutilised credit facilities of SEK 6,572 million at the end of the year. The Group's total interest-bearing debt, including lease and pension liabilities, decreased by SEK 814 million to SEK 12,525 million in the quarter, and by SEK 2,759 million for the year. The Group's interest-bearing net debt, including lease and pension liabilities, decreased by SEK 804 million to SEK 10,902 million in the quarter, and by SEK 1,358 million for the full year. The Group's total net debt, including liabilities for contingent considerations and minority shares, decreased by SEK 896 million during the quarter, and by SEK 2,090 million for the full year. Interest-bearing net debt/EBITDA, based on RTM adjusted EBITDA for the past 12-month period, was 2.5x (2.6). This is within Storskogen's target range of 2-3x. The ambition of reaching the lower end of the interval remains.

## CASH FLOW AND INVESTMENTS

Cash flow from operating activities amounted to SEK 1,459 million (1,272) in the fourth quarter and SEK 3,361 million (1,628) for the full year. Cash flow thus improved by SEK 187 million in the quarter and SEK 1,733 million for the full year compared to 2022, due to a significantly lower level of working capital tied up. Changes in working capital contributed SEK 692 million (306) to cash flow for the quarter and SEK 798 million (-1,143) for the full year. Both for the quarter and the full year, the improvement was primarily attributable to lower inventory and trade receivables, partly offset by reduced operating liabilities.

Adjusted cash conversion (adjusted EBITDA after changes in working capital and net investments in tangible assets as a percentage of adjusted EBITDA) was 154 percent (109) for the quarter. For the past 12-month period, adjusted cash conversion was 104 percent (59), which was above the target of a minimum of 70 percent.

The Group's net investments in tangible assets, i.e. capex, amounted to SEK 167 million (194) for the quarter and SEK 610 million (539) for the full year, corresponding to 1.9 percent (2.0) of the quarter's net sales and 1.7 percent (1.6) of net sales for the full year. Cash flow from acquisitions and divestments of shares in subsidiaries, including payments of contingent considerations for acquisitions in previous years, amounted to net SEK -60 million (-371) in the fourth quarter and SEK -392 million (-9,193) for the full year.

# Business area Services

## RESULTS

Net sales in the Services business area decreased by 10 percent to SEK 2,918 million (3,258) in the fourth quarter, partially impacted by divestments completed earlier in the year. For the full year, net sales were unchanged compared to the previous year and amounted to SEK 11,346 million (11,351). Organic sales growth for the full year was -3 percent.

Adjusted EBITA decreased by 30 percent to SEK 257 million (367) in the fourth quarter and by 2 percent to SEK 1,057 million (1,079) for the full year. The adjusted EBITA margin was 8.8 percent (11.3) for the quarter and 9.3 percent (9.5) for the full year. Organic EBITA growth for the full year was -18 percent.

The result includes transaction costs of SEK 3 million (0) for the fourth quarter and SEK 5 million (22) for the full year. Adjusted EBITA excluding transaction costs was SEK 260 million (367) for the quarter and SEK 1,062 million (1,101) for the full year. The adjusted EBITA margin excluding transaction costs was 8.9 percent (11.3) for the quarter and 9.4 percent (9.7) for the full year.

SEK m	2023			2022		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Net sales	2,918	3,258	-10	11,346	11,351	0
Adjusted EBITA excl. transaction costs	260	367	-29	1,062	1,101	-4
Adjusted EBITA margin excl. transaction costs, %	8.9	11.3		9.4	9.7	
Transaction costs	-3	0		-5	-22	
Adjusted EBITA	257	367	-30	1,057	1,079	-2
Adjusted EBITA margin, %	8.8	11.3		9.3	9.5	
Number of employees, end of period				4,352	5,140	
Number of business units, end of period				58	62	

Good underlying market demand in combination with high occupancy rates in the year resulted in net sales and margins for the full year on a par with last year. The fourth quarter was seasonally stronger than the third in terms of sales, but margin pressure affected parts of the business area. Both sales and EBITA was weaker than the corresponding quarter in 2022, impacted by negative organic growth and divestments.

The weaker development compared to last year was, as in the third quarter, primarily attributable to the HR and Competence and Engineering Services verticals. The HR and Competence vertical continued to be affected by a low number of participants in matching services for the unemployed and lower allocation of courses, to some extent counteracted by another strong quarter for Digital Services.

The weak construction industry continued to have a negative impact on companies in the Engineering Services vertical and some companies in the Infrastructure vertical. Within the latter vertical, drilling companies and land contractors were also negatively affected by the early winter and low temperatures.

## OUTLOOK

Since several of the companies are exposed to the uncertain market, the weak construction industry and the cold weather, the start of 2024 is expected to be weaker, which is in line with the historical seasonal pattern. The construction industry remains uncertain but is not expected to deteriorate in the short term, and there are signs of lower interest rates which could eventually have a positive effect.

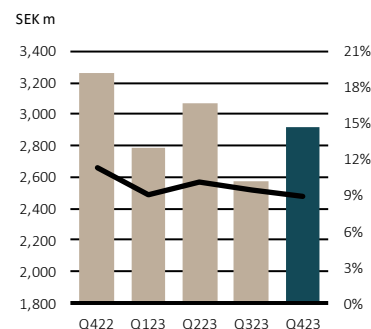
## TRANSACTIONS DURING THE QUARTER

In the fourth quarter, one platform acquisition was completed, of the Singaporean education company The Physics Café, and one add-on acquisition, of Go Tele, for the Norwegian company Nimbus Group. One divestment was completed, of PerGus Maskinförmedling,

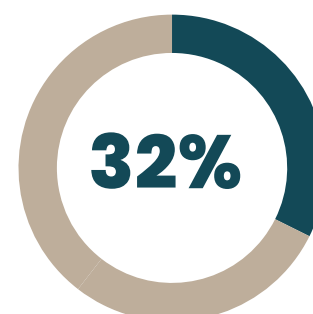


The Services business area comprises service companies with strong positions in specific B2B niche markets. It consists of 58 business units in the following verticals: Contracting Services, Infrastructure, Installation, Logistics, Engineering Services, Digital Services, and HR and Competence.

## SALES, SEK M ADJUSTED EBITA MARGIN, %



## SHARE OF GROUP SALES, Q4 2023



# Business area Trade

## RESULTS

Net sales in the Trade business area decreased by 13 percent to SEK 2,538 million (2,908) in the fourth quarter and increased by 4 percent to SEK 10,048 million (9,637) for the full year. Organic sales growth for the full year was -5 percent.

Adjusted EBITA decreased by 34 percent to SEK 151 million (228) in the quarter and by 13 percent to SEK 804 million (923) for the full year. The adjusted EBITA margin was 6.0 percent (7.8) for the quarter and 8.0 percent (9.6) for the full year. Organic EBITA growth amounted to -25 percent for the full year.

The result includes transaction costs of SEK 0 million (2) for the quarter and SEK 1 million (26) for the full year. Adjusted EBITA excluding transaction costs was SEK 152 million (229) for the quarter and SEK 806 million (950) for the full year, corresponding to an adjusted EBITA margin of 6.0 percent (7.9) and 8.0 percent (9.9) respectively.

SEK m	2023			2022		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Net sales	2,538	2,908	-13	10,048	9,637	4
Adjusted EBITA excl. transaction costs	152	229	-34	806	950	-15
Adjusted EBITA margin excl. transaction costs, %	6.0	7.9		8.0	9.9	
Transaction costs	0	-2		-1	-26	
Adjusted EBITA	151	228	-34	804	923	-13
Adjusted EBITA margin, %	6.0	7.8		8.0	9.6	
Number of employees, end of period				2,477	2,417	
Number of business units, end of period				32	35	

The fourth quarter has historically been seasonally stronger, but despite net sales increasing by 8 percent from the third quarter, the fourth quarter of 2023 was below expectations with additional margin pressure. Weak markets led to continued subdued demand in the Sports, Clothing and Accessories and Home and Living verticals, with lower margins as a result. The Health and Beauty vertical continued to see strong demand and net sales, as in the previous quarters, while the margin was burdened somewhat, partly due to a weak Swedish krona in the previous quarter. The Niche Businesses vertical also had a relatively solid development versus the previous quarter and the same quarter 2022.

