



Storskogen Q4 2024

February 2025



Today's presenters



Christer Hansson

CEO



Lena Glader

CFO

Storskogen in brief

Storskogen is an international business group with YTD net sales of SEK 34.2bn and adj. EBITA of SEK 3.2bn, split across three business areas consisting of business units averaging SEK ~290m¹ in sales

Services



Peter Ahlgren

NO. OF BUSINESS UNITS

53

Sales, YTD

SEK 10,254m

Adj. EBITA margin, YTD

10.7%

Trade



Åsa Murphy

NO. OF BUSINESS UNITS

25

Sales, YTD

SEK 9,576m

Adj. EBITA margin, YTD

8.4%

Industry



Fredrik Bergegård

NO. OF BUSINESS UNITS

37

Sales, YTD

SEK 14,416m

Adj. EBITA margin, YTD

10.7%

Highlights

Positive organic sales and EBITA growth for the quarter

	Q4 2024	FY 2024
Net sales	SEK 8,591m (-5% ¹)	SEK 34,182m (-5% ¹)
Adj. EBITA	SEK 849m (20% ¹)	SEK 3,229m (0% ¹)
Adj. EBITA margin	9.9% (7.8% ²)	9.4% (9.0% ²)

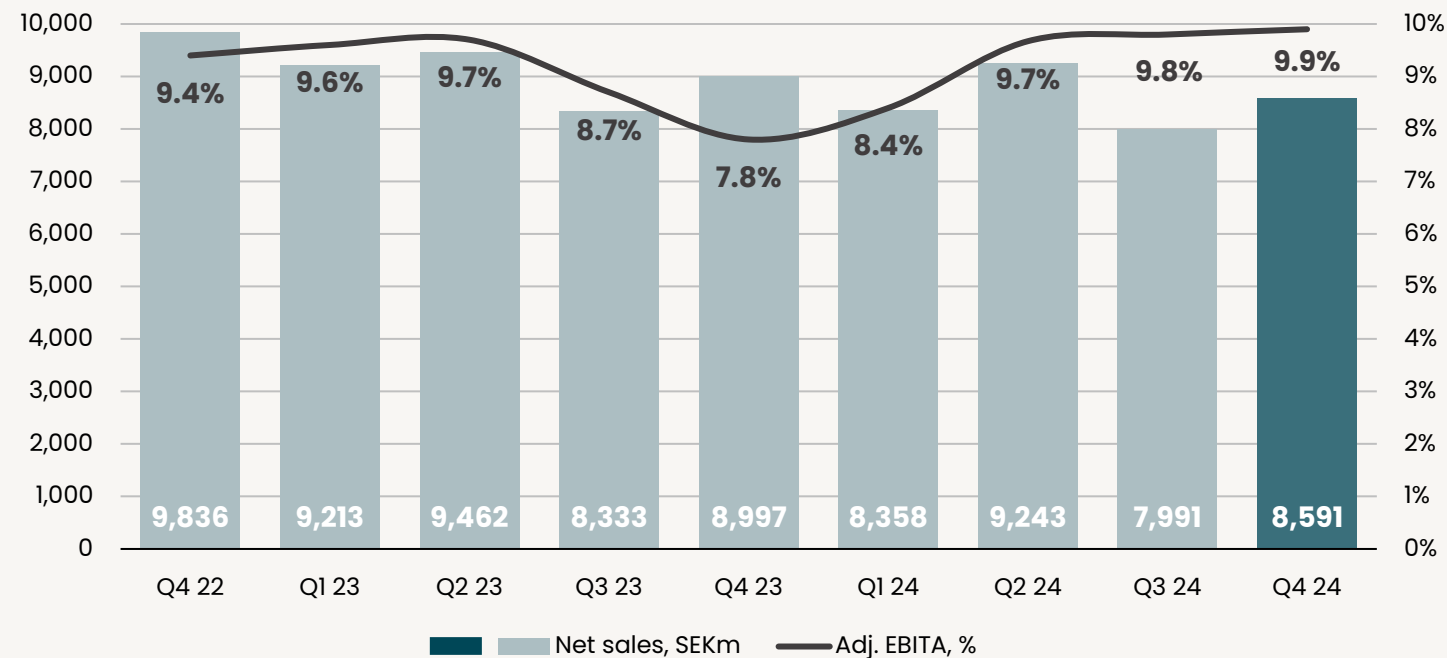
Key highlights

- Strong cash flow of SEK 1.7 bn in the quarter with an LTM adj. cash conversion of 97%
- Operational efforts yielding further margin improvement
- 2024 organic growth:
 - Sales: 0% (-3%²)
 - Adj. EBITA: -3% (-13%²)
- Interest-bearing net debt/RTM adj. EBITDA at 2.3x
- Alexander Bjärgård to Chair Investment Committee – Johan Ekström joins the mgmt. team as Head of M&A

Net sales and EBITA margin

Positive organic sales and EBITA growth in Q4, and significant margin improvements in Services and Trade

