

# INTERIM REPORT JANUARY–SEPTEMBER 2020

# Q3

storskogen

**“Our organic earnings growth was 11 percent thanks to the excellent work of our company CEOs”**

Daniel Kaplan, CEO

## THE THIRD QUARTER (1 JULY – 30 SEPTEMBER 2020)

- Net sales increased by 31 percent, amounting to SEK 2,176m (1,665).
- Operating profit increased by 81 percent, amounting to SEK 206m (114), equivalent to an operating margin of 9.5 percent (6.9).
- Operating profit before amortisation of intangible non-current assets (EBITA) increased by 88 percent, amounting to SEK 235m (125), equivalent to an EBITA margin of 10.8 percent (7.5).
- Profit for the quarter increased by 164 percent, amounting to SEK 168m (64).
- Cash flow from operating activities amounted to SEK 219m (-124).
- The new share issue initiated in the second quarter was concluded in the third quarter and generated net proceeds of SEK 1,754m.
- Six acquisitions were made in the quarter with combined annual net sales of around SEK 600m according to the most recent annual reports.

## THE PERIOD (1 JANUARY – 30 SEPTEMBER 2020)

- Net sales increased by 46 percent, amounting to SEK 6,353m (4,343).
- Operating profit increased by 90 percent, amounting to SEK 555m (292), equivalent to an operating margin of 8.7 percent (6.7).
- EBITA increased by 92 percent, amounting to SEK 630m (329), equivalent to an EBITA margin of 9.9 percent (7.6).
- Profit for the period increased by 97 percent, amounting to SEK 412m (209).
- Cash flow from operating activities amounted to SEK 470m (212).
- Net debt/EBITDA amounted to 1.6 (1.9).
- Return on average equity was 12.9 percent (10.0).
- 22 acquisitions have been made since the beginning of the year – four of them after the end of the period – with combined annual sales of around SEK 2,900m, according to the companies' most recent annual reports.

Amounts in parentheses are for the corresponding periods in 2019.

## KEY FIGURES

SEK m	July–Sep 2020	July–Sep 2019	Change, %	Jan–Sep 2020	Jan–Sep 2019	Change, %	Rolling 12 months	Full year 2019
Net sales	2,176	1,665	31	6,353	4,343	46	8,173	6,163
Operating profit	206	114	81	555	292	90	644	381
Operating margin, %	9.5	6.9		8.7	6.7		7.9	6.2
EBITA <sup>1</sup>	235	125	88	630	329	92	805	503
EBITA margin, % <sup>1</sup>	10.8	7.5		9.9	7.6		9.8	8.2
Profit after financial items	183	103	77	499	272	83	575	348
Profit for the period	168	64	164	412	209	97	465	262
Net debt/EBITDA (12 months)	1.6	2.0		1.6	2.0		1.6	2.4
Total assets	11,299	6,653		11,299	6,653		11,299	7,923
Return on equity, %	12.9	10.5		12.9	10.5		12.9	10.0
Return on working capital (12 months), % <sup>1</sup>	40.7	82.6		40.7	82.6		40.7	80.8
Equity/assets ratio, %	43.9	46.1		43.9	46.1		43.9	39.2
Cash flow from operating activities	219	-124		470	212		705	447

<sup>1</sup> Excluding an item affecting comparability of SEK -24.9m relating to a non-operational, group write-down of acquired inventories in the fourth quarter of 2019.

\* For definitions of alternative performance measures according to the ESMA guidelines, see page 19.

# Comments by the CEO

Today we are pleased to present a strong third quarter with EBITA growth of 88 percent compared to the same quarter in 2019, and an EBITA margin of 10.8 percent. EBITA growth over the nine-month period was 92 percent. At the end of the quarter, EBITA for the rolling 12-month period was just below SEK 1 billion pro forma, in other words, as if we had owned the companies throughout the period, with around SEK 9.7 billion in sales.

In terms of our operations, the situation in the world remains a challenge due to Covid-19, as the surge in recent cases creates uncertainty on many levels. In spite of this, we are seeing good demand in our Services business area and an increase in demand in Trade. Within our Industry business area there are significant differences among our portfolio companies, with some breaking earnings records and others facing substantial challenges. Despite the sustained adverse effects of Covid-19 on organic sales growth in the quarter, we saw organic earnings growth of 11 percent, largely thanks to excellent work by our company CEOs and employees.

On the acquisition front, we started off the third quarter with a series of solid platform acquisitions in July and August, and in September and October there were numerous proposals followed by bidding processes. Now, in the fourth quarter, we are focusing increasingly on due diligence and contract negotiations which, if all goes well, will result in transactions at the end of this year and in the beginning of next year. In the spring we anticipated a lower level of acquisition activity due to the Covid-19 pandemic, however, we have seen a substantial inflow of potential acquisitions, even though some industries are entirely absent from the transaction market.

If the second quarter was spent dealing with the short-term effects of Covid-19, the third quarter was characterised by a focus on our long-term strategy. Our objective has been to maintain good earnings growth for the long term while continuing to take care of our portfolio companies in the best possible way. Covid-19 has in many ways tested and demonstrated Storskogen's strength in everything from diversification and acquisition decisions to evaluation processes and the talent of our CEOs and management teams. At the central level we have the resources and the capacity required to support our subsidiaries when times are tough. Our aim has therefore been to build on our strengths and become even better. One of the conclusions from our corporate strategy analysis is that it is time to start evaluating acquisitions beyond Sweden to diversify further and to gain access to a larger acquisition market.

We will continue to focus on acquiring enterprises with an EBITA in the range of SEK 10–50 million. But as we have already indicated, we will most likely see both an increased number of larger acquisitions and of smaller add-on acquisitions in fragmented industries where we are now systematically driving consolidation.

Financially we are in good shape, with cash and cash equivalents of around SEK 2.6 billion. Our intention for the fourth quarter is to implement a small new share issue aimed at sellers of companies and key new recruits. The main objective is not to boost our finances, but to achieve the strategic effects from having executives and sellers of companies among the co-owners of Storskogen.

In conclusion I would like to encourage those of you who speak Swedish to visit our website [www.storskogen.com](http://www.storskogen.com) to view our video presentation of the quarterly report with me and CFO Lena Krauss. You will also be able to listen to an interview with Storskogen's co-founder and Head of M&A, Alexander Bjärgård who provides insight into our acquisition process. Lastly, Per Strömqvist, CEO of our SDG unit, talks about the endeavour of making SDG Group Sweden's leading flooring distributor.

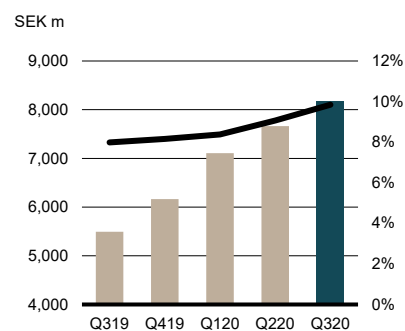
Daniel Kaplan,  
Chief Executive Officer



“Today we are pleased to present a strong third quarter with EBITA growth of 88 percent compared to the same quarter in 2019, and an EBITA margin of 10.8 percent”.

**Daniel Kaplan, CEO**

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



# Group performance

## SALES DEVELOPMENT

Storskogen's net sales increased in the third quarter by 31 percent to SEK 2,176 million (1,665). Organic sales growth was -12 percent in the quarter and the remaining growth is attributable to acquisitions.