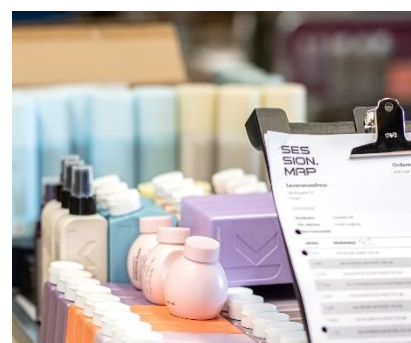
Subdued consumer demand, in combination with inflation-driven cost increases and a weak currency, has led to margin pressure in the business area, although ongoing efficiency measures have mitigated the margin impact somewhat during the year. The work within the business area to decrease working capital yielded very good results during the year.

## OUTLOOK

The Health and Beauty vertical, which is less sensitive to the business cycle, is expected to continue to see solid demand, while the Sports, Clothing and Accessories and Home and Living verticals are expected to see continued weak demand at the beginning of 2024. Improved markets with indications of lower interest rates and a solid development in the Swedish krona are expected to have a positive impact on the business area.

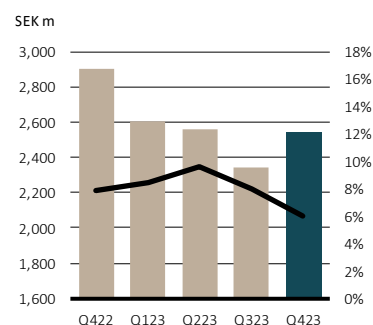
## TRANSACTIONS DURING THE QUARTER

No acquisitions or divestments were completed in the Trade business area in the quarter.

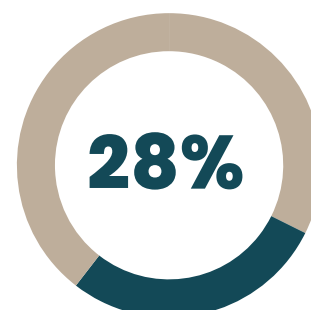


The Trade business area comprises companies selling physical products. The majority are distributors and wholesalers that market both their own and external brands. It consists of 32 business units in the following verticals: Home and Living, Health and Beauty, Sports, Clothing and Accessories, and Niche Businesses.

## SALES, SEK M ADJUSTED EBITA MARGIN, %



## SHARE OF GROUP SALES, Q4 2023





# Business area Industry

## RESULTS

Net sales in the Industry business area decreased by 3 percent to SEK 3,555 million (3,680) in the fourth quarter but increased by 10 percent to SEK 14,662 million (13,288) for the full year. Organic sales growth amounted to -1 percent for the full year.

Adjusted EBITA decreased by 8 percent to SEK 374 million (406) in the fourth quarter but increased by 13 percent to SEK 1,646 million (1,460) for the full year. The adjusted EBITA margin was 10.5 percent (11.0) for the quarter and 11.2 percent (11.0) for the full year. Organic EBITA growth was -1 percent for the full year.

The result includes transaction costs of SEK 1 million (4) for the quarter and SEK 2 million (24) for the full year. Adjusted EBITA excluding transaction costs was SEK 375 million (410) for the quarter and SEK 1,649 million (1,484) for the full year. The adjusted EBITA margin excluding transaction costs was thus 10.5 percent (11.1) in the quarter and 11.2 percent (11.2) for the full year.

SEK m	2023			2022		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Net sales	3,555	3,680	-3	14,662	13,288	10
Adjusted EBITA excl. transaction costs	375	410	-9	1,649	1,484	11
Adjusted EBITA margin excl. transaction costs, %	10.5	11.1		11.2	11.2	
Transaction costs	-1	-4		-2	-24	
Adjusted EBITA	374	406	-8	1,646	1,460	13
Adjusted EBITA margin, %	10.5	11.0		11.2	11.0	
Number of employees, end of period				5,147	5,276	
Number of business units, end of period				39	39	

Sales and margins in the quarter were better than in the third quarter, but somewhat lower than in the corresponding quarter in 2022. For the full year, both net sales and margins increased. Demand in the quarter varied, with stable order intake in several sectors and normalisation of demand from the high levels at the start of the year.

As in the last quarter, companies within the Automation vertical experienced good demand on the whole for automation solutions. The Industrial Technology vertical delivered another strong quarter, especially for the metal processing and metal application companies, while companies exposed to the construction industry faced some difficulties. Within the Products vertical, the business situation was mixed, with strong development for several companies, while companies oriented towards the construction and consumer market were impacted by subdued demand. The business area's focus on decreasing working capital has been successful and yielded strong results.

## OUTLOOK

The uncertain macro environment makes market developments for the industry companies difficult to assess in the short to medium term. Requests for quotations are still high for many businesses, although the conversion of these to order placements is taking longer. The green transition, high demand for automation solutions and reshoring from low-cost countries to Sweden and Europe, are having a positive impact on the companies in the business.

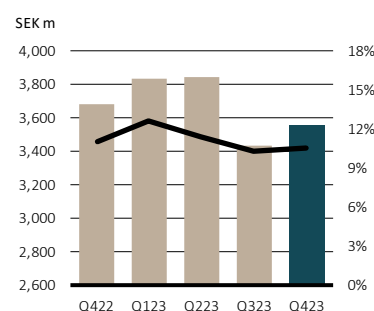
## TRANSACTIONS DURING THE QUARTER

In the fourth quarter, the automation company ARAT completed an add-on acquisition, of Nolyx, a system solution provider mainly to the sawmill industry.

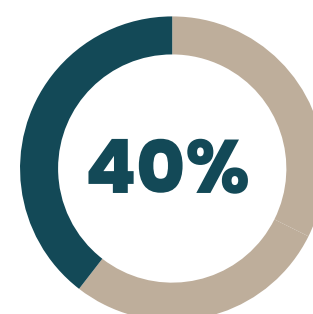


The Industry business area comprises traditional B2B industrial companies in heavy and medium-heavy industry, manufacturing and automation. It consists of 39 business units in the following verticals: Automation, Industrial Technology, and Products.

## SALES, SEK M ADJUSTED EBITA MARGIN, %



## SHARE OF GROUP SALES, Q4 2023



# Transactions

## ACQUISITIONS DURING THE PERIOD

Storskogen completed three acquisitions during the fourth quarter: one platform acquisition and two add-on acquisitions. The acquired entities have a total of 42 employees, combined annual sales of SEK 86 million and annual EBITA of SEK 43 million.

For more information on acquisitions completed during the period 1 January – 31 December 2023, see Note 4 – Business combinations.

### Breakdown of acquisitions completed during January–December 2023 by Group business area:

Acquisitions	Acquisition date	Annual net sales, SEK m	Number of employees by acquisition	Share of capital/votes, %	Business area
Höga Kusten Teknik Resurs AB	January	61	21	90.1	Industry
Loginor AB	January	22	7	90.0	Industry
HSV Hässleholms Sot & Vent AB, incl. fellow subsidiary	January	12	12	95.7	Services
AC Electrical Services Group Ltd, incl. subsidiary	April	191	63	80.0	Services
Modern Design AS, incl. subsidiaries	April	105	249	80.0	Trade
Guardio Safety AB	May	8	3	91.0	Trade
Align Products Sdn. Bhd	June	-	-	100	Industry
Swiss Medical Jobs GmbH	July	30	5	85.7	Services
Möller Klima-Kälte GmbH	July	82	27	80.0	Services
Go Tele AS	October	18	10	90.1	Services
The Physics Café Pte. Ltd.	October	55	27	65.0	Services
Nolyx AB	December	13	5	79.6	Industry
<b>Total</b>		<b>597</b>	<b>429</b>		

## DIVESTMENTS DURING THE PERIOD

One divestment was completed during the fourth quarter, of PerGus Maskinförmedling AB, which was part of a business unit in the Services business area. The divested company contributed net sales of SEK 25 million and adjusted EBITA of SEK 1 million to the Group in 2023. Capital gains/losses from divestments during the quarter impacted the Group's operating profit (EBIT) by SEK 7 million.