Financial development

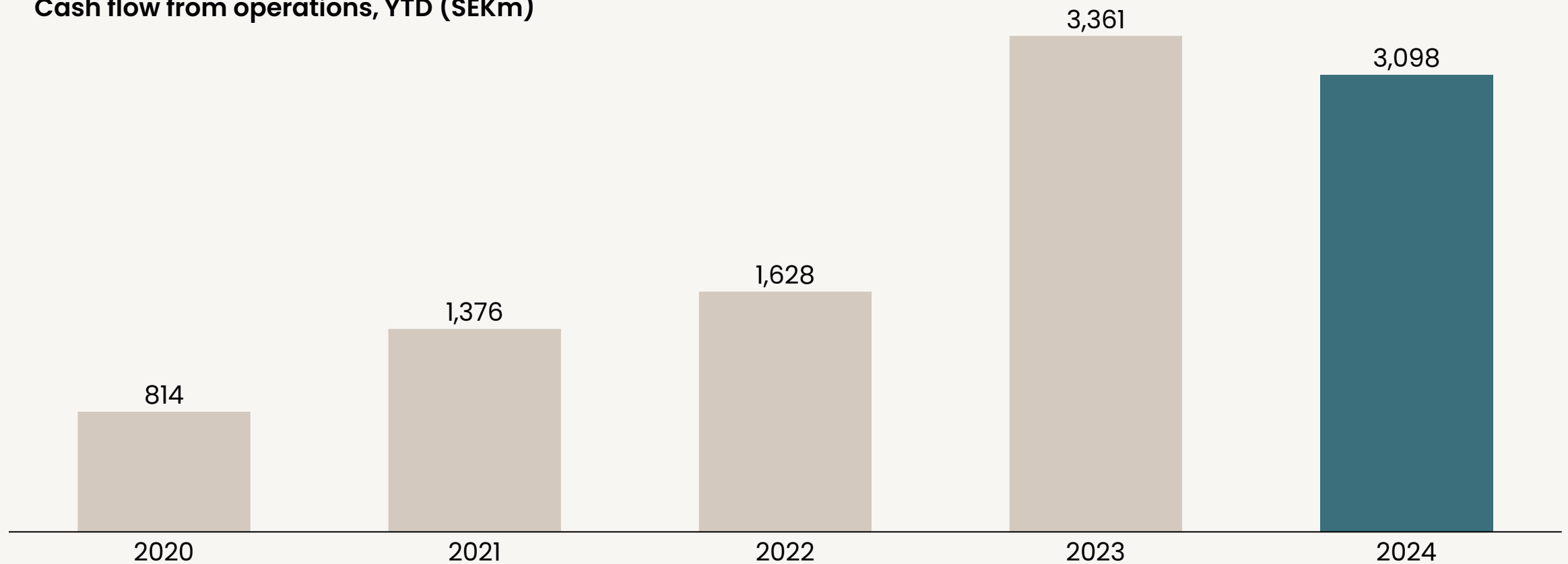


COMMENT

- Sales in line with seasonal patterns
 - Divestments (-6%), acquisitions/FX and organic growth (1%)
- Positive organic sales and EBITA growth in Q4
- Y/Y margin improvement driven by divestments and positive organic growth in all business areas

Cash flow remains strong

Cash flow from operations, YTD (SEKm)



Services

Profitability focus resulted in positive organic EBITA growth in Q4 and YTD

	Q4 2024	FY 2024
Net sales	SEK 2,581m (-12% ¹)	SEK 10,254m (-10% ¹)
Adj. EBITA	SEK 340m (32% ¹)	SEK 1,097m (4% ¹)
Adj. EBITA margin	13.2% (8.8% ²)	10.7% (9.3% ²)

Key highlights

- Profitability focus and divestments yielded positive margin effects
- Divestments affected Q4 sales by -11%
- 2024 organic growth:
 - Sales: 1% (-3%²)
 - Adj. EBITA: 2% (-18%²)
- Overall positive signs of improved market sentiment
- Q1 is a seasonally softer quarter

Trade

Positive organic sales and EBITA growth in Q4

	Q4 2024	FY 2024
Net sales	SEK 2,484m (-2% ¹)	SEK 9,576m (-5% ¹)
Adj. EBITA	SEK 183m (21% ¹)	SEK 801m (0% ¹)
Adj. EBITA margin	7.4% (6.0% ²)	8.4% (8.0% ²)

Key highlights

- Profitability focus and divestments yielded early effects on margin
- Divestments affected Q4 sales by -7%, largely offset by organic growth
- 2024 organic growth:
 - Sales: 1% (-5%²)
 - Adj. EBITA: -3% (-25%²)
- Overall market sentiment cautious but with tentative signs of improvement in 2025
- Q1 is a seasonally softer quarter

Industry

Sales and EBITA in line with last year

	Q4 2024	FY 2024
Net sales	SEK 3,546m (0% ¹)	SEK 14,416m (-2% ¹)
Adj. EBITA	SEK 373m (0% ¹)	SEK 1,548m (-6% ¹)
Adj. EBITA margin	10.5% (10.5% ²)	10.7% (11.2% ²)

Key highlights

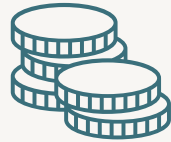
- Profitability and efficiency gains remain key focus areas
- 2024 organic growth:
 - Sales: -2% (-1%²)
 - Adj. EBITA: -6% (-1%²)
- EBITA margin in line with last year – solid orderbooks
- Generally solid markets – overall recovery expected in 2025

Focus on organic profit growth...



Sales initiatives

Increase sales volume
Gain market shares



Pricing

Margin protection
Strengthen profitability



Investments

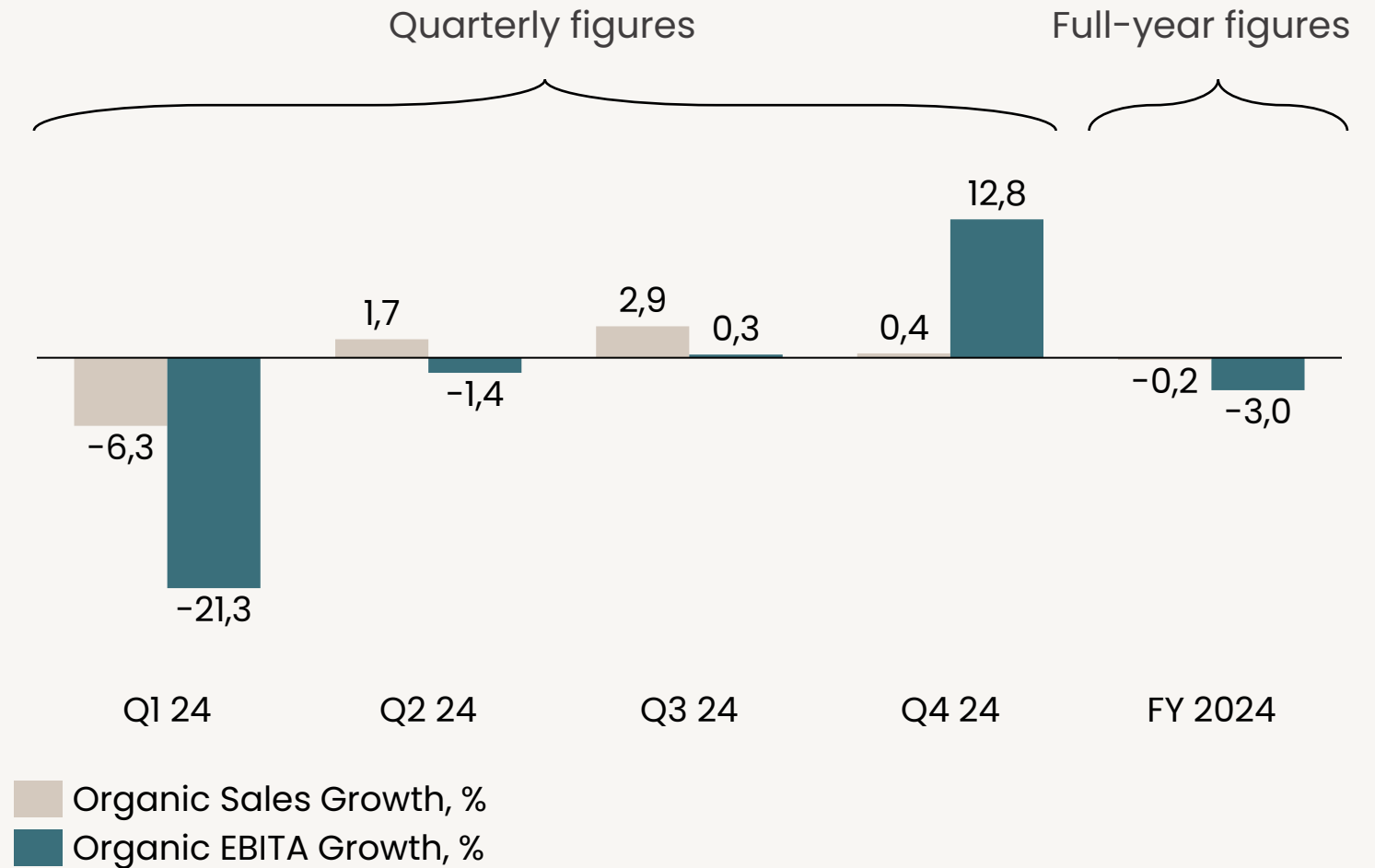
Improve scalability
Enhance professionalism