Storskogen's net sales increased during the nine-month period by 46 percent to SEK 6,353 million (4,343). Organic sales growth was -1 percent for the nine-month period and the remaining growth is attributable to acquisitions.

## EARNINGS GROWTH

In the third quarter, operating profit (EBIT) increased by 81 percent to SEK 206 million (114) and the operating margin to 9.5 percent (6.9). Relief for furloughed employees in response to Covid-19 amounted to SEK 3 million in the quarter. Operating profit before amortisation of intangible non-current assets (EBITA) increased by 88 percent, amounting to SEK 235 million (125). Organic EBITA growth was 11 percent in the quarter and the remaining growth is attributable to acquisitions. Financial items amounted to SEK -23 million (-11) and profit after financial items increased by 77 percent to SEK 183 million (103). Profit after tax for the quarter increased by 164 percent to SEK 168 million (64).

Operating profit for the nine-month period increased by 90 percent to SEK 555 million (292) and the operating margin to 8.7 percent (6.7). Government grants in response to Covid-19 amounted to SEK 24 million for the nine-month period. EBITA increased by 92 percent to SEK 630 million (329) and the EBITA margin to 9.9 percent (7.6). Organic EBITA growth was 6 percent for the nine-month period and the remaining earnings growth is attributable to acquisitions. Financial items amounted to SEK -56 million (-20) net and profit after financial items increased by 83 percent to SEK 499 million (272). Profit after tax for the period increased by 97 percent to SEK 412 million (209).

The improvement in profit compared to the same period the previous year is primarily explained by stronger underlying profitability in the subsidiaries during the period and positive contributions from acquired entities, as well as negative currency effects and write-down adjustment of project gains within subsidiaries in Services during the comparative period.

## RETURN

Return on average equity during the period amounted to 12.9 percent (10.5) and EBITA in relation to average working capital amounted to 40.7 percent (82.6). Return on capital employed amounted to 9.5 percent (10.3).

### Net sales by business area

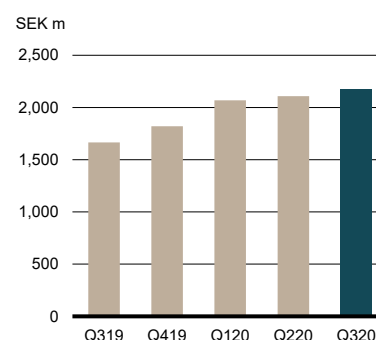
SEK m	2020 July-Sep	2019 July-Sep	Change, %	2020 Jan-Sep	2019 Jan-Sep	Change, %	Rolling 12 months	2019 Full year
Services	992	697	42	2,693	1,753	54	3,495	2,555
Trade	620	507	22	1,831	1,363	34	2,347	1,879
Industry	568	466	22	1,832	1,230	49	2,331	1,729
<b>Operations</b>	<b>2,180</b>	<b>1,670</b>	<b>31</b>	<b>6,356</b>	<b>4,347</b>	<b>46</b>	<b>8,172</b>	<b>6,163</b>
Eliminations, Parent Company	-3	-5		-3	-4		1	0
<b>Net sales, Group</b>	<b>2,176</b>	<b>1,665</b>	<b>31</b>	<b>6,353</b>	<b>4,343</b>	<b>46</b>	<b>8,173</b>	<b>6,163</b>

### Operating profit (EBIT) by business area

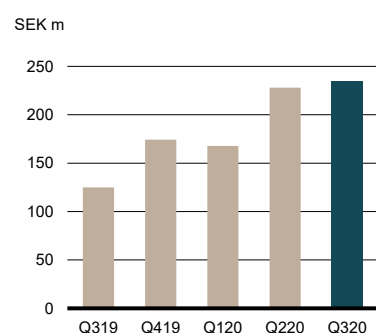
SEK m	2020 July-Sep	2019 July-Sep	Change, %	2020 Jan-Sep	2019 Jan-Sep	Change, %	Rolling 12 months	2019 Full year
Services	119	43	178	294	127	131	417	250
Trade <sup>1</sup>	57	35	61	177	90	95	196	109
Industry	59	44	36	173	111	56	208	145
Group items	-1	3		-14	0		-16	-2
<b>EBITA, adjusted</b>	<b>235</b>	<b>125</b>	<b>88</b>	<b>630</b>	<b>329</b>	<b>92</b>	<b>805</b>	<b>503</b>
Reversal of adjustment item	-	-	-	-	-	-	-25	-25
<b>EBITA, unadjusted</b>	<b>235</b>	<b>125</b>	<b>88</b>	<b>630</b>	<b>329</b>	<b>92</b>	<b>780</b>	<b>478</b>
Amortisation of intangible non-current assets	-28	-11		-76	-37		-136	-97
<b>Operating profit, EBIT</b>	<b>206</b>	<b>114</b>	<b>81</b>	<b>555</b>	<b>292</b>	<b>90</b>	<b>644</b>	<b>381</b>

<sup>1</sup> Excluding an item affecting comparability of SEK -24.9 relating to a non-operational group write-down of acquired inventories in the fourth quarter of 2019.

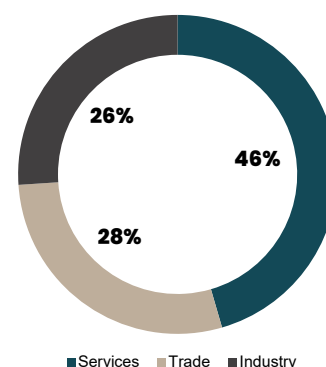
## NET SALES BY QUARTER



## OPERATING PROFIT (EBITA) BY QUARTER



## BREAKDOWN OF SALES BY BUSINESS AREA, Q3 2020



# Services business area

## PROFIT GROWTH

Net sales in the Services business area increased by 42 percent to SEK 992 million (697) in the quarter, and by 54 percent to SEK 2,693 million (1,753) in the nine-month period. Organic growth was 9 percent lower in the nine-month period than in the corresponding period in 2019.

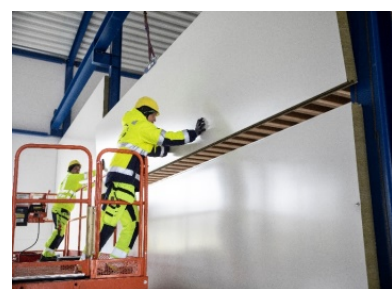
Operating profit increased by 191 percent to SEK 105 million (36) in the third quarter and by 139 percent to SEK 258 million (108) in the nine-month period. EBITA increased by 178 percent to SEK 119 million (43) in the third quarter and by 131 percent to SEK 294 million (127) in the nine-month period. The EBITA margin amounted to 12.0 percent (6.1) for the third quarter and 10.9 percent (7.3) for the nine-month period. Organic EBITA growth was 8 percent for the nine-month period. The increased profitability is attributable to cost control and improved profitability in existing subsidiaries, as well as positive contributions from newly acquired entities. Relief provided for furloughed employees has had a material impact on profit in the Services business area.

Subsidiaries, particularly those in Construction & Infrastructure, as well as Digital Services, have seen favourable growth during the year due to long lead times and ongoing projects, while Logistics was initially more significantly adversely affected by the Covid-19 pandemic, which resulted in increased price pressure. In general, demand appears to be stable.