### Breakdown of divestments completed during January–December 2023 by Group business area:

Divestments	Divestment date	Annual net sales, SEK m	Number of employees by divestment	Share of capital/votes, %	Business area
Medkoh AG	February	50	15	-	Trade
Skidstahus AB, incl. subsidiaries	May	285	69	-	Trade
Hilpert Electronics AG, incl. subsidiary	May	167	19	-	Trade
Delikatesskungen AB	May	27	2	-	Trade
Dextry Group AB, incl. subsidiaries	June	743	612	-	Services
Operation within the subsidiary Brunner Anliker	August	87	32	-	Services
EVIAB Gruppen AB, incl. subsidiaries	September	216	81	-	Services
EI & Projektering Vetlanda AB	September	102	54	-	Services
Växjö Elmontage AB, incl. subsidiaries	September	128	59	-	Services
Svenska Tungdykargruppen AB	September	44	16	-	Services
PerGus Maskinförmedling AB	December	25	-	-	Services
<b>Total</b>		<b>1,875</b>	<b>959</b>		

## TRANSACTIONS AFTER THE END OF THE PERIOD

After the end of the quarter and up to the date of this report, Storskogen completed three add-on acquisitions with combined annual sales of SEK 7 million. For more information on acquisitions and divestments after the end of the fourth quarter, see the section Events after the end of the period.

# Other financial information

## EMPLOYEES

At the end of the period, the Group had 12,077 employees (12,945). Acquisitions carried out during the quarter added 42 new employees to the Group, while the divestment did not impact the number of employees. Acquisitions carried during the year as a whole added 429 employees to the Group, while divestments reduced the number of employees by 959.

## SHARE CAPITAL

On 31 December 2023, 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 December 2023

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
<b>Total number of shares</b>	<b>1,669,478,053</b>	<b>3,001,490,419</b>	<b>100.0</b>	<b>100.0</b>

### Ten largest shareholders on 31 December 2023<sup>1</sup>

	Series A	Series B	Percentage of capital	Percentage of votes
AMF Pension & Fonder	-	149,611,749	9.0	5.0
Daniel Kaplan <sup>2</sup>	38,270,140	35,573,380	4.4	13.9
Futur Pension	-	73,507,469	4.4	2.4
Movestic Livförsäkring AB	-	70,389,813	4.2	2.3
Swedbank Robur Fonder	-	69,766,387	4.2	2.3
Alexander Murad Bjärgård	37,539,070	22,841,998	3.6	13.3
Ronnie Bergström <sup>3</sup>	38,270,254	16,013,504	3.3	13.3
Vanguard	-	50,506,763	3.0	1.7
Peter Ahlgren	33,921,910	15,714,607	3.0	11.8
Philian Invest AB	-	36,200,000	2.2	1.2
<b>Total largest shareholders</b>	<b>148,001,374</b>	<b>540,125,670</b>	<b>41.2</b>	<b>67.3</b>
Other	-	981,351,009	58.8	32.7
<b>Total</b>	<b>148,001,374</b>	<b>1,521,476,679</b>	<b>100.0</b>	<b>100.0</b>

<sup>1</sup> Source: Monitor by Modular Finance AB.

<sup>2</sup> Includes shares held by Firm Factory AB and Wombat Investments AB

<sup>3</sup> Includes shares held by Ängsmon AB

## PARENT COMPANY

The Parent Company generated net sales of SEK 46 million (62) in the fourth quarter and SEK 161 million (156) for the full year. Net sales consist of intra-Group management services. Profit for the period amounted to SEK 316 million (106) for the quarter and SEK 687 million (485) for the full year. Parent Company profit after financial items was positively affected by intra-Group interest income in the year.

## 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 2022. All related-party transactions have taken place on market terms.

#### **EVENTS AFTER THE END OF THE PERIOD**

Since the end of the period, the Services business area has completed three add-on acquisitions in total, for the business units SoVent Group, Nimbus Gruppen and Nitro Consult. The acquisitions have combined annual sales of SEK 7 million and EBITA of SEK 1 million.

#### **ANNUAL GENERAL MEETING 2024**

The Annual General Meeting will be held on 8 May in Stockholm. Further information regarding location, how the AGM will be conducted, and registration will be included in the notice of the AGM, which will be published no earlier than six weeks and no later than four weeks before the AGM. Information on how shareholders can submit proposals to the AGM can be found on Storskogen's website.

#### **DIVIDEND**

The Board of Directors has decided to propose to the Annual General Meeting in May a dividend corresponding to SEK 0.09 per A and B share.

The Chief Executive Officer hereby provides an assurance that this year-end 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, 15 February 2024

Storskogen Group AB

Daniel Kaplan  
CEO

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

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# Quarterly data

SEK m	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
<b>Net Sales</b>						
Services	2,918	2,576	3,067	2,784	3,258	2,801
Trade	2,538	2,341	2,561	2,608	2,908	2,256
Industry	3,555	3,429	3,845	3,833	3,680	3,366
Group operations	-14	-12	-12	-12	-9	-7
<b>Group total</b>	<b>8,997</b>	<b>8,333</b>	<b>9,462</b>	<b>9,213</b>	<b>9,836</b>	<b>8,417</b>
<b>Adjusted EBITA</b>						
Services	257	242	307	250	367	271
Trade	151	188	246	219	228	205
Industry	374	353	437	483	406	371
Group operations	-77	-57	-68	-68	-74	-75
<b>Group total</b>	<b>706</b>	<b>725</b>	<b>922</b>	<b>885</b>	<b>927</b>	<b>772</b>
<b>Adjusted EBITA margin, %</b>						
Services	8.8	9.4	10.0	9.0	11.3	9.7
Trade	6.0	8.0	9.6	8.4	7.8	9.1
Industry	10.5	10.3	11.4	12.6	11.0	11.0
Group operations	-	-	-	-	-	-
<b>Group total</b>	<b>7.8</b>	<b>8.7</b>	<b>9.7</b>	<b>9.6</b>	<b>9.4</b>	<b>9.2</b>
<b>Number of employees, end of period</b>						
Services	4,352	4,328	4,559	5,152	5,140	5,196
Trade	2,477	2,464	2,557	2,372	2,417	2,287
Industry	5,147	5,240	5,286	5,310	5,276	4,924
Group operations	101	102	103	106	112	125
<b>Group total</b>	<b>12,077</b>	<b>12,134</b>	<b>12,505</b>	<b>12,940</b>	<b>12,945</b>	<b>12,532</b>
<b>Number of business units, end of period</b>						
Services	58	57	61	62	62	62
Trade	32	32	32	33	35	35
Industry	39	39	39	39	39	38
<b>Group total</b>	<b>129</b>	<b>128</b>	<b>132</b>	<b>134</b>	<b>136</b>	<b>135</b>



# Financial statements

## CONSOLIDATED INCOME STATEMENT, CONDENSED

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	8,997	9,836	36,006	34,250
Cost of goods and services sold	-7,145	-7,901	-28,690	-27,475
<b>Gross profit</b>	<b>1,852</b>	<b>1,935</b>	<b>7,316</b>	<b>6,775</b>
Selling expenses	-845	-851	-3,247	-2,890
Administrative expenses	-591	-513	-2,093	-2,032
Other operating income	259	497	1,086	1,393
Other operating expenses	-155	-276	-616	-634
<b>Operating profit</b>	<b>520</b>	<b>792</b>	<b>2,446</b>	<b>2,613</b>
Net financial items	-277	-239	-1,125	-502
<b>Profit before tax</b>	<b>243</b>	<b>553</b>	<b>1,321</b>	<b>2,111</b>
Income tax	-100	-137	-377	-519
<b>Profit for the period</b>	<b>143</b>	<b>417</b>	<b>944</b>	<b>1,592</b>
<b>Profit for the year attributable to:</b>				
Owners of the parent company	104	367	778	1,436
Non-controlling interests	39	49	166	157
Basic earnings per share, SEK	0.06	0.22	0.47	0.86
Diluted earnings per share, SEK	0.06	0.22	0.46	0.86