Cost control

Margin protection
Increase efficiency

...yielded sequential improvements in 2024



Focus throughout 2024

Progress in all prioritised areas with a clear set of triggers for returning to a normalised state

Today

- Organic EBITA growth
- Cash flow focus
- Leverage ratio improvement
- Portfolio review

Triggers

- Satisfactory leverage ratio
- Persistent organic EBITA growth
- Favourable market conditions

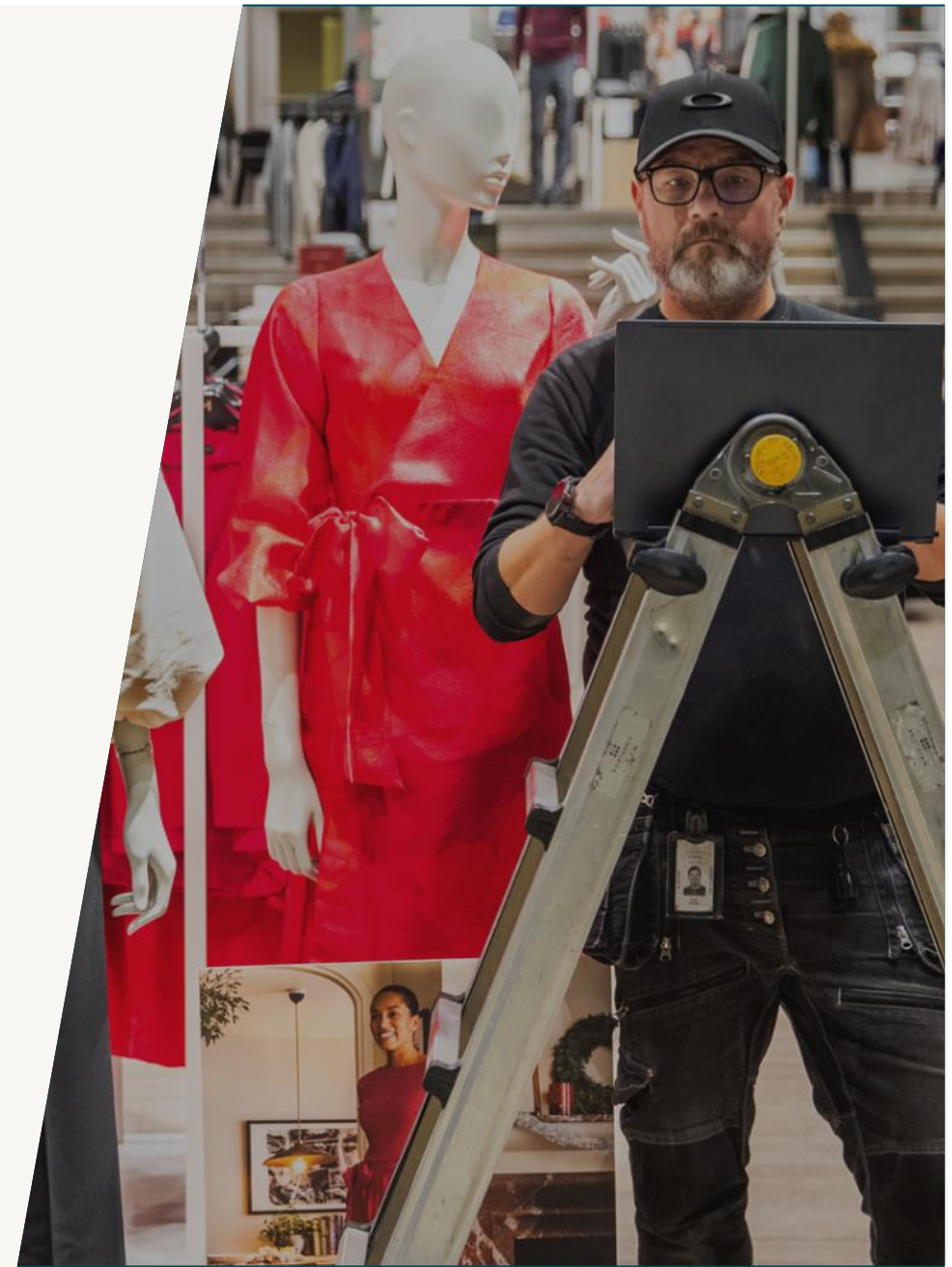
Tomorrow

- Persistent organic EBITA growth
- Cash flow deployed for EBITA growth
- Capital allocation