## ACQUISITIONS DURING THE QUARTER

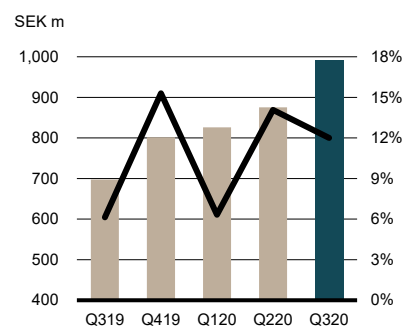
In the third quarter Storskogen acquired Stockholms Internationella Handelsskola (Stockholm International Business School), Bergendahls El Gruppen (an electrical engineering and security company) and El & Projektering Vetlanda, and also made two add-on acquisitions: Syd Communication & Security and P&A Måleri i Norrköping. The combined annual sales of these companies amounted to SEK 555 million for the 2019 financial year.

SEK m	2020 July–Sep	2019 July–Sep	Change, %	2020 Jan–Sep	2019 Jan–Sep	Change, %	Rolling 12 months	2019 Full year
Net sales	992	697	42	2,693	1,753	54	3,495	2,555
EBITA	119	43	178	294	127	131	417	250
EBITA margin, %	12.0	6.1		10.9	7.3		11.9	9.8
Number of employees	1,842	830		1,842	830		1,842	883
Number of business units	26	17		26	17		26	18

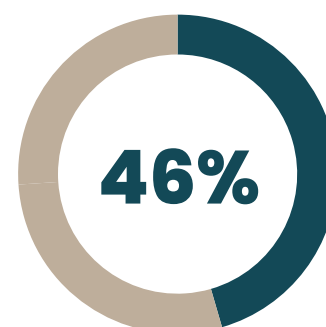


The Services business area consists of service companies with strong positions in specific B2B niche markets. Services include 26 business units divided into the following subsegments; installation, logistics, Infrastructure, engineering services and digital services.

## SALES, SEK M EBITA MARGIN, %



## SHARE OF THE GROUP'S SALES, Q3 2020



# Trade business area

## PROFIT GROWTH

Net sales in the Trade business area increased by 22 percent to SEK 620 million (507) in the quarter, and by 34 percent to SEK 1,831 million (1,363) in the nine-month period. Organic sales growth was 3 percent for the nine-month period compared to the corresponding period in 2019.

Operating profit increased by 61 percent to SEK 50 million (31) in the third quarter and by 103 percent to SEK 158 million (78) in the nine-month period. EBITA increased by 61 percent to SEK 57 million (35) in the third quarter and by 96 percent to SEK 177 million (90) in the nine-month period. The EBITA margin amounted to 9.2 percent (7.0) for the third quarter and 9.6 percent (6.6) for the nine-month period. The increased profitability is largely attributable to positive contributions from acquired enterprises, including hair care companies. Organic EBITA growth was -10 percent for the nine-month period and the remaining growth is attributable to Swedfarm. Relief for furloughed employees was equivalent to just under 0.4 percent of the business area's net sales for the nine-month period.

Subsidiaries within Hair & Beauty saw particularly good development during the year, in part attributable to an increase in people working from home in Sweden, reflected in increased profitability, while subsidiaries within Workwear, Equipment & Machinery were negatively affected.

## ACQUISITIONS DURING THE QUARTER

In the third quarter Storskogen acquired Ullmax, a designer of functional clothing sold through clubs and school classes. Ullmax annual sales in the 2019 financial year amounted to SEK 37 million.

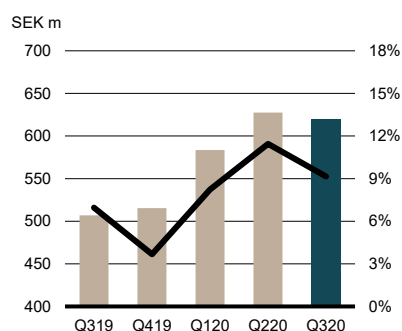
SEK m	2020 July-Sep	2019 July-Sep	Change, %	2020 Jan-Sep	2019 Jan-Sep	Change, %	Rolling 12 months	2019 Full year
Net sales	620	507	22	1,831	1,363	34	2,347	1,879
EBITA <sup>1</sup>	57	35	61	177	90	95	196	109
EBITA margin, % <sup>1</sup>	9.2	7.0		9.6	6.6		8.3	5.8
Number of employees	810	660		810	660		810	702
Number of business units	14	10		14	10		14	11

<sup>1</sup> Excluding an item affecting comparability of SEK -24.9 relating to a non-operational group write-down of acquired inventories in the fourth quarter of 2019.

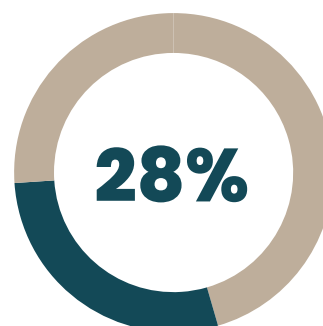


The Trade business area consist of companies with a strong brand in their respective market, with the largest subsegments comprising distributors and wholesalers with both their own and external brands. Trade consists of 14 business units.

## SALES, SEK M EBITA MARGIN, %



## SHARE OF THE GROUP'S SALES, Q3 2020



# Industry business area

## PROFIT GROWTH

Net sales in the Industry business area increased by 22 percent to SEK 568 million (466) in the quarter and by 49 percent to SEK 1,832 million (1,230) in the nine-month period. Organic growth was 6 percent for the nine-month period compared to the corresponding period in 2019.

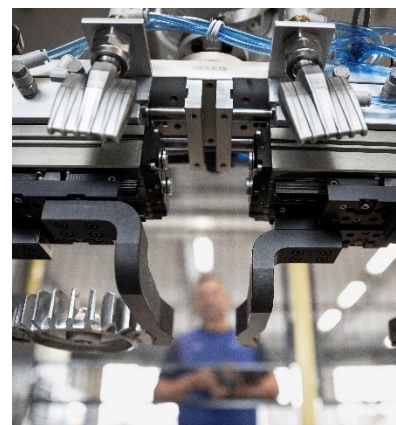
Operating profit increased by 22 percent to SEK 52 million (42) in the third quarter and by 44 percent to SEK 153 million (106) in the nine-month period. EBITA increased by 36 percent to SEK 59 million (44) in the third quarter and by 56 percent to SEK 173 million (111) in the nine-month period. The EBITA margin amounted to 10.5 percent (9.4) for the third quarter and 9.5 percent (9.0) for the nine-month period. Organic EBITA growth was 15 percent for the nine-month period, attributable to the Automation subsegment. Relief for furloughed employees was equivalent to just under 0.7 percent of the business area's net sales for the nine-month period.

Subsidiaries in the Automation subsegment experienced particularly strong growth during the year, while subsidiaries within Industrial Technology and Products, including suppliers to the automobile and furniture industries, were significantly impacted by Covid-19 initially but saw a recovery in demand in the third quarter. There is still some remaining uncertainty however.

## ACQUISITIONS DURING THE QUARTER

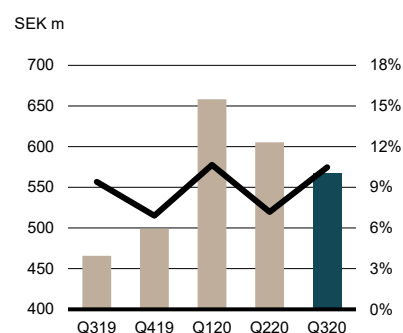
There were no acquisitions in the Industry business area during the quarter.