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONDENSED

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
<b>Profit for the period</b>	<b>143</b>	<b>417</b>	<b>944</b>	<b>1,592</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to the income statement</b>				
Remeasurements of defined benefit pension plans	-61	75	-44	150
<b>Total items that will not be transferred to the income statement</b>	<b>-61</b>	<b>75</b>	<b>-44</b>	<b>150</b>
<b>Items that have been or may be transferred to the income statement</b>				
Exchange differences, foreign operations	-347	43	-17	566
Gains/losses on holding of derivatives for cash flow hedging	2	0	9	-16
<b>Total items that have been or may be transferred to the income statement</b>	<b>-344</b>	<b>43</b>	<b>-8</b>	<b>549</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>-405</b>	<b>118</b>	<b>-52</b>	<b>700</b>
<b>Comprehensive income for the period</b>	<b>-262</b>	<b>534</b>	<b>892</b>	<b>2,292</b>
<b>Comprehensive income for the period attributable to:</b>				
Owners of the parent company	-225	463	736	2,066
Non-controlling interests	-36	72	155	226

## CONSOLIDATED BALANCE SHEET, CONDENSED

SEK m	31 Dec 2023	31 Dec 2022
<b>Assets</b>		
Intangible assets	24,982	25,566
Property, plant and equipment	5,391	5,305
Financial non-current assets	63	80
Pension obligation assets	4	9
Deferred tax assets	157	133
<b>Total non-current assets</b>	<b>30,597</b>	<b>31,093</b>
Inventories	4,522	5,203
Trade receivables	4,441	4,940
Current receivables	3,049	3,223
Current investments	0	1
Cash and cash equivalents	1,560	3,022
<b>Total current assets</b>	<b>13,572</b>	<b>16,389</b>
<b>Total assets</b>	<b>44,169</b>	<b>47,482</b>
<b>Equity and liabilities</b>		
<b>Total equity</b>	<b>20,437</b>	<b>19,628</b>
Interest-bearing non-current liabilities	10,080	13,224
Non-current lease liabilities	1,222	1,229
Provisions for pensions	251	205
Non-interest-bearing non-current liabilities	1,814	2,343
Provisions	92	87
Deferred tax liabilities	1,789	1,865
<b>Total non-current liabilities</b>	<b>15,248</b>	<b>18,954</b>
Interest-bearing current liabilities	546	200
Current lease liabilities	430	425
Trade payables	2,271	2,563
Non-interest-bearing current liabilities	5,238	5,713
<b>Total current liabilities</b>	<b>8,484</b>	<b>8,901</b>
<b>Total equity and liabilities</b>	<b>44,169</b>	<b>47,482</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

SEK m	31 Dec 2023	31 Dec 2022
<b>Opening equity attributable to owners of the parent company</b>	<b>19,595</b>	<b>16,564</b>
<b>Comprehensive income</b>		
Profit for the period	778	1,436
Remeasurements of defined benefit pension plans	-45	148
Other comprehensive income for the period	3	482
<b>Comprehensive income for the period</b>	<b>736</b>	<b>2,066</b>
<b>Transactions with the Group's owners</b>		
<b>Contributions from and value transfers to owners</b>		
Dividends paid	-133	-116
Share issue, non-cash	71	168
Transaction costs on issue of shares, after tax	0	0
Contributed capital from issued share options	4	-
Share-based payment transactions	37	30
Put options attributable to non-controlling interests	124	1,050
<b>Total contributions from and value transfers to owners</b>	<b>103</b>	<b>1,131</b>
<b>Changes in ownership of subsidiaries</b>		
Acquisition/divestment of non-controlling interests	2	-168
<b>Total changes in ownership of subsidiaries</b>	<b>2</b>	<b>-168</b>
<b>Total transactions with the Group's owners</b>	<b>104</b>	<b>964</b>
<b>Closing equity attributable to owners of the parent company</b>	<b>20,435</b>	<b>19,595</b>
<b>Opening equity in non-controlling interests</b>	<b>34</b>	<b>24</b>
Profit for the period	166	157
Other comprehensive income for the period	-10	69
<b>Comprehensive income for the period</b>	<b>155</b>	<b>226</b>
Dividends to non-controlling interests	-108	-123
Acquisition/divestment of non-controlling interests	-177	24
Acquisition of business with non-controlling interest, no controlling interest from before	191	1,622
Divestment of business with non-controlling interests, controlling interest ends	-34	-
Put options attributable to non-controlling interests	-60	-1,739
<b>Closing equity in non-controlling interests</b>	<b>2</b>	<b>34</b>
<b>Total equity</b>	<b>20,437</b>	<b>19,628</b>

## CONSOLIDATED CASH FLOW STATEMENT, CONDENSED

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Profit before tax	243	553	1,321	2,111
Adjustment for non-cash items	504	419	2,057	1,351
Income tax paid	20	-6	-814	-690
Change in working capital	692	306	798	-1,143
<b>Cash flow from operating activities</b>	<b>1,459</b>	<b>1,272</b>	<b>3,361</b>	<b>1,628</b>
Net investments in non-current assets	-169	-210	-574	-609
Business combinations and divestments	-60	-371	-392	-9,193
<b>Cash flow from investing activities</b>	<b>-229</b>	<b>-581</b>	<b>-965</b>	<b>-9,802</b>
Dividend to owners of the parent company	-	-	-133	-116
Dividends to minority owners	-6	-26	-106	-123
Proceeds from issues of shares	-	0	4	0
Change in loans	-911	-633	-3,091	5,712
Repayment of lease liability and other financing activities	-148	-151	-553	-533
<b>Cash flow from financing activities</b>	<b>-1,065</b>	<b>-811</b>	<b>-3,879</b>	<b>4,939</b>
<b>Cash flow for the period</b>	<b>165</b>	<b>-119</b>	<b>-1,483</b>	<b>-3,235</b>
Cash and cash equivalents at beginning of period	1,421	3,159	3,022	6,167
Exchange rate differences in cash and cash equivalents	-26	-18	21	91
<b>Cash and cash equivalents at end of period</b>	<b>1,560</b>	<b>3,022</b>	<b>1,560</b>	<b>3,022</b>

# 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 Group's diversified business model, with 129 business units that are active in a variety of industries and geographies and have a large number of customers and suppliers, limits the Group's business and financial risks. In line with the risks described in Storskogen's Annual Report 2022, the Group assesses that the ongoing conflict in Ukraine and associated sanctions against Russia and Belarus may have a certain impact on business units, disruptions in operations and an impaired financial position. Macroeconomic factors such as inflation, interest rate hikes and rising commodity prices as well as disruptions in distribution chains may also have an impact on the Group's profits. The ongoing conflict in the Middle East is not assessed to have any direct impact on the Group's business units, but a general macroeconomic uncertainty may in the long run affect Storskogen's results and financial position. The risks are deemed to be limited due to the Group's diversified operations and are managed through the Group's finance function and operational activities.