Storskogen Q4 2024

Financial update



Financial summary, adjusted for IAC

Y/Y sales decline; profit growth due to divestments, efficiency gains and lower financial items

SEKm	Q4 24	Q4 23	Chg., %	2024	2023	Chg., %
Net sales	8,591	8,997	-5	34,182	36,006	-5
C.O.G.S	-6,709	-7,145	-6	-27,037	-28,690	-6
Gross profit	1,882	1,852	2	7,146	7,316	-2
Selling & admin. expenses	-1,336	-1,426	-6	-5,130	-5,328	-4
Other operating income & expenses	109	66	67	423	388	9
Operating profit	655	491	33	2,439	2,377	3
Net financial items	-192	-277	-31	-928	-1,067	-13
Profit before tax	463	214	116	1,511	1,310	15
Income tax	-87	-100	-13	-376	-377	Unch.
Profit for the period	376	115	228	1,135	933	22

Financial KPIs	Q4 24	Q4 23	Chg., %	2024	2023	Chg., %
Adjusted EBITA	849	706	20	3,229	3,238	Unch.
Adjusted EBITA margin, %	9.9	7.8	2.0 pp	9.4	9.0	0.5 pp
Adjusted RoE, % (12 months)	5.6	4.6	1.0 pp	5.6	4.6	1.0 pp
Adjusted RoCE, % (12 months)	7.6	7.2	0.4 pp	7.6	7.2	0.4 pp
Adjusted EPS, after dilution	0.19	0.04	321	0.57	0.46	26

Financial summary, reported

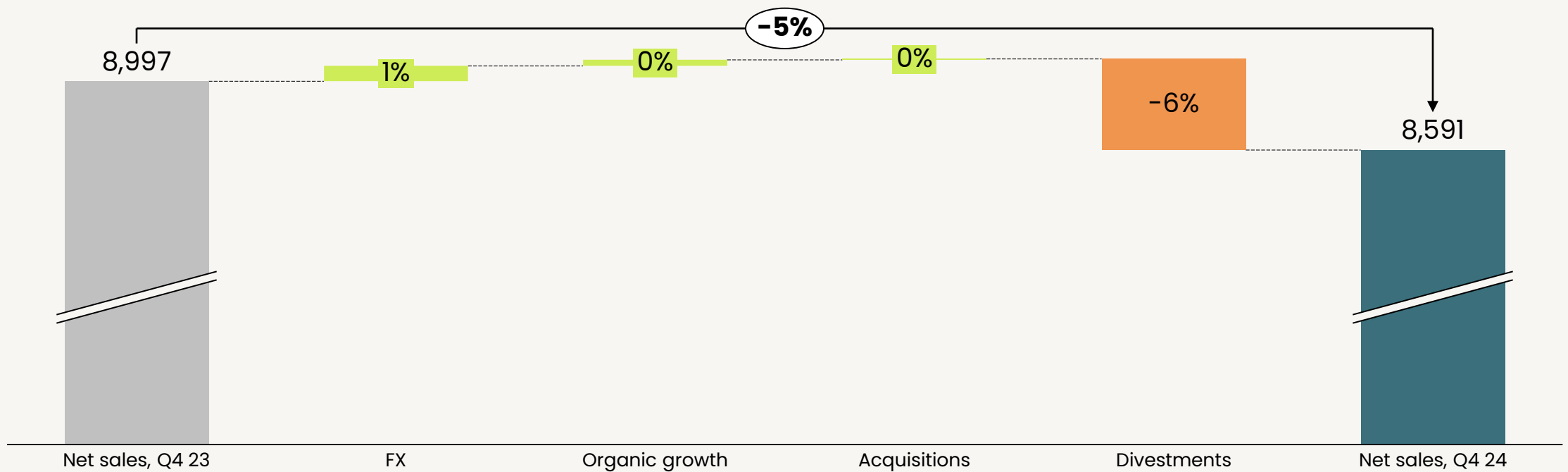
FY EBIT and net profit burdened by SEK 947m and SEK 1,019m, respectively, related to IAC, primarily related to divestments

SEKm	Q4 24	Q4 23	Chg., %	2024	2023	Chg., %
Net sales	8,591	8,997	-5	34,182	36,006	-5
C.O.G.S	-6,709	-7,145	-6	-27,738	-28,690	-3
Gross profit	1,882	1,852	2	6,444	7,316	-12
Selling & admin. expenses	-1,332	-1,436	-7	-5,313	-5,340	-1
Other operating income & expenses	128	104	23	361	470	-23
Operating profit	678	520	30	1,492	2,446	-39
Net financial items	-204	-277	-26	-999	-1,125	-11
Profit before tax	474	243	95	493	1,321	-63
Income tax	-87	-100	-13	-376	-377	Unch.
Profit for the period	388	143	170	116	944	-88
Financial KPIs	Q4 24	Q4 23	Chg., %	2024	2023	Chg., %
EPS, before dilution	0.20	0.06	229	-0.03	0.47	N/A
EPS, after dilution	0.20	0.06	229	-0.03	0.46	N/A