SEK m	2020 July–Sep	2019 July–Sep	Change, %	2020 Jan–Sep	2019 Jan–Sep	Change, %	Rolling 12 months	2019 Full year
Net sales	568	466	22	1,832	1,230	49	2,331	1,729
EBITA	59	44	36	173	111	56	208	145
EBITA margin, %	10.5	9.4		9.5	9.0		8.9	8.4
Number of employees	1,044	789		1,044	789		1,044	839
Number of business units	15	15		15	15		15	15

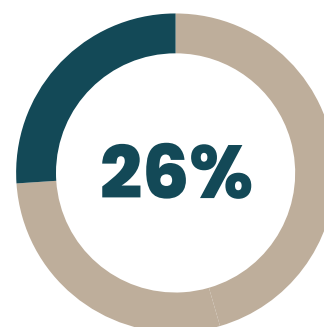


The Industry business area encompasses traditional industrial companies within heavy and medium-heavy industry, serial production and automation. Industry consists of 15 business units.

## SALES, SEK M EBITA MARGIN, %



## SHARE OF THE GROUP'S SALES, Q3 2020





# Acquisitions

Four platform acquisitions were made in the third quarter of 2020: Stockholms Internationella Handelsskola, Ullmax, Bergendahls El Gruppen and El & Projektering Vetlanda. There were also two add-on acquisitions: Syd Communication & Security and P&A Måleri. No divestments took place.

## ACQUISITIONS IN THE PERIOD

**Acquisitions completed during the period January – September 2020 break down between the Group's business areas as follows:**

Acquisitions (divestment)	Transfer date	Net sales, SEK m	Number of employees	Business unit	Type of acquisition
Polstiernan Industri	7 January 2020	700	200	Industry	Platform
Måla i Sverige	8 January 2019	400	380	Services	Platform
Svenska Tungdykargruppen	10 January 2019	170	50	Services	Platform
Västmark Entreprenad	31 January 2019	210	25	Services	Platform
NP Måleri & Fastighetsservice i Västerort	3 February 2019	60	30	Services	Add-on
Malmstens Måleri & Färgsättning AB	1 April 2020	50	30	Services	Add-on
Björsons Måleri Eft. Public limited company	4 May 2020	60	70	Services	Add-on
Tepac Entreprenad AB	4 May 2020	135	35	Services	Platform
L'anza EP Sweden AB	1 June 2020	100	40	Trade	Platform
Växjö Elmontage AB	1 June 2020	100	45	Services	Platform
Karlsons Ortogonal AB	1 June 2020	30	30	Services	Add-on
Frends AS	10 June 2020	140	40	Trade	Platform
Stockholms Internationella Handelsskola AB	1 July 2020	40	5	Services	Platform
Syd Communication & Security AB	1 July 2020	40	30	Services	Add-on
Ullmax AB	3 July 2020	37	7	Trade	Platform
Bergendahls El Gruppen AB	15 July 2020	380	200	Services	Platform
P&A Måleri i Norrköping AB	1 September 2020	30	30	Services	Add-on
El & Projektering i Vetlanda	15 September 2020	65	45	Services	Platform

Acquisitions during the period January–September 2020 affected the Group's net sales in the amount of SEK 1,401 million, EBITA in the amount of SEK 115 million and profit after tax in the amount of SEK 87 million. Acquisition-related transaction costs amounted to SEK 6 million and are included in the item Administrative expenses in the consolidated income statement.

After the end of the quarter the Group made four add-on acquisitions: Nordic Drilling Systems and Kungälv's Plastteknik in the Services business area, as well as Sunsteam and Ljus & Comfort i Åhus in the Trade business area. These companies had combined sales of SEK 110 million for the 2019 financial year.

## PRELIMINARY ACQUISITION ANALYSIS FOR THE PERIOD

Refers to acquisitions completed during the period January–September 2020:

SEK m	Services	Trade	Industry	Total
Intangible non-current assets	40	4	62	105
Other non-current assets	73	0	95	168
Inventories	61	63	119	243
Other current assets	537	74	77	688
Deferred tax liabilities/tax assets	–36	–7	–24	–67
Other liabilities	–515	–64	–112	–691
<b>Acquired net assets</b>	<b>160</b>	<b>69</b>	<b>217</b>	<b>446</b>
Goodwill	1,043	155	145	1,343
Non-controlling interests	–69	–8	0	–77
<b>Purchase consideration</b>	<b>1,134</b>	<b>217</b>	<b>362</b>	<b>1,712</b>
Less cash and cash equivalents in acquired operations	–213	–34	0	–247
Less unpaid purchase consideration	–38	–5	0	–43
<b>Effect on consolidated cash and cash equivalents</b>	<b>883</b>	<b>177</b>	<b>362</b>	<b>1,422</b>

## EFFECT OF THE ACQUISITIONS ON THE CONSOLIDATED INCOME STATEMENT

SEK m	Services	Trade	Industry	Total
<b>Effect after the acquisition date included in consolidated profit</b>				
Sales	791	97	513	1,401
Profit for the year	44	16	27	87
<b>Effect if acquisitions had been implemented on 1 January</b>				
Sales	1,223	200	513	1,936
Profit for the year	97	25	27	150



# Other financial information

## FINANCIAL POSITION

Equity in the Group on 30 September 2020 amounted to SEK 4,956 million (3,069) and the equity/assets ratio was 44 percent (46).

Storskogen initiated a new share issue in the second quarter of 2020 which was concluded in the third quarter, whereby the company issued 24.3 million new Series B shares and 6.2 million new Series A shares. The net issue proceeds after issue costs amounted to SEK 1,754 million.

Cash and cash equivalents on 30 September 2020 amounted to SEK 2,618 million (923). At the end of the period the company also had unutilised credit facilities of SEK 415 million. The Group's net debt, including lease liabilities in accordance with IFRS 16, increased during the period by SEK 660 million to SEK 1,777 million on 30 September 2020. Net debt/EBITDA, based on adjusted EBITDA for the past 12-month period, amounted to 1.6 (2.0). In addition to interest-bearing non-current and current liabilities, net debt includes earn-out liabilities as well as liabilities for outstanding minority options of SEK 416 million (275).

## CASH FLOW, INVESTMENTS AND DEPRECIATION/AMORTISATION

Cash flow from operating activities amounted to SEK 470 million (212) for the period January–September 2020, which is equivalent to cash flow generation of 55 percent (48) of EBITDA. Cash flow from operating activities for the third quarter amounted to SEK 219 million (–124), which is equivalent to cash flow generation of 69 percent (–66).

The Group's net investments in property, plant and equipment amounted to SEK 128 million (71), equivalent to 2.0 percent (1.6) of net sales during the nine-month period. Acquisitions of subsidiaries, including payment of additional considerations for acquisitions from previous years, amounted to SEK 1,422 million (1,321) during the nine-month period.

Dividends were paid to the Parent Company's shareholders in the amount of SEK 300 million (185), which is equivalent to SEK 3.00 per share. The dividends were paid out in the second quarter. Dividends paid to minority owners in subsidiaries amounted to SEK 21 million.

## EMPLOYEES

At the end of the period the number of employees was 3,717 (2,287). Acquisitions completed during the quarter increased the number of employees by 1,143.