### 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

2023

Jan-Dec, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Net sales	11,346	10,048	14,662	-50	36,006
Cost of goods and services sold	-8,981	-8,079	-11,406	-225	-28,690
<b>Gross profit</b>	<b>2,365</b>	<b>1,969</b>	<b>3,257</b>	<b>-275</b>	<b>7,316</b>
Selling expenses	-977	-1,107	-1,088	-74	-3,247
Administrative expenses	-746	-443	-971	67	-2,093
Other operating income	310	318	447	11	1,086
Other operating expenses	-140	-188	-287	-1	-616
<b>Operating profit</b>	<b>812</b>	<b>549</b>	<b>1,357</b>	<b>-272</b>	<b>2,446</b>
Net financial items	-60	-106	-86	-873	-1,125
<b>Profit before tax</b>	<b>752</b>	<b>443</b>	<b>1,271</b>	<b>-1,145</b>	<b>1,321</b>
Reversal of net financial items	60	106	86	873	1,125
Reversal of amortisation and impairment of intangible assets	300	237	324	1	861
<b>EBITA</b>	<b>1,111</b>	<b>786</b>	<b>1,681</b>	<b>-271</b>	<b>3,307</b>
Items affecting comparability	-54	18	-35	2	-69
<b>Adjusted EBITA</b>	<b>1,057</b>	<b>804</b>	<b>1,646</b>	<b>-270</b>	<b>3,238</b>



## Net sales, geographical distribution

2023

Jan-Dec, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Sweden	8,234	5,129	4,029	-50	17,341
Denmark	512	317	371	-	1,200
Finland	78	236	248	-	562
Germany	409	469	2,022	-	2,900
Other countries within the EU	83	678	1,753	-	2,513
Norway	906	1,525	685	-	3,116
Switzerland	732	552	587	-	1,870
UK	269	1,122	2,029	-	3,420
USA	14	0	1,775	-	1,789
Other countries outside the EU	110	20	1,164	-	1,294
<b>Total net sales</b>	<b>11,346</b>	<b>10,048</b>	<b>14,662</b>	<b>-50</b>	<b>36,006</b>

## ITEMS BY SEGMENT AND BREAKDOWN OF REVENUE

2022

Jan-Dec, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Net sales	11,351	9,637	13,288	-26	34,250
Cost of goods and services sold	-8,940	-7,808	-10,489	-237	-27,475
<b>Gross profit</b>	<b>2,411</b>	<b>1,829</b>	<b>2,798</b>	<b>-263</b>	<b>6,775</b>
Selling expenses	-939	-910	-969	-72	-2,890
Administrative expenses	-742	-419	-863	-9	-2,032
Other operating income	205	561	613	14	1,393
Other operating expenses	-89	-178	-366	-1	-634
<b>Operating profit</b>	<b>846</b>	<b>884</b>	<b>1,214</b>	<b>-330</b>	<b>2,613</b>
Net financial items	-62	-80	-77	-282	-502
<b>Profit before tax</b>	<b>783</b>	<b>804</b>	<b>1,137</b>	<b>-612</b>	<b>2,111</b>
Reversal of net financial items	62	80	77	282	502
Reversal of amortisation and impairment of intangible assets	246	188	257	1	692
<b>EBITA</b>	<b>1,092</b>	<b>1,072</b>	<b>1,471</b>	<b>-329</b>	<b>3,305</b>
Items affecting comparability	-12	-148	-11	10	-162
<b>Adjusted EBITA</b>	<b>1,079</b>	<b>923</b>	<b>1,460</b>	<b>-319</b>	<b>3,143</b>

## Net sales, geographical distribution

2022

Jan-Dec, SEK m	Services	Trade	Industry	Group operations and eliminations	Total
Sweden	9,083	5,297	3,910	-26	18,264
Denmark	315	256	297	-	868
Finland	72	249	347	-	667
Germany	291	416	1,823	-	2,530
Other countries within the EU	82	617	1,610	-	2,309
Norway	786	1,067	646	-	2,499
Switzerland	554	582	415	-	1,551
UK	77	1,143	1,562	-	2,782
USA	15	1	1,711	-	1,727
Other countries outside the EU	76	10	967	-	1,053
<b>Total net sales</b>	<b>11,351</b>	<b>9,637</b>	<b>13,288</b>	<b>-26</b>	<b>34,250</b>

## NOTE 3 – REVENUE FROM CUSTOMER CONTRACTS

### Net sales by vertical

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Contracting Services	269	269	969	913
Infrastructure	682	648	2,400	2,273
Installation	827	1,073	3,529	3,635
Logistics	297	323	1,184	1,257
Engineering Services	418	517	1,610	1,772
Digital Services	188	189	715	643
HR and Competence	245	247	967	879
Intragroup sales within the business area	-8	-9	-27	-20
<b>Total, Services segment</b>	<b>2,918</b>	<b>3,258</b>	<b>11,346</b>	<b>11,351</b>
Home and Living	710	904	2,949	3,378
Niche Businesses	798	907	2,969	3,021
Health and Beauty	774	721	2,802	1,866
Sports, Clothing and Accessories	258	382	1,340	1,395
Intragroup sales within the business area	-3	-6	-11	-22
<b>Total, Trade segment</b>	<b>2,538</b>	<b>2,908</b>	<b>10,048</b>	<b>9,637</b>
Automation	1,158	1,249	4,714	4,133
Industrial Technology	1,270	1,389	5,348	4,782
Products	1,136	1,065	4,631	4,432
Intragroup sales within the business area	-8	-23	-31	-59
<b>Total, Industry segment</b>	<b>3,555</b>	<b>3,680</b>	<b>14,662</b>	<b>13,288</b>
Intragroup sales eliminations	-14	-9	-50	-26
<b>Total</b>	<b>8,997</b>	<b>9,836</b>	<b>36,006</b>	<b>34,250</b>

### Timing of revenue recognition

SEK m	2023	2022
	Jan-Dec	Jan-Dec
Goods and services transferred at a point in time	28,861	26,562
Goods and services transferred over time	7,144	7,688
<b>Total</b>	<b>36,006</b>	<b>34,250</b>

## NOTE 4 – BUSINESS COMBINATIONS

### Preliminary purchase price allocation for the year

Refers to acquisitions completed during the period January to December 2023:

SEK m	Services	Trade	Industry	Total
Intangible assets	303	23	56	383
Other non-current assets	10	8	8	25
Inventories	2	11	22	35
Other current assets	196	6	23	225
Cash and cash equivalents	200	17	33	250
Deferred tax assets/tax liabilities	-71	-4	-14	-90
Liabilities to credit institutions	-6	-3	-	-9
Other liabilities	-77	-30	-49	-155
<b>Acquired net assets</b>	<b>557</b>	<b>28</b>	<b>79</b>	<b>664</b>
Goodwill	217	48	75	340
Non-controlling interests	-170	-4	-17	-191
<b>Purchase price including contingent consideration</b>	<b>603</b>	<b>71</b>	<b>138</b>	<b>812</b>
Less cash and cash equivalents in acquired operations	-200	-17	-33	-250
Less unpaid purchase consideration	-34	-30	-17	-80
Less paid through convertible loan	-133	-	-	-133
<b>Effect on consolidated cash and cash equivalents</b>	<b>237</b>	<b>25</b>	<b>87</b>	<b>349</b>

### Preliminary purchase price allocation for significant acquisitions during the year

SEK m	AC Electrical Services Group Ltd - included in Services	The Physics Café Pte. Ltd. - included in Services	Total significant acquisitions
Intangible assets	212	41	253
Other non-current assets	4	1	5
Inventories	1	-	1
Other current assets	172	0	172
Cash and cash equivalents	149	28	177
Deferred tax assets/tax liabilities	-54	-7	-61
Liabilities to credit institutions	-	-	-
Other liabilities	-22	-11	-33
<b>Acquired net assets</b>	<b>462</b>	<b>52</b>	<b>514</b>
Goodwill	90	119	209
Non-controlling interests	-111	-60	-170
<b>Purchase price including contingent consideration</b>	<b>442</b>	<b>111</b>	<b>553</b>
Less cash and cash equivalents in acquired operations	-149	-28	-177
Less unpaid purchase consideration	-	-32	-32
Less paid through convertible loan	-133	-	-133
<b>Effect on consolidated cash and cash equivalents</b>	<b>161</b>	<b>51</b>	<b>211</b>

### Purchase considerations and assessments

Purchase considerations for acquisitions in the period totalled SEK 812 million, of which SEK 340 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 349 million. Cash flow from business combinations and divestments, which amounts to SEK 392 million, are apart from abovementioned business combinations also impacted by: acquisitions of minority shares during the period with payments of purchase considerations amounting to SEK 190 million, divestment of minority shares with a received purchase consideration of SEK 15 million, payments of contingent considerations for acquisitions from previous years amounts to SEK 636 million and divestment of operations increases cash and cash equivalents by SEK 770 million. Had the period's acquisitions been made with effect from 1 January 2023, they would have contributed SEK 600 million to the Group's net sales and the impact on the Group's profit after tax would have been SEK 104 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 from the first quarter 2023 to the fourth quarter 2023 are preliminary, as the Group has not received final audited information from the acquired companies. All acquisitions have been reported using the acquisition method.