Q4 sales bridge

Negative Y/Y change explained by divestments

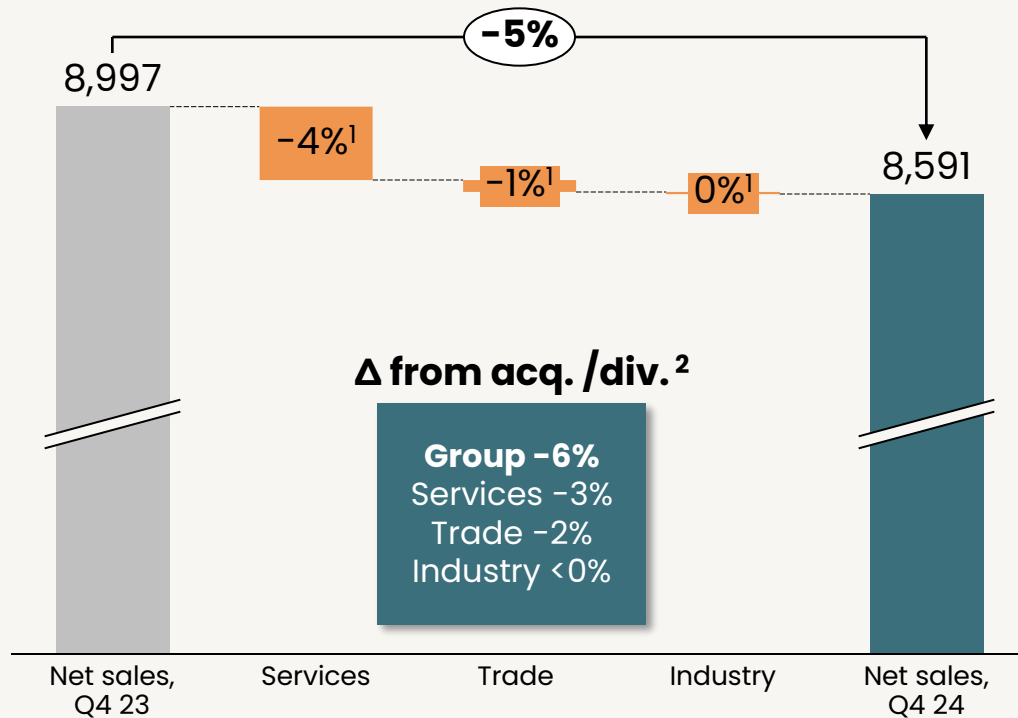
SEKm



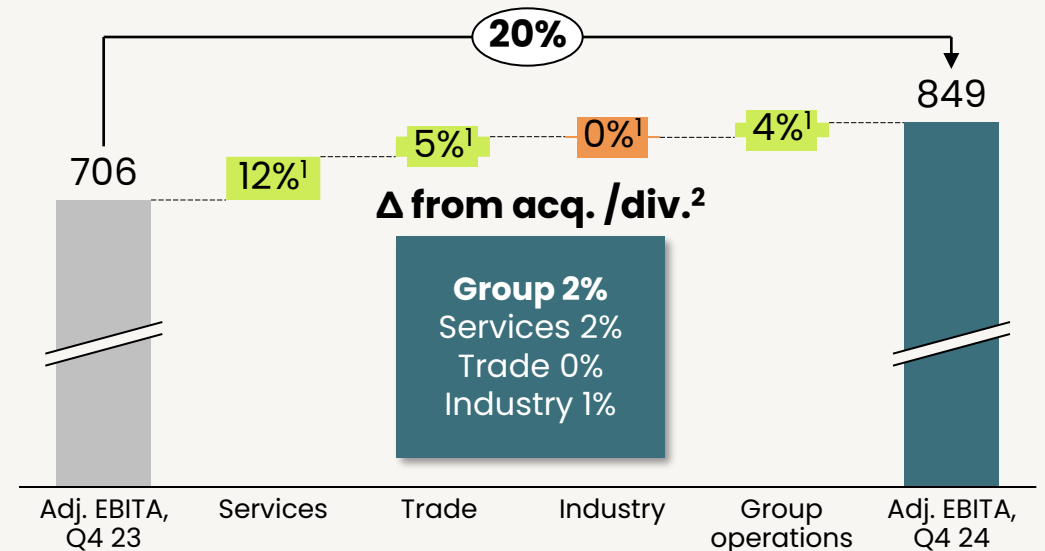
Q4 bridges by business area

Divestment of low performers affected sales negatively but EBITA positively

Net sales, SEKm



Adj. EBITA, SEKm



¹ Business area change in relation to total change ² Change from acquisitions and divestments in relation to total change

Condensed cash flow

Strong cash flow, and cash conversion (LTM) of 97% and capex/sales of 2.1% in Q4. Working capital release as seasonally expected, and no significant impact from M&A

SEKm	Q4 24	Q4 23	Chg., %	2024	2023	Chg., %
Profit before tax	474	243	95	493	1,321	-63
Adjustment for non-cash items	516	504	2	2,896	2,057	41
Income tax paid	69	20	253	-661	-814	-19
Change in WC	621	692	-10	370	798	-54
Cash flow from operating activities	1,680	1,459	15	3,098	3,361	-8
Net investments in non-current assets	-229	-169	35	-749	-574	31
Acquisitions & divestments	-108	-60	80	-372	-392	-5
Cash flow from investing activities	-337	-229	47	-1,121	-965	16
Cash flow from financing activities	-745	-1,065	-30	-1,668	-3,879	-57
Cash flow for the period	599	165	263	309	-1,483	n/a
Cash at the beginning of the period	1,278	1,421	-10	1,560	3,022	-48
Cash at the end of the period	1,899	1,560	22	1,899	1,560	22

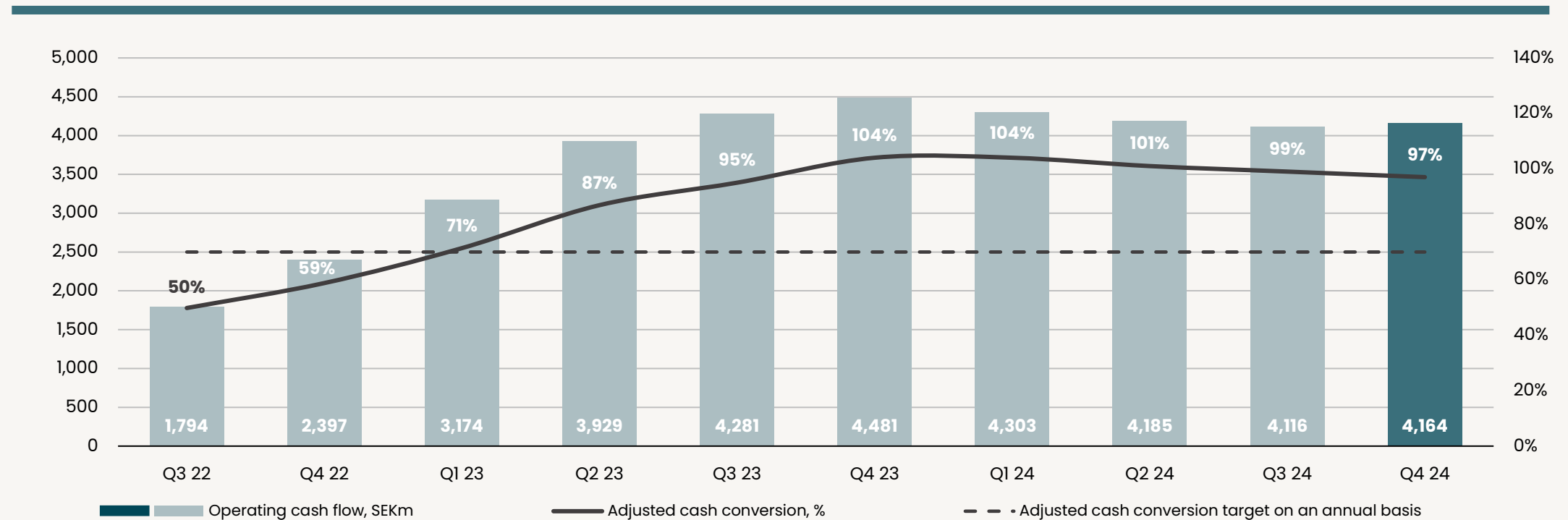
Financial KPIs	Q4 24	Q4 23	Chg.%	2024	2023	Chg., %
Adjusted cash conversion, %	140	154	-14 pp	97	104	-7 pp
Total available liquidity, SEKm ¹	4,859	8,132	-40	4,859	8,132	-40