## SHAREHOLDERS

On 30 September 2020 the share capital consisted of 104.3 million Series B shares and 26.2 million Series A shares.

Just over 840 investors subscribed for shares in the new share issue in 2020, of which around 250 are employees of the Group, 350 are new investors, 190 are existing owners and the remaining 50 are sellers of companies. On 30 September 2020 Storskogen had 1,219 shareholders, breaking down as follows:

### Share structure

Class of share	Number of shares	Number of shares	Percentage of capital	Percentage of votes
Series A share, 10 votes per share	26,200,000	262,000,000	20.1	71.5
Series B share, 1 vote per share	104,345,509	104,345,509	79.9	28.5
<b>Total number of shares</b>	<b>130,545,509</b>	<b>366,345,509</b>	<b>100.0</b>	<b>100.0</b>

The 10 largest shareholders on 30 September 2020

	Number of Series A shares	Number of Series B shares	Holding, %	Votes, %
Daniel Kaplan	6,774,786	665,559	5.7	18.7
Ronnie Bergström	6,774,806	94,731	5.3	18.5
Alexander Bjärgård	6,645,368	166,595	5.2	18.2
Peter Ahlgren	6,005,040	0	4.6	16.4
AMF	0	4,750,000	3.6	1.3
Scalata Invest AB	0	4,187,411	3.2	1.1
Philian Invest AB	0	4,122,754	3.2	1.1
Länsförsäkringar Skaraborg	0	2,913,697	2.2	0.8
Chripolar Holdings Ltd	0	1,377,816	1.1	0.4
Vida SMK AB	0	1,347,505	1.0	0.4
<b>Total largest shareholders</b>	<b>26,200,000</b>	<b>19,626,068</b>	<b>35.1</b>	<b>76.9</b>
Other	0	84,719,441	64.9	23.1
<b>Total</b>	<b>26,200,000</b>	<b>104,345,509</b>	<b>100.0</b>	<b>100.0</b>

**PARENT COMPANY**

The Parent Company's net sales for the nine-month period amounted to SEK 0 million (-) and profit after financial items was SEK -22 million (-). The Parent Company was formed in the fourth quarter of 2019 and there are therefore no comparative figures to disclose.

# Other disclosures

## ACCOUNTING PRINCIPLES

The Group's interim report was prepared in accordance with the relevant sections of the Annual Accounts Act and IAS 34 Interim Financial Reporting. The Parent Company's interim report was prepared in accordance with the Annual Accounts Act, Chapter 9 Interim Reporting. The Parent Company applies RFR 2. The same accounting principles have been applied for the Group and the Parent Company as those applied 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) unless otherwise indicated. Rounding differences may occur.

## Changed approach to elimination of intra-Group transactions

The elimination of intra-Group transactions has been redistributed during the year to enable enhanced monitoring of existing segments. As a result, the comparative figures have been adjusted in the various categories in the income statement. The redistribution has had no effect on profit or on the key figures presented as performance measures in this report.

## FACTORS OF RISK AND UNCERTAINTY

The Storskogen Group's diversified business model, with 55 business units that are active in a variety of industries and have a large number of customers and suppliers, limits the Group's business and financial risks. In addition to the risks described in Storskogen's 2019 Annual Report, the company's assessment is that the Covid-19 pandemic may significantly impact a number of business units within the Group. These impacts will be in the form of health risks for employees, customers and suppliers, operational disruptions and a weaker financial position. The company believes, however, that its diversified business model will limit the operational and financial impact of the Covid-19 pandemic. This is supported by the business units' operational and financial development during the first nine months of 2020.

## RELATED-PARTY TRANSACTIONS

The nature and scope of transactions with related parties is presented in the 2019 Annual Report. No new significant transactions have taken place during the period.

## ESTIMATES AND ASSESSMENTS

The preparation of the interim report requires management to make assessments, estimates and assumptions that affect the application of the accounting principles 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.

## ANNUAL GENERAL MEETING 2020

The Annual General Meeting on 25 May passed the following resolutions: to pay a dividend of SEK 300 million to shareholders, equivalent to SEK 3.02 per Series A share and SEK 3.00 per Series B share; to re-elect Elisabeth Thand Ringqvist, Peter Ahlgren, Alexander Bjärgård, Bengt Braun, Louise Hedberg and Johan Thorell as board members and to re-elect Elisabeth Thand Ringqvist as Chair; to re-elect Ernst & Young as auditor; and to issue Series A and Series B shares through a rights issue with authorisation for the Board to make a decision on a new issue of Series B shares. At an extraordinary shareholders' meeting on 29 June a decision was made to implement a rights issue of Series A shares.

## SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

After the end of the quarter the Group made four add-on acquisitions: NDS Nordic Drilling Systems and Kungälv's Plastteknik in the Services business area, as well as Sunsteam and Ljus & Comfort i Åhus in the Trade business area. These companies had combined sales of SEK 110 million for the 2019 financial year. As yet no acquisition analysis has been performed for these acquisitions as they were implemented close to the date of the publication of this report.

Stockholm, 12 November 2020.

The Chief Executive Officer hereby provides an assurance that the interim report is a true and fair representation of the Group's and the Parent Company's operations, financial position and results, and describes material risks and factors of uncertainty faced by the companies in the Group.

Daniel Kaplan  
CEO

This report has not been subject to a separate review by the company's auditors.

# Financial statements and notes

## CONDENSED CONSOLIDATED INCOME STATEMENT

SEK m	July–Sep 2020	July–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Rolling 12 months	Full year 2019
Net sales	2,176	1,665	6,353	4,343	8,173	6,163
Cost of goods sold	-1,725	-1,363	-5,054	-3,550	-6,545	-5,040
<b>Gross profit</b>	<b>452</b>	<b>302</b>	<b>1,299</b>	<b>793</b>	<b>1,629</b>	<b>1,123</b>
Selling expenses	-149	-110	-464	-306	-611	-453
Administrative expenses	-101	-84	-348	-218	-462	-332
Other operating income	26	24	106	44	131	68
Other operating expenses	-21	-18	-39	-21	-42	-25
<b>Operating profit</b>	<b>206</b>	<b>114</b>	<b>555</b>	<b>292</b>	<b>644</b>	<b>381</b>
Financial income	3	0	7	2	8	2
Financial expense	-26	-11	-63	-21	-77	-35
<b>Profit after financial items</b>	<b>183</b>	<b>103</b>	<b>499</b>	<b>272</b>	<b>575</b>	<b>348</b>
Tax	-15	-39	-87	-63	-110	-87
<b>Net profit for the period</b>	<b>168</b>	<b>64</b>	<b>412</b>	<b>209</b>	<b>465</b>	<b>262</b>
<b>Profit for the year attributable to:</b>						
Owners of the Parent Company	157	62	387	203	434	250
Non-controlling interests	11	1	25	5	31	11

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	July–Sep 2020	July–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Rolling 12 months	Full year 2019
<b>Profit for the period</b>	<b>168</b>	<b>64</b>	<b>412</b>	<b>209</b>	<b>465</b>	<b>262</b>
<b>Other comprehensive income</b>						
<b>Items that have or may be transferred to profit for the year</b>						
Translation differences, foreign operations	-1	1	-9	4	-10	3
Gains/losses on holding of derivatives for cash flow hedging	-1	-	4	0	4	0
<b>Comprehensive income for the period</b>	<b>167</b>	<b>64</b>	<b>406</b>	<b>212</b>	<b>459</b>	<b>265</b>
<b>Comprehensive income for the period attributable to:</b>						
Owners of the Parent Company	156	63	381	207	424	254
Non-controlling interests	11	1	25	5	31	11