## Goodwill

At the time of acquisition, 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. On 31 December 2023, the Group recognised total goodwill of SEK 18,763 million (18,989). The Group's goodwill is tested for impairment as required, and at least annually, by cash-generating unit. An impairment test was carried out in the fourth quarter, from which no need for impairment was identified.

Change in the Group's goodwill, SEK m	Opening balance	Aquisitions	Impairment	Divestments	Currency effects	Closing balance
Goodwill	18,989	340	-	-612	45	18,763

## Other identified surplus values

The amounts recognised for intangible non-current assets, such as customer relationships and brands, have been measured at the discounted value of future cash flows. Customer relationships are generally written down over a period between three to ten years. The amortisation period is based on historical customer attrition, competition in the market, degree of integration with the customer's business, and importance of the aftermarket (such as servicing and warranties). Trademarks are not amortised except from when they have a determinable useful life.

Trademarks that are not amortised are tested annually for impairment in accordance with IAS 36. Other step-ups identified in acquisitions, during the year or earlier, relate to buildings, technology, licenses and inventory. Buildings are generally depreciated over 25 years, technology is generally depreciated over three to ten years, while inventories are depreciated on the basis of the inventory turnover rate.

## 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 period totalled SEK 9 million (72).

## Contingent considerations

A contingent consideration, or earn-out, is a conditional additional purchase payment that is normally based on the acquired company's results during the first few years, either as a binary outcome if a certain level of earnings is achieved, or on a scale where the amount rises with the earnings of the acquired company in a predetermined future accounting period. If the criteria are met, the contingent consideration generally crystallises one to three years from the date of acquisition. At the time of the transaction, a contingent consideration is measured at fair value by calculating the present value of the likely outcome using a discount rate of 11.2 percent (10.6). The likely outcome is based on the Group's projections for the respective entity and dependent on future earnings generated by the entity, with a set maximum. The discounted value of unpaid contingent considerations for the period's acquisitions is SEK 80 million (702), while the total liability recognised for discounted contingent considerations on 31 December 2023 was SEK 320 million (997).

## 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-DECEMBER 2023

SEK m	Services	Trade	Industry	Total
<b>Effect after the acquisition date included in consolidated income statement</b>				
Sales	248	82	136	466
Profit for the period	46	-6	20	59
<b>Effect if the acquisitions had been completed on 1 January</b>				
Sales	339	110	150	600
Profit for the period	89	-9	24	104

Acquisitions completed during the period January to December 2023 increased the Group's net sales by SEK 466 million, EBITA by SEK 77 million and profit for the period by SEK 59 million. Transaction costs for these acquisitions came to SEK 9 million and are included in administrative expenses in the consolidated income statement.

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

	31 Dec 2023				31 Dec 2022			
	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through OCI	Total carrying amount	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through OCI	Total carrying amount
Financial assets, SEK m								
Financial non-current assets	52	9	2	63	33	8	39	80
Trade receivables	4,441	-	-	4,441	4,940	-	-	4,940
Current receivables	975	-	32	1,007	1,056	-	40	1,096
Current investments	-	0	-	0	-	1	-	1
Cash and cash equivalents	1,560	-	-	1,560	3,022	-	-	3,022
<b>Total</b>	<b>7,027</b>	<b>9</b>	<b>35</b>	<b>7,071</b>	<b>9,051</b>	<b>9</b>	<b>79</b>	<b>9,139</b>

	31 Dec 2023				31 Dec 2022			
	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at fair value through OCI	Total carrying amount	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at fair value through OCI	Total carrying amount
Financial liabilities, SEK m								
Interest-bearing non-current liabilities	10,013	-	66	10,079	13,219	-	2	13,221
Non-interest-bearing non-current liabilities	42	55	-	97	26	381	-	407
Interest-bearing current liabilities	533	-	12	546	138	-	62	200
Trade payables	2,271	-	-	2,271	2,563	-	-	2,563
Non-interest-bearing current liabilities	2,763	265	-	3,028	2,836	659	-	3,494
<b>Total</b>	<b>15,622</b>	<b>320</b>	<b>79</b>	<b>16,021</b>	<b>18,782</b>	<b>1,040</b>	<b>64</b>	<b>19,886</b>

### Fair value measurement

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

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

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

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

### Fair value for informational purposes

The carrying amounts of assets and liabilities measured at amortised cost are considered 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 Dec 2023						31 Dec 2022					
	Level 1	Level 2	Level 3	Other <sup>1</sup>	Difference in fair value and book value, related to market quoted bonds	Total carrying amount	Level 1	Level 2	Level 3	Other <sup>1</sup>	Difference in fair value and book value, related to market quoted bonds	Total carrying amount
Financial assets, SEK m												
Financial non-current assets	-	2	-	60	-	63	-	39	-	41	-	80
Trade receivables	-	-	-	4,441	-	4,441	-	-	-	4,940	-	4,940
Current receivables	-	32	-	975	-	1,007	-	40	-	1,056	-	1,096
Current investments	0	-	-	-	-	0	1	-	-	-	-	1
Cash and cash equivalents	1,560	-	-	-	-	1,560	3,022	-	-	-	-	3,022
<b>Total</b>	<b>1,560</b>	<b>35</b>	<b>-</b>	<b>5,476</b>	<b>-</b>	<b>7,071</b>	<b>3,023</b>	<b>79</b>	<b>-</b>	<b>6,037</b>	<b>-</b>	<b>9,139</b>



Financial liabilities, SEK m	31 Dec 2023						31 Dec 2022					
	Level 1	Level 2	Level 3	Other <sup>1</sup>	Difference in fair value and book value, related to market quoted bonds	Total carrying amount	Level 1	Level 2	Level 3	Other <sup>1</sup>	Difference in fair value and book value, related to market quoted bonds	Total carrying amount
Interest-bearing non-current liabilities	-	5,131	-	5,041	-93	10,079	-	4,755	-	7,258	1,208	13,221
Non-interest-bearing non-current liabilities	-	-	55	42	-	97	-	-	381	26	-	407
Interest-bearing current liabilities	-	12	-	533	-	546	-	62	-	138	-	200
Trade payables	-	-	-	2,271	-	2,271	-	-	-	2,563	-	2,563
Non-interest-bearing current liabilities	-	-	265	2,763	-	3,028	-	43	616	2,836	-	3,494
<b>Total</b>	<b>-</b>	<b>5,144</b>	<b>320</b>	<b>10,650</b>	<b>-93</b>	<b>16,021</b>	<b>-</b>	<b>4,859</b>	<b>997</b>	<b>12,822</b>	<b>1,208</b>	<b>19,886</b>

<sup>1</sup> 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	997	80	-636	-123	3	320

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 11.2 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 earnings per share after dilution, 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.