¹ The bank facilities (RCF and term loan) were refinanced in Q1-24, reducing the scope from EUR 1,000+300m to EUR 730+43m, also significantly extending the maturity profile of the credit portfolio.

Operating cash flow and cash conversion

Strong cash flow, and cash conversion (LTM) well ahead of target

Operating cash flow¹ (LTM)



¹ Defined as adjusted EBITDA – change in NWC – capex

Condensed balance sheet

Strengthened Y/Y by net debt and working capital reduction, and goodwill write-down related to divestments

SEKm	Dec 24	Dec 23	Chg., %
Total non-current assets	29,797	30,597	-3
Total current assets	13,383	13,572	-1
Total assets	43,180	44,169	-2
Total equity	20,807	20,437	2
Interest-bearing non-current liabilities	8,575	10,080	-15
Non-current lease liabilities	1,114	1,222	-9
Non-interest-bearing non-current liabilities	1,167	1,814	-36
Total non-current liabilities	12,863	15,248	-16
Interest-bearing current liabilities	1,423	546	161
Current lease liabilities	492	430	14
Non-interest-bearing current liabilities	5,285	5,238	1
Total current liabilities	9,510	8,484	12
Total equity and liabilities	43,180	44,169	-2

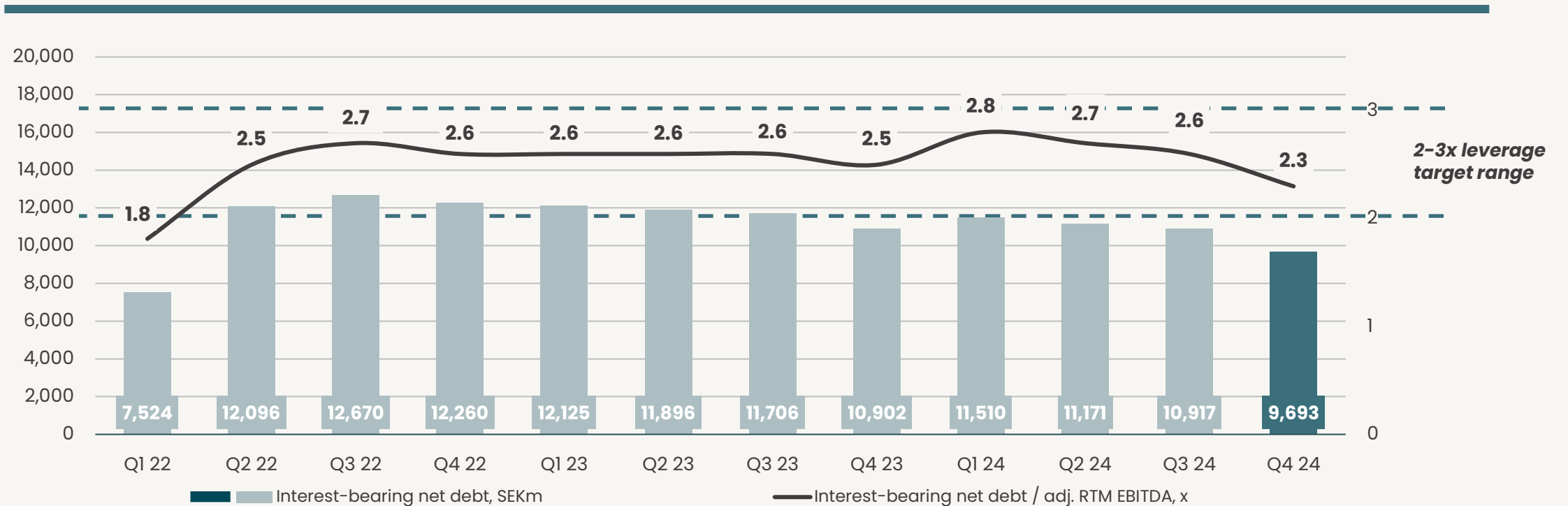
Financial KPIs	Dec 24	Dec 23	Chg.
Leverage ratio ¹ , x	2.3	2.5	-0.2x
Equity/assets ratio, %	48	46	2 pp