## CONDENSED CONSOLIDATED BALANCE SHEET

SEK m	30 September 2020	30 September 2019	31 December 2019
<b>Assets</b>			
Intangible non-current assets	4,447	2,870	3,064
Property, plant and equipment	1,401	861	1,118
Financial non-current assets	22	11	13
Deferred tax assets	5	8	11
<b>Total non-current assets</b>	<b>5,875</b>	<b>3,751</b>	<b>4,206</b>
Inventories	961	818	822
Accounts receivable	1,118	890	826
Current receivables	726	270	339
Cash and cash equivalents	2,618	923	1,730
<b>Total current assets</b>	<b>5,424</b>	<b>2,902</b>	<b>3,717</b>
<b>Total assets</b>	<b>11,299</b>	<b>6,653</b>	<b>7,923</b>
<b>Equity and liabilities</b>			
<b>Total equity</b>	<b>4,956</b>	<b>3,069</b>	<b>3,107</b>
Interest-bearing non-current liabilities	3,511	397	2,597
Non-interest-bearing non-current liabilities	393	213	321
Provisions	287	248	228
<b>Total non-current liabilities</b>	<b>4,191</b>	<b>858</b>	<b>3,145</b>
Interest-bearing current liabilities	468	1,436	427
Non-interest-bearing current liabilities	1,684	1,290	1,244
<b>Total current liabilities</b>	<b>2,151</b>	<b>2,726</b>	<b>1,671</b>
<b>Total equity and liabilities</b>	<b>11,299</b>	<b>6,653</b>	<b>7,923</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK m	30 September 2020	30 September 2019	31 December 2019
<b>Equity attributable to owners of the parent, January 1</b>	<b>2,905</b>	<b>1,419</b>	<b>1,419</b>
Registered share capital Storskogen Group, 24 October 2019	-	-	1
<b>Comprehensive income</b>			
Profit for the period	387	203	250
Other comprehensive income for the period	-6	4	3
<b>Comprehensive income for the period</b>	<b>381</b>	<b>207</b>	<b>254</b>
<b>Transactions with the Group's owners</b>			
<b>Contributions from and value transfer to owners</b>			
Dividends paid	-300	-185	-185
Share issue	1,754	-	-
Net investment in subsidiaries	-	1,596	1,596
Option to purchase non-controlling interests	-81	-124	-164
<b>Total contributions from and value transfer to owners</b>	<b>1,372</b>	<b>1,287</b>	<b>1,247</b>
<b>Changes in percentage of ownership of subsidiaries</b>			
Acquisition/divestment of non-controlling interests	0	-10	-16
<b>Total changes in percentage of ownership of subsidiaries</b>	<b>0</b>	<b>-10</b>	<b>-16</b>
<b>Total transactions with the Group's owners</b>	<b>1,372</b>	<b>1,277</b>	<b>1,231</b>
<b>Equity attributable to owners of the parent, December 31</b>	<b>4,658</b>	<b>2,903</b>	<b>2,905</b>
<b>Equity in non-controlling interests, January 1</b>	<b>202</b>	<b>76</b>	<b>76</b>
Profit for the period	25	5	11
Other comprehensive income for the period	0	0	0
<b>Comprehensive income for the period</b>	<b>25</b>	<b>5</b>	<b>11</b>
Dividends to minority owners	-21	-6	-6
Acquisition/divestment of non-controlling interests	3	78	104
Acquisition of co-owned subsidiaries, non-controlling interests from before	89	13	17
<b>Equity in non-controlling interests, December 31</b>	<b>298</b>	<b>166</b>	<b>202</b>
<b>Total equity</b>	<b>4,956</b>	<b>3,069</b>	<b>3,107</b>

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

SEK m	July-Sep 2020	July-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Rolling 12 months	Full year 2019
Profit after financial items	183	103	499	272	575	348
Adjustment for non-cash items	83	186	292	250	367	325
Income tax paid	-58	-38	-185	-93	-192	-100
Change in working capital	10	-375	-135	-217	-44	-126
<b>Cash flow from operating activities</b>	<b>219</b>	<b>-124</b>	<b>470</b>	<b>212</b>	<b>705</b>	<b>447</b>
Net investments in non-current assets	-50	-7	-128	-71	-135	-78
Company acquisitions and divestments	-334	-512	-1,403	-1,323	-1,723	-1,643
<b>Cash flow from investing activities</b>	<b>-384</b>	<b>-519</b>	<b>-1,531</b>	<b>-1,394</b>	<b>-1,858</b>	<b>-1,721</b>
Dividend to owners of the Parent Company	0	-119	-300	-191	-294	-185
Other financing activities	1,309	707	2,256	2,117	3,149	3,010
<b>Cash flow from financing activities</b>	<b>1,309</b>	<b>588</b>	<b>1,955</b>	<b>1,926</b>	<b>2,854</b>	<b>2,825</b>
<b>Cash flow for the period</b>	<b>1,143</b>	<b>-54</b>	<b>894</b>	<b>743</b>	<b>1,702</b>	<b>1,551</b>
Cash and equivalents at beginning of period	1,476	977	1,730	179	923	179
Exchange rate differences in cash and cash equivalents	-1	0	-6	1	-6	1
<b>Cash and equivalents at end of period</b>	<b>2,618</b>	<b>923</b>	<b>2,618</b>	<b>923</b>	<b>2,618</b>	<b>1,730</b>



## ITEMS BY SEGMENT AND BREAKDOWN OF REVENUES

2020					
Jan–Sep, SEK m	Services	Trade	Industry	Group items	Total
Net sales	2,693	1,831	1,832	–3	6,353
Cost of goods sold	–2,139	–1,463	–1,438	14	–5,026
<b>Gross profit</b>	<b>554</b>	<b>368</b>	<b>394</b>	<b>–17</b>	<b>1,299</b>
Selling expenses	–187	–137	–134	6	–452
Administrative expenses	–130	–90	–137	–9	–366
Other operating income	26	44	37	0	106
Other operating expenses	–5	–27	–6	0	–38
<b>Operating profit</b>	<b>258</b>	<b>158</b>	<b>153</b>	<b>–14</b>	<b>555</b>
Reversal of amortisation of intangible non-current assets	37	19	20	0	76
<b>EBITA</b>	<b>294</b>	<b>177</b>	<b>173</b>	<b>–14</b>	<b>630</b>

2020					
Jan–Sep, SEK m	Services	Trade	Industry	Group items	Total
Sweden	2,563	1,395	1,297	–3	5,252
Within the EU	47	191	415	–	652
Outside the EU	83	245	120	–	448
<b>Total net sales</b>	<b>2,693</b>	<b>1,831</b>	<b>1,832</b>	<b>–3</b>	<b>6,353</b>