	2023	2022	2023	2022
SEK	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
<b>Earnings per share</b>				
Basic earnings per share, SEK	0.06	0.22	0.47	0.86
Diluted earnings per share, SEK	0.06	0.22	0.46	0.86
<b>SEK k</b>				
<b>Net profit for the period attributable to owners of the parent</b>				
Net profit for the year attributable to owners of the parent	103,993	367,386	778,319	1,435,708
<b>Number</b>				
<b>Weighted average number of shares used in calculating earnings per share after dilution</b>				
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	1,539,544,134	1,522,858,898	1,535,455,594	1,517,612,878
<b>Total weighted average number of shares</b>	<b>1,687,545,508</b>	<b>1,670,860,272</b>	<b>1,683,456,968</b>	<b>1,665,614,252</b>

## PERFORMANCE MEASURES

	2023	2022	2023	2022
SEK m	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	8,997	9,836	36,006	34,250
Adjusted EBITDA	978	1,191	4,293	4,079
Adjusted EBITA	706	927	3,238	3,143
Adjusted EBITA margin, %	7.8	9.4	9.0	9.2
Operating profit	520	792	2,446	2,613
Operating margin, %	5.8	8.1	6.8	7.6
Profit before tax	243	553	1,321	2,111
Profit for the period	143	417	944	1,592
Working capital (12 months)			5,853	5,102
Return on working capital, % (12 months)			55.3	61.6
Return on equity, % (12 months)			4.6	8.8
Return on capital employed, % (12 months)			7.7	10.1
Equity/assets ratio, %			46.3	41.3
Interest-bearing net debt			10,902	12,260
Net debt			13,159	15,249
Debt/equity ratio, x			0.6	0.8
Interest-bearing net debt/adjusted RTM EBITDA (12 months), x			2.5	2.6
Interest coverage ratio, x	2.2	4.1	2.5	5.2
Average number of employees			11,654	11,263
Number of employees at end of period			12,077	12,945
Cash flow from operating activities	1,459	1,272	3,361	1,628
Adjusted cash conversion, %	153.7	109.4	104.4	58.8
Basic earnings per share, SEK	0.06	0.22	0.47	0.86
Diluted earnings per share, SEK	0.06	0.22	0.46	0.86

## PARENT COMPANY STATEMENT OF PROFIT OR LOSS, CONDENSED

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	46	62	161	156
Administrative expenses	-96	-106	-310	-323
Other operating income	0	0	0	0
Other operating expenses	0	0	-0	0
<b>Operating profit</b>	<b>-50</b>	<b>-44</b>	<b>-148</b>	<b>-166</b>
Financial income and expenses	193	97	777	694
<b>Profit after financial items</b>	<b>143</b>	<b>53</b>	<b>628</b>	<b>527</b>
Appropriations	56	-	46	-
Tax	117	53	13	-43
<b>Profit for the period</b>	<b>316</b>	<b>106</b>	<b>687</b>	<b>485</b>

## PARENT COMPANY BALANCE SHEET, CONDENSED

SEK m	31 Dec 2023	31 Dec 2022
<b>Assets</b>		
Intangible assets	0	0
Property, plant and equipment	1	1
Financial assets	28,494	28,343
<b>Total non-current assets</b>	<b>28,495</b>	<b>28,344</b>
Current receivables	3,980	3,956
Cash and cash equivalents	739	1,168
<b>Total current assets</b>	<b>4,719</b>	<b>5,124</b>
<b>Total assets</b>	<b>33,214</b>	<b>33,469</b>
<b>Equity and liabilities</b>		
Restricted equity	1	1
Unrestricted equity	17,887	17,238
<b>Total equity</b>	<b>17,887</b>	<b>17,239</b>
Non-current liabilities	9,780	12,942
Current liabilities	5,547	3,288
<b>Total equity and liabilities</b>	<b>33,214</b>	<b>33,469</b>

# Definitions and calculations

## PERFORMANCE MEASURES

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

### RETURN ON EQUITY<sup>1</sup>

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

SEK m	12 months until	12 months until
	31 Dec 2023	31 Dec 2022
Profit for the period	944	1,592
Equity	20,322	17,999
<b>Return on equity, %</b>	<b>4.6</b>	<b>8.8</b>

### RETURN ON WORKING CAPITAL<sup>1</sup>

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

SEK m	12 months until	12 months until
	31 Dec 2023	31 Dec 2022
Adjusted EBITA	3,238	3,143
Working capital	5,853	5,102
<b>Return on working capital, %</b>	<b>55.3</b>	<b>61.6</b>

### RETURN ON CAPITAL EMPLOYED<sup>1</sup>

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

SEK m	12 months until	12 months until
	31 Dec 2023	31 Dec 2022
Operating profit	2,446	2,613
Financial income	198	479
<b>Operating profit including financial income</b>	<b>2,644</b>	<b>3,091</b>
Capital employed	34,142	30,753
<b>Return on capital employed, %</b>	<b>7.7</b>	<b>10.1</b>

### EBITA<sup>1</sup>

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

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating profit	520	792	2,446	2,613
Amortisation of intangible assets	214	222	861	692
Impairment of intangible assets	0	0	0	0
<b>EBITA</b>	<b>735</b>	<b>1,014</b>	<b>3,307</b>	<b>3,305</b>

### EBITDA<sup>1</sup>

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

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating profit	520	792	2,446	2,613
Amortisations and depreciations	487	486	1,917	1,628
Impairment	-0	-1	-0	0
<b>EBITDA</b>	<b>1,007</b>	<b>1,278</b>	<b>4,363</b>	<b>4,241</b>

### NET FINANCIAL ITEMS<sup>1</sup>

The purpose is to present developments in the Group's financial activities. New presentation of the components within net financial items, starting in the fourth quarter 2024. The previous definition of financial income and expenses included reported gross exchange rate effects. In the new presentation, reported net exchange rate effects are included instead, while financial expenses have been separated from the interest expenses.

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Interest income	23	12	77	24
Interest expenses	-248	-197	-1,004	-508
Financial expenses	-35	-50	-127	-120
Exchange rate changes and other	-18	-3	-71	103
<b>Net financial items</b>	<b>-277</b>	<b>-239</b>	<b>-1,125</b>	<b>-502</b>

### ADJUSTED EBITA<sup>1</sup>

Operating profit (EBIT) before amortisation and impairment of intangible assets, excluding items affecting comparability. The purpose is to assess the Group's operating activities. Adjusted EBITA facilitates comparison of EBITA between periods.

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating profit	520	792	2,446	2,613
Items affecting comparability	-29	-87	-69	-162
Amortisations of intangible assets	214	222	861	692
Impairment of intangible assets	0	0	0	0
<b>Adjusted EBITA</b>	<b>706</b>	<b>927</b>	<b>3,238</b>	<b>3,143</b>

### ADJUSTED EBITA MARGIN<sup>1</sup>

Adjusted EBITA as a percentage of net sales. The purpose is to give an indication of profitability in relation to sales.

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Adjusted EBITA	706	927	3,238	3,143
Net sales	8,997	9,836	36,006	34,250
<b>Adjusted EBITA margin, %</b>	<b>7.8</b>	<b>9.4</b>	<b>9.0</b>	<b>9.2</b>

### ADJUSTED EBITDA<sup>1</sup>

Operating profit (EBIT) before depreciation, amortisation and impairment, excluding items affecting comparability. The purpose is to assess the Group's operating activities. EBITDA serves as a complement to operating profit (EBIT). Adjusted EBITDA facilitates comparison of EBITDA between periods.

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating profit	520	792	2,446	2,613
Items affecting comparability	-29	-87	-69	-162
Amortisations and depreciations	487	486	1,917	1,628
Impairment	-0	-1	-0	0
<b>Adjusted EBITDA</b>	<b>978</b>	<b>1,191</b>	<b>4,293</b>	<b>4,079</b>

### ADJUSTED CASH CONVERSION<sup>1</sup>

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

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Adjusted EBITDA	978	1,191	4,293	4,079
Change in working capital	692	306	798	-1,143
Cash flow from net investments in tangible assets defined as CapEx	-167	-194	-610	-539
<b>Operating Cash Flow</b>	<b>1,503</b>	<b>1,303</b>	<b>4,481</b>	<b>2,397</b>
Adjusted EBITDA	978	1,191	4,293	4,079
<b>Adjusted cash conversion, %</b>	<b>153.7</b>	<b>109.4</b>	<b>104.4</b>	<b>58.8</b>

### ITEMS AFFECTING COMPARABILITY<sup>1</sup>

Items affecting comparability such as remeasurement of contingent considerations, fair value adjustments of acquired assets (for example Inventory Step-up), central restructuring costs, stamp duty at some foreign business combinations, and capital gain/loss from divestment of business. Items affecting comparability are excluded to facilitate comparisons between periods.