¹ Interest-bearing net debt / adjusted RTM EBITDA

Net debt and leverage

Net debt and leverage ratio decreased in seasonally strong fourth quarter

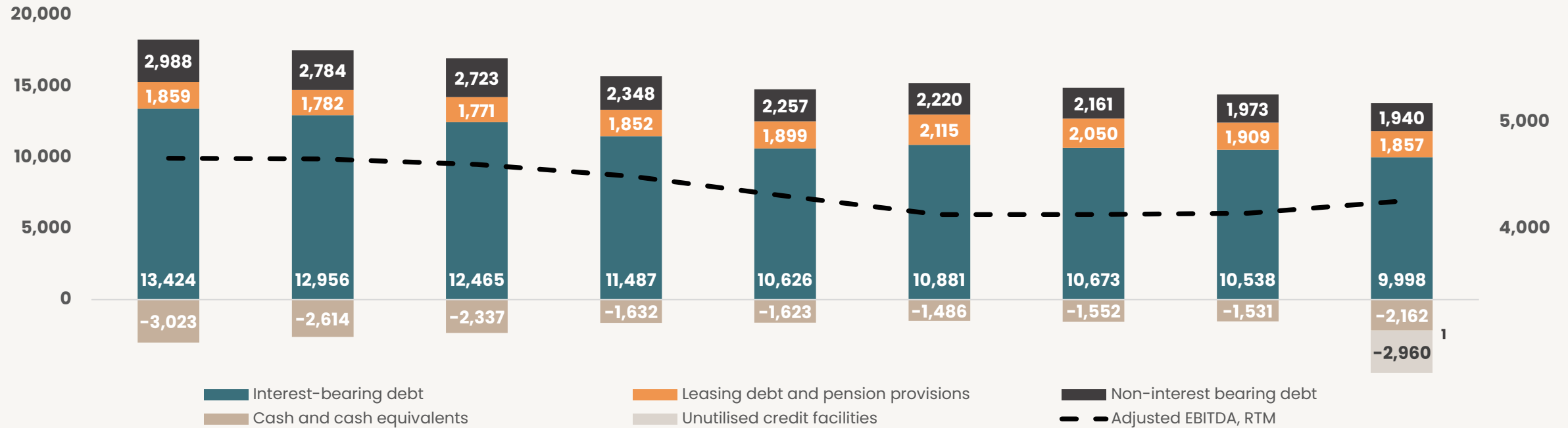
Leverage ratio



Total debt and leverage

Gross debt/cash & cash equivalents, SEKm

RTM adj. EBITDA, SEKm



Leverage ratio

Quarter	Leverage ratio
Q4 22	2.6
Q1 23	2.6
Q2 23	2.6
Q3 23	2.6
Q4 23	2.5
Q1 24	2.8
Q2 24	2.7
Q3 24	2.6
Q4 24	2.3

¹ Includes financial assets amounting to SEK -263m

Aligning with operational steering

SEKm, reported	Q4 24	Q3 24	Q2 24	Q1 24	FY 2024
Net sales	8,591	7,991	9,243	8,358	34,182
Raw material and supplies	-4,572	-4,390	-4,932	-4,455	-18,349
Other external expenses	-1,033	-915	-1,021	-985	-3,953
Personnel expenses	-1,983	-1,731	-2,209	-2,095	-8,018
Other income and expenses	128	89	-2	146	361
EBITDA	1,132	1,045	1,079	968	4,223
Depreciation	-259	-254	-412	-284	-1,209
EBITA	872	791	667	684	3,013
Amortisation	-194	-186	-935	-206	-1,521
Operating profit (EBIT)	678	604	-268	478	1,492
Net financial items	-204	-242	-274	-280	-999
Profit before tax	474	362	-542	198	493

Financial KPIs	Q4 24	Q3 24	Q2 24	Q1 24	FY 2024
Adjusted EBITA	849	783	894	703	3,229
Adjusted EBITA margin, %	9.9	9.8	9.7	8.4	9.4

Sales, SEKm	Q4 24	Q3 24	Q2 24	Q1 24	FY 2024
Services¹	2,581	2,339	2,844	2,490	10,254
Business Services	1,006	1,014	1,174	1,082	4,275
Infrastructure Services	1,584	1,333	1,684	1,417	6,017
Trade¹	2,484	2,253	2,510	2,330	9,576
Consumer Products	1,616	1,525	1,648	1,458	6,246
Professional Products	871	731	865	874	3,341
Industry¹	3,546	3,414	3,905	3,551	14,416
Automation	1,145	984	1,161	1,144	4,434
Industrial Technologies	1,326	1,326	1,495	1,256	5,404
Product Solutions	1,083	1,111	1,261	1,158	4,613

¹ Differences in Group sales, business area sales and combined vertical sales relate to Intragroup sales eliminations

Key takeaways

Progress in 2024 creates a solid foundation

- ✓ The operational initiatives are yielding positive effects and laying the foundation for the years ahead
- ✓ Record high cash flow in Q4, and best margin since IPO
- ✓ Progress positions us well for the implementation of our updated strategy and financial targets



Q&A

February 2025

Appendix

February 2025

WARNING: DEATH OR SERIOUS INJURY MAY RESULT FROM:
• IMPROPER USE OF THIS EQUIPMENT
• ONLY SPECIALLY TRAINED PERSONNEL SHOULD OPERATE THIS EQUIPMENT.
• THIS EQUIPMENT IS TO BE USED ONLY FOR THE PURPOSES INTENDED.
• NEVER OPERATE THIS EQUIPMENT AT EXCESSIVE SPEEDS.
• NEVER OPERATE THIS EQUIPMENT ON UNSTABLE SURFACES.
• NEVER OPERATE THIS EQUIPMENT ON UNSTABLE LOADS.
• NEVER OPERATE THIS EQUIPMENT ON UNSTABLE LOADS.
• NEVER OPERATE THIS EQUIPMENT ON UNSTABLE LOADS.

40 PLY RATING
FOR HARD IMPROVED SURFACE
SPEED 2.5 km/h - MAX. LOAD 1500 kg
AT PRESSURE 1050 kPa (150 PSI) COLD
SPEED 10 km/h - MAX. LOAD 1500 kg
AT PRESSURE 1050 kPa (150 PSI) COLD