2020					
Jan–Sep, SEK m	Services	Trade	Industry	Group items	Total
Net sales	1,753	1,363	1,230	–4	4,343
Cost of goods sold	–1,463	–1,134	–946	–7	–3,550
<b>Gross profit</b>	<b>290</b>	<b>230</b>	<b>284</b>	<b>–11</b>	<b>793</b>
Selling expenses	–108	–97	–98	–4	–306
Administrative expenses	–81	–55	–93	11	–218
Other operating income	8	19	14	3	44
Other operating expenses	–1	–19	–1	0	–21
<b>Operating profit</b>	<b>108</b>	<b>78</b>	<b>106</b>	<b>0</b>	<b>292</b>
Reversal of amortisation of intangible non-current assets	19	12	5	0	37
<b>EBITA</b>	<b>127</b>	<b>90</b>	<b>111</b>	<b>0</b>	<b>329</b>

2020					
Jan–Sep, SEK m	Services	Trade	Industry	Group items	Total
Sweden	1,664	940	1,039	–4	3,639
Within the EU	38	224	118	–	380
Outside the EU	51	199	73	–	324
<b>Total net sales</b>	<b>1,753</b>	<b>1,363</b>	<b>1,230</b>	<b>–4</b>	<b>4,343</b>

## REVENUE FROM CUSTOMER CONTRACTS

SEK m	July–Sep 2020	July–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Rolling 12 months	Full year 2019
Construction & Infrastructure	293	235	885	545	1,197	857
Installation	337	77	740	166	833	259
Logistics	171	182	511	453	679	621
Construction	141	164	420	472	605	656
Digital Services	39	39	128	118	172	162
Other Services	10	0	10	0	10	0
<b>Total Services segment</b>	<b>992</b>	<b>697</b>	<b>2,694</b>	<b>1,753</b>	<b>3,495</b>	<b>2,555</b>
Home & Leisure	305	236	952	708	1,263	1,019
Workwear, Equipment & Machinery	132	137	421	344	506	429
Hair & Beauty	148	70	326	151	404	230
Other Trade	36	63	133	160	175	201
<b>Total Trade segment</b>	<b>621</b>	<b>507</b>	<b>1,833</b>	<b>1,363</b>	<b>2,348</b>	<b>1,879</b>
Automation	226	159	652	495	849	692
Industrial Technology	180	267	633	603	877	847
Product Solutions	177	40	562	132	620	190
<b>Total Industry segment</b>	<b>583</b>	<b>466</b>	<b>1,847</b>	<b>1,230</b>	<b>2,346</b>	<b>1,729</b>
Intragroup sales between segments	–21	–5	–21	–4	–16	0
<b>Total</b>	<b>2,176</b>	<b>1,665</b>	<b>6,353</b>	<b>4,343</b>	<b>8,173</b>	<b>6,163</b>

## THE GROUP'S MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES

	30 September 2020			30 September 2019			31 December 2019		
	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Total carrying amount	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Total carrying amount	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Total carrying amount
Financial assets, SEK m									
Financial non-current assets	16	5	21	10	1	11	12	1	13
Accounts receivable	1,118	-	1,118	890	-	890	826	-	826
Current receivables	661	-	661	228	-	228	314	-	314
Cash and cash equivalents	2,618	-	2,618	923	-	923	1,730	-	1,730
<b>Total</b>	<b>4,414</b>	<b>5</b>	<b>4,419</b>	<b>2,051</b>	<b>1</b>	<b>2,053</b>	<b>2,881</b>	<b>1</b>	<b>2,883</b>

	30 September 2020			30 September 2019			31 December 2019		
	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Total carrying amount	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Total carrying amount	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Total carrying amount
Financial liabilities, SEK M									
Interest-bearing non-current liabilities	3,080	-	3,080	148	-	148	2,239	-	2,239
Non-interest-bearing non-current liabilities	6	64	70	6	-	6	25	49	74
Interest-bearing current liabilities	311	-	311	1,356	-	1,356	306	-	306
Non-interest-bearing current liabilities	1,326	23	1,350	928	-	928	862	7	869
<b>Total</b>	<b>4,724</b>	<b>87</b>	<b>4,811</b>	<b>2,438</b>	<b>0</b>	<b>2,438</b>	<b>3,432</b>	<b>56</b>	<b>3,488</b>

Carrying amount corresponds to fair value. Financial instruments measured at fair value are classified at different levels based on how the fair value was established.

All of the Storskogen Group's financial instruments measured at fair value are classified according to Level 3, i.e. unobservable input.

The fair value of short-term borrowing is the same as the carrying amount since the discount effect is not material.

## PERFORMANCE MEASURES TABLE

SEK m	July-Sep 2020	July-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Rolling 12 months	Full year 2019
Net sales	2,176	1,665	6,353	4,343	8,173	6,163
Operating profit	206	114	555	292	644	381
Operating margin, %	9.5	6.9	8.7	6.7	7.9	6.2
EBITDA <sup>1</sup>	318	189	855	445	1,113	704
EBITA <sup>1</sup>	235	125	630	329	805	503
EBITA margin, % <sup>1</sup>	10.8	7.5	9.9	7.6	9.8	8.2
Profit after financial items	183	103	499	272	575	348
Profit for the period	168	64	412	209	465	262
Working capital	1,005	531	1,005	531	1,097	623
Return on working capital, % <sup>1</sup>	40.7	82.6	40.7	82.6	40.7	80.8
Return on equity, %	12.9	10.5	12.9	10.5	12.9	10.0
Return on capital employed, %	9.5	10.3	9.5	10.3	9.5	8.8
Equity/assets ratio, %	43.9	46.1	43.9	46.1	43.9	39.2
Net debt	1,777	1,185	1,777	1,185	1,777	1,598
Debt/equity ratio, multiple	0.4	0.4	0.4	0.4	0.4	0.5
Net debt/EBITDA, multiple	1.6	2.0	1.6	2.0	1.6	2.4
Interest coverage ratio, multiple	8.9	13.8	8.9	13.8	8.9	11.1
Average number of employees	-	-	3,384.0	2,137	3,384	2,222
Number of employees at end of period	3,717	2,287	3,717	2,287	3,717	2,432
Cash flow from operating activities	219	-124	470	212	705	447

<sup>1</sup> Excluding an item affecting comparability of SEK -24.9 million relating to a non-operational, group write-down of acquired inventories in the fourth quarter of 2019.

## CONDENSED PARENT COMPANY INCOME STATEMENT

SEK m	July–Sep 2020	July–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Rolling 12 months	Full year 2019
Net sales	-	n/a	-	n/a	n/a	-
Cost of goods sold	-1	n/a	-1	n/a	n/a	-
<b>Gross profit</b>	<b>-1</b>	<b>n/a</b>	<b>-1</b>	<b>n/a</b>	<b>n/a</b>	<b>-</b>
Selling expenses	0	n/a	0	n/a	n/a	-
Administrative expenses	-1	n/a	-16	n/a	n/a	-5
<b>Operating profit</b>	<b>-3</b>	<b>n/a</b>	<b>-17</b>	<b>n/a</b>	<b>n/a</b>	<b>-5</b>
Financial income and expense	13	n/a	37	n/a	n/a	341
Financial expense	-15	n/a	-42	n/a	n/a	-1
<b>Profit after financial items</b>	<b>-4</b>	<b>n/a</b>	<b>-22</b>	<b>n/a</b>	<b>n/a</b>	<b>335</b>
Tax	21	n/a	21	n/a	n/a	-
<b>Profit for the period</b>	<b>17</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>	<b>n/a</b>	<b>335</b>

\* There are no comparative figures to disclose for the Parent Company as it was formed on 24 October 2019.