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Remeasurement of contingent considerations	32	93	123	255
Fair value adjustments of acquired assets	-	-1	-	-56
Stamp tax on foreign business combinations	0	0	-2	-14
Central restructuring costs	-10	-	-10	-18
Capital gain/loss from divestment of business	7	-5	-41	-5
<b>Items affecting comparability</b>	<b>29</b>	<b>87</b>	<b>69</b>	<b>162</b>

### INTEREST-BEARING NET DEBT<sup>1</sup>

Net interest-bearing liabilities (i.e. non-current interest-bearing liabilities, non-current lease liabilities, current interest-bearing liabilities, current lease liabilities and interest-bearing provisions for pensions) less financial assets, short-term investments and cash and cash equivalents. 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 Dec 2023	31 Dec 2022
	Interest-bearing liabilities	10,626
Lease liabilities	1,652	1,654
Provisions for pensions, net	247	205
Financial assets	-63	-
Current investments	0	-1
Cash and cash equivalents	-1,560	-3,022
<b>Interest-bearing net debt</b>	<b>10,902</b>	<b>12,260</b>

### INTEREST-BEARING NET DEBT/RTM ADJUSTED EBITDA (12 MONTH)<sup>1</sup>

Interest-bearing net debt in relation to RTM adjusted EBITDA provides a liquidity measure for net debt in relation to cash-generating operating results. Net debt is at the balance sheet date, and RTM adjusted EBITDA is calculated as adjusted EBITDA recorded for the previous 12-month period adjusted for the contribution of the businesses contractually acquired by the Group during that 12-month period. The purpose is to provide an indication of the Group's ability to pay its debts. 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 Dec 2023	31 Dec 2022
	Interest-bearing net debt	10,902
RTM adjusted EBITDA	4,305	4,658
<b>Interest-bearing net debt/RTM adjusted EBITDA, x</b>	<b>2.5</b>	<b>2.6</b>

## NET DEBT<sup>1</sup>

Net interest-bearing liabilities (i.e. non-current interest-bearing liabilities, non-current lease liabilities, current interest-bearing liabilities, current lease liabilities and interest-bearing provisions for pensions) including minority options and contingent consideration liabilities, less financial assets, current investments, and cash and cash equivalents. The purpose is to provide an alternative measure of the Group's debt/equity ratio.

SEK m	31 Dec 2023	31 Dec 2022
Interest-bearing liabilities	10,626	13,424
Lease liabilities	1,652	1,654
Provisions for pensions, net	247	205
Contingent consideration liabilities	320	997
Minority options	1,937	1,991
Financial assets	-63	-
Current investments	0	-1
Cash and cash equivalents	-1,560	-3,022
<b>Net debt</b>	<b>13,159</b>	<b>15,249</b>

## ORGANIC EBITA GROWTH<sup>1</sup>

Change in EBITA, excluding exchange rate, acquisition and divestment effects and adjusted for Group functions, relative to the same period the previous year. Acquired entities are included in organic EBITA growth once they have been part of the Group for the full comparison period, 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)<sup>1</sup>

Change in net sales, excluding exchange rate, acquisition and divestment effects, relative to the same period the previous year. Acquired entities are included in organic growth once they have been part of the Group for the full comparison period, 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<sup>1</sup>

Operating profit plus interest income divided by interest expenses. The purpose is to present earnings in relation to interest expenses, which is a measure of the Group's capacity to cover its interest expenses. Previously the definition of interest expenses has included other financial expenses. According to the previous definition, the interest coverage ratio would have been 2.3x (4.5).

SEK m	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Operating profit	520	792	2,446	2,613
Interest income	23	12	77	24
<b>Operating profit including interest income</b>	<b>543</b>	<b>804</b>	<b>2,523</b>	<b>2,636</b>
Interest expenses	-248	-197	-1,004	-509
<b>Interest coverage ratio, x</b>	<b>2.2</b>	<b>4.1</b>	<b>2.5</b>	<b>5.2</b>

## WORKING CAPITAL<sup>1</sup>

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

SEK m	12 months until 31 Dec 2023	12 months until 31 Dec 2022
Inventories	5,019	4,476
Trade receivables	4,837	4,461
Other current receivables	2,798	2,299
Trade payables	-2,675	-2,571
Other current liabilities	-4,127	-3,563
<b>Working capital</b>	<b>5,853</b>	<b>5,102</b>

### OPERATING MARGIN<sup>1</sup>

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

SEK m	2023	2022	2023	2022
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating profit	520	792	2,446	2,613
Net sales	8,997	9,836	36,006	34,250
<b>Operating margin, %</b>	<b>5.8</b>	<b>8.1</b>	<b>6.8</b>	<b>7.6</b>

### OPERATING PROFIT (EBIT)

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

### DEBT/EQUITY RATIO<sup>1</sup>

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

SEK m	31 Dec 2023	31 Dec 2022
Net debt	13,159	15,249
Equity	20,437	19,628
<b>Debt/equity ratio, x</b>	<b>0.6</b>	<b>0.8</b>

### EQUITY/ASSETS RATIO<sup>1</sup>

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

SEK m	31 Dec 2023	31 Dec 2022
Equity	20,437	19,628
Total assets	44,169	47,482
<b>Equity/assets ratio, %</b>	<b>46.3</b>	<b>41.3</b>

### CAPITAL EMPLOYED<sup>1</sup>

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

SEK m	12 months until	12 months until
	31 Dec 2023	31 Dec 2022
Total assets	46,412	42,400
Non-interest-bearing liabilities	-10,122	-9,772
Provisions	-2,148	-1,876
<b>Capital employed</b>	<b>34,142</b>	<b>30,753</b>

### NUMBER OF SHARES OUTSTANDING<sup>1</sup>

Total number of shares outstanding. Defined as total number of shares outstanding less Storskogen's own shares. This number is primarily used to calculate performance measures.

	31 Dec 2023	31 Dec 2022
Serie A shares	148,001,374	148,001,374
Serie B shares	1,521,476,679	1,515,762,394
<b>Number of outstanding shares</b>	<b>1,669,478,053</b>	<b>1,663,763,768</b>

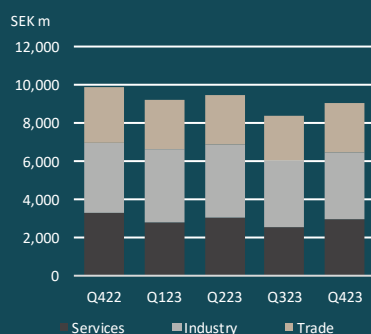
<sup>1</sup> Classified as an alternative performance measure under ESMA's guidelines.



# 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 12,000 employees, net sales of SEK 36 billion (LTM) across a diversified group of businesses and is listed on Nasdaq Stockholm.

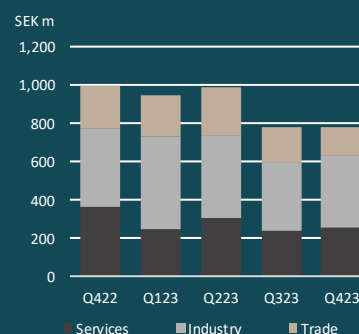
## NET SALES



# 129

business units  
in the Services,  
Industry and  
Trade business  
areas

## ADJUSTED EBITA



### 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.



## FINANCIAL CALENDAR

Annual Report 2023 – week 14, 2024  
Interim Report Q1 2024 – 7 May 2024  
Annual General Meeting – 8 May 2024, Stockholm  
Interim Report Q2 2024 – 15 August 2024  
Interim Report Q3 2024 – 7 November 2024

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