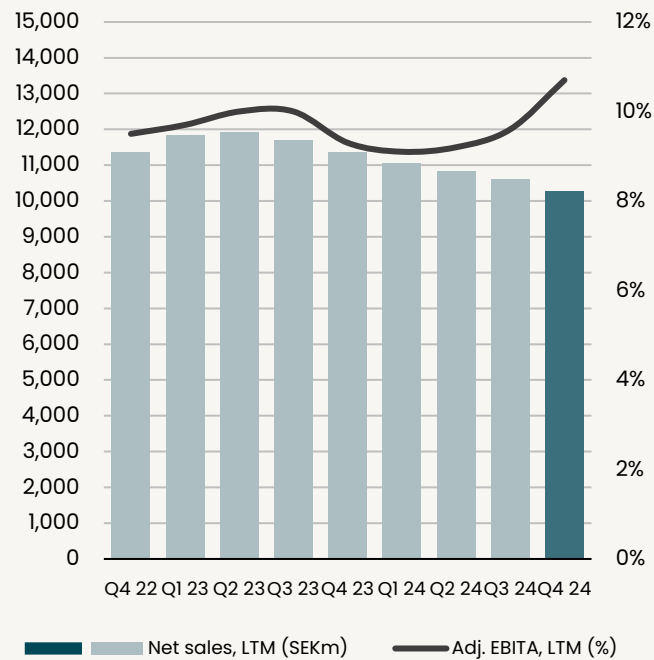
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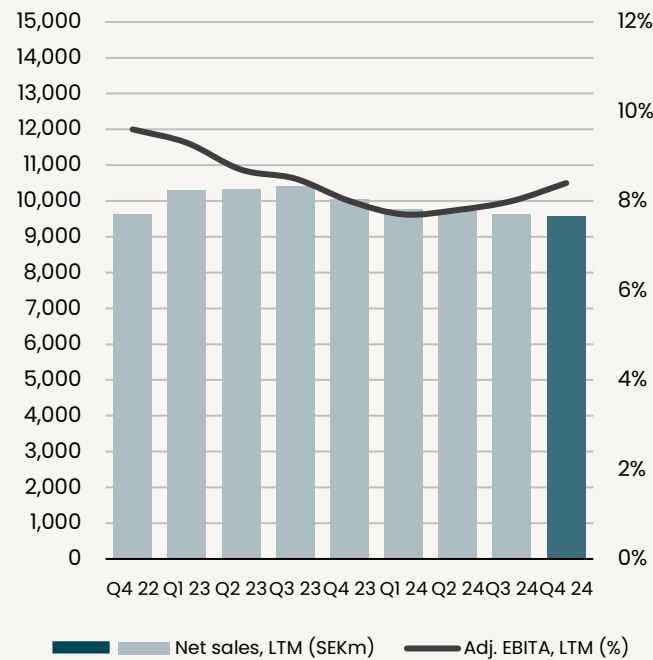
Financial development per segment

Positive trend in Services and Trade, whereas Industry has stabilised in recent quarters

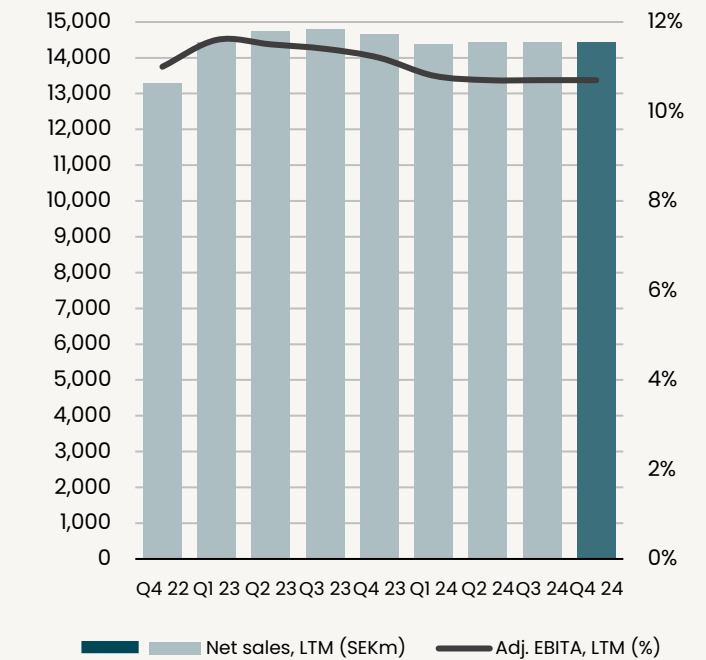
Services



Trade



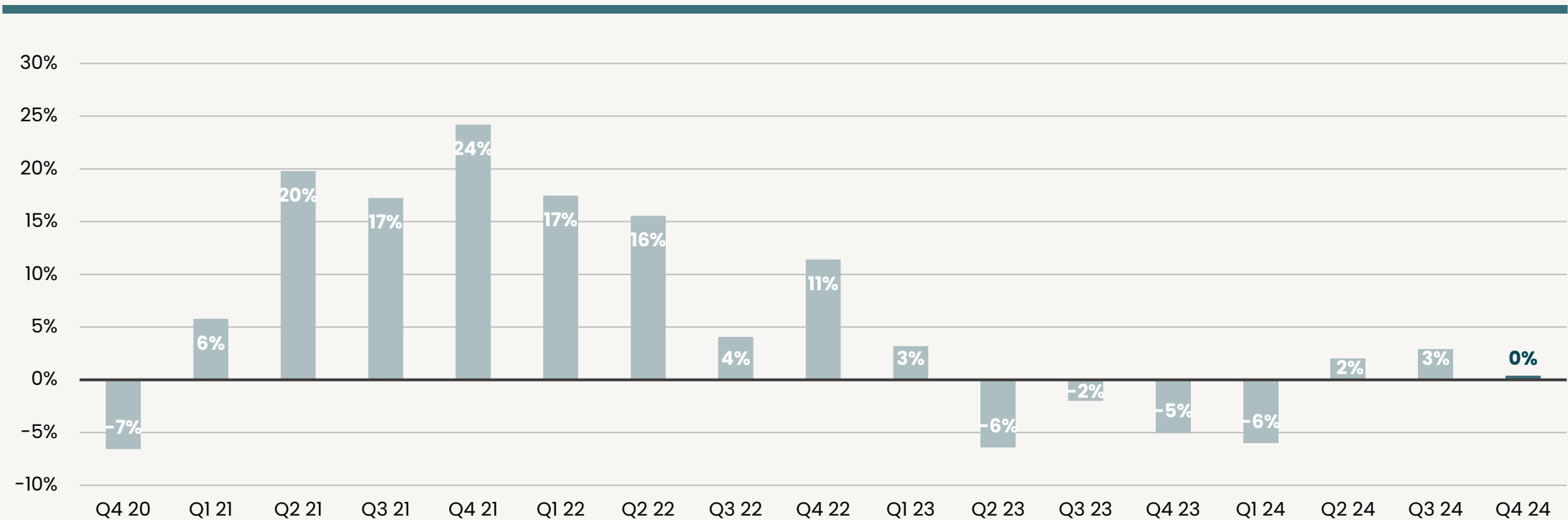
Industry



Organic sales growth

Positive organic sales growth across all three business areas

Organic growth (QTD¹)



¹ Comparable sample based on portfolio companies owned as of January in the comparison year, i.e. the same sample as organic YTD data

Cash flow bridge, FY 2024

Cash flow after leasing and capex remains solid

LTM, SEKm