## CONDENSED PARENT COMPANY BALANCE SHEET

SEK m	30 September 2020	30 September 2019	31 December 2019
<b>Assets</b>			
Intangible non-current assets	0	n/a	-
Financial non-current assets	5,817	n/a	4,891
<b>Total non-current assets</b>	<b>5,818</b>	<b>n/a</b>	<b>4,891</b>
Current receivables	640	n/a	641
Cash and cash equivalents	1,814	n/a	430
<b>Total current assets</b>	<b>2,455</b>	<b>n/a</b>	<b>1,072</b>
<b>Total assets</b>	<b>8,272</b>	<b>n/a</b>	<b>5,963</b>
<b>Equity and liabilities</b>			
Restricted equity	1	n/a	1
Non-restricted equity	4,930	n/a	3,475
<b>Total equity</b>	<b>4,931</b>	<b>n/a</b>	<b>3,475</b>
Non-current liabilities	3,009	n/a	2,184
Non-interest-bearing current liabilities	332	n/a	303
<b>Total equity and liabilities</b>	<b>8,272</b>	<b>n/a</b>	<b>5,963</b>

\* There are no comparative figures to disclose for the Parent Company as it was formed on 24 October 2019.

# Definitions

## PERFORMANCE MEASURES

Storskogen presents certain financial measures in the interim report that are not defined in accordance with IFRS. The company considers these performance measures to be 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 financial measures in the same way, they are not always comparable with measures used by other companies. These financial measures should therefore not be regarded as replacing measures that are defined in accordance with IFRS. Definitions of the measures - most of which are of alternative performance measures - are presented below.

<b>Return on equity</b> <sup>1 2</sup>	Profit after tax divided by equity. The components are calculated as average amounts from the past 12 months.
<b>Return on working capital</b> <sup>1</sup>	EBITA divided by working capital. The components are calculated as average amounts from the past 12 months.
<b>Return on capital employed</b> <sup>1</sup>	Profit before tax plus financial expense as a percentage of capital employed. The components are calculated as average amounts from the past 12 months.
<b>EBITA</b> <sup>1</sup>	Operating profit before amortisation of intangible non-current assets
<b>EBITA margin</b> <sup>1</sup>	EBITA as a percentage of net sales.
<b>EBITDA</b> <sup>1</sup>	Operating profit before depreciation, amortisation and impairment losses.
<b>Net debt</b> <sup>1</sup>	Net of interest-bearing liabilities less cash and cash equivalents.
<b>Organic growth</b> <sup>1</sup>	Changes in net sales excluding acquisition and divestment effects from acquisitions, compared with the same period the previous year.
<b>Interest coverage ratio</b> <sup>1</sup>	Profit after financial items, net, plus financial expense divided by financial expense.
<b>Working capital</b> <sup>1</sup>	Working capital is calculated as current operating receivables (inventories, accounts receivable and other non-interest-bearing current receivables) less current operating liabilities (accounts payable and other non-interest-bearing current liabilities excluding additional purchase considerations).
<b>Operating margin</b>	Operating profit as a percentage of net sales.
<b>Debt/equity ratio</b> <sup>1 2</sup>	Net debt divided by equity.
<b>Equity/assets ratio</b> <sup>1 2</sup>	Equity as a percentage of total assets.
<b>Capital employed</b> <sup>1</sup>	Total assets less non-interest bearing liabilities and provisions.
<b>Number of outstanding shares</b>	Total number of shares

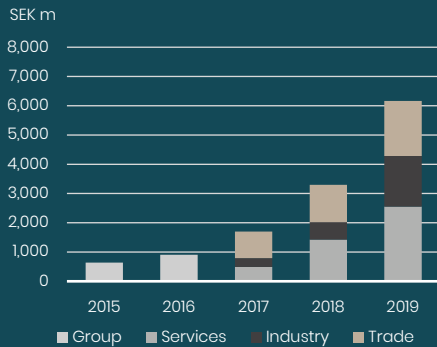
<sup>1</sup> Alternative performance measure according to the ESMA guidelines.

<sup>2</sup> Minorities included in equity when performance measures are calculated.

# About Storskogen

Storskogen is a privately owned group of companies with a mission to excel as an owner of small and medium-sized enterprises. Storskogen's companies share a common focus on good profitability, stable cash flows and a strong position in their niche market. Stable and profitable companies are not built overnight and are seldom cast in the same mould. We therefore take a long-term perspective when we acquire and support companies in their continued development, without setting a limit on our ownership horizon.

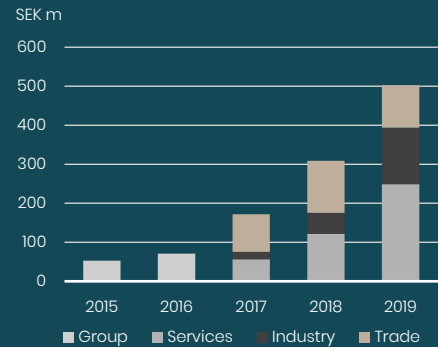
## NET SALES



# 55

Business units  
in Services,  
Industry and  
Trade

## ADJUSTED EBITA

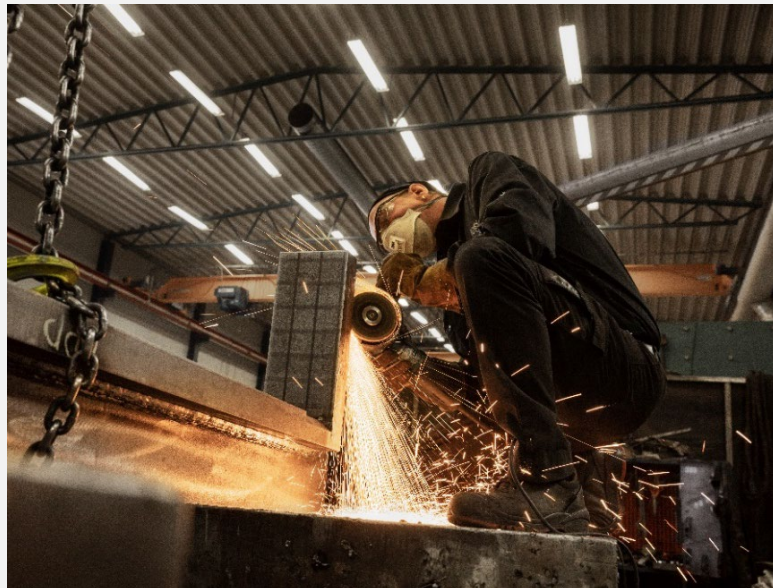


## OUR VISION

Storskogen's vision is to be the best owner of small and medium-sized enterprises.

## BUSINESS CONCEPT

Storskogen's business concept is to acquire and manage a diversified group of profitable enterprises with a strong position in their respective markets, and to do so without setting a limit on our ownership horizon.



## FINANCIAL CALENDAR

Year-end Release – 25 February 2021

## CONTACT INFORMATION

Daniel Kaplan, CEO and founder, [daniel@storskogen.com](mailto:daniel@storskogen.com), +46 (0)73 920 9400  
Lena Krauss, CFO, [lena@storskogen.com](mailto:lena@storskogen.com), +46 (0)73 988 4466

## STORSKOGEN GROUP AB (PUBL.)

Corp. ID no: 559223-8694  
Visiting address: Hovslagargatan 3, 111 48 Stockholm, Sweden  
[info@storskogen.com](mailto:info@storskogen.com)