

INTERIM REPORT JANUARY-JUNE 2022



SECOND QUARTER (1 APRIL – 30 JUNE 2022)

- Net sales increased by 137 percent to SEK 9,059m (3,821).
- Adjusted EBITA increased by 129 percent to SEK 877m (383), corresponding to an adjusted EBITA margin of 9.7 percent (10.0).
- Operating profit (EBIT) increased by 129 percent to SEK 681m (298), corresponding to an operating margin of 7.5 percent (7.8).
- Profit for the period increased by 126 percent to SEK 474m (210).
- Earnings per share before/after dilution amounted to SEK 0.25 (0.14).
- Cash flow from operating activities came in at SEK 335m (891).
- 20 acquisitions were completed during the quarter, with combined annual sales of SEK 4,343m, based on the companies' most recent financial year.
- The number of B shares increased by 8 million shares in the quarter as a result of directed share issues in connection with acquisitions. The total number of shares at the end of the period was 1,664 million.

THE PERIOD (1 JANUARY – 30 JUNE 2022)

- Net sales increased by 138 percent to SEK 15,997m (6,713). Organic sales growth amounted to 16 percent.
- Adjusted EBITA increased by 121 percent to SEK 1,445m (654), corresponding to an adjusted EBITA margin of 9.0 percent (9.7). Organic EBITA growth amounted to -3 percent.
- Operating profit (EBIT) increased by 117 percent to SEK 1,150m (530), corresponding to an operating margin of 7.2 percent (7.9).
- Profit for the period increased by 87 percent to SEK 712m (381).
- Earnings per share before/after dilution amounted to SEK 0.38 (0.28).
- Cash flow from operating activities came in at SEK 152m (1,088).

EVENTS AFTER THE END OF THE PERIOD

- After the end of the period, Storskogen has completed four acquisitions with combined annual sales of SEK 258m and EBITA of SEK 38m, whereby Storskogen's earning capacity (RTM adjusted EBITA) including these amounts to SEK 3,682m.
- As of the date of this report, Storskogen has 9 signed non-binding letters of intent (LOI) and transactions where the Group has preferred buyer status. These potential acquisitions had combined annual sales of SEK 1,112m and EBITA of SEK 201m, based on the companies' most recent financial year.

Amounts in parentheses are for the corresponding periods in 2021.

PERFORMANCE MEASURES

	2022			2021			12 months until 30 Jun 2022	Full-year 2021
	Apr-Jun	Apr-Jun	Change %	Jan-Jun	Jan-Jun	Change %		
Net sales	9,059	3,821	137	15,997	6,713	138	26,780	17,496
Adjusted EBITA	877	383	129	1,445	654	121	2,479	1,688
Adjusted EBITA-margin, %	9.7	10.0		9.0	9.7		9.3	9.6
Operating profit	681	298	129	1,150	530	117	2,027	1,406
Operating margin, %	7.5	7.8		7.2	7.9		7.6	8.0
Profit before tax	655	268	144	983	481	104	1,734	1,233
Profit for the period	474	210	126	712	381	87	1,278	947
Interest-bearing net debt/adjusted RTM EBITDA (12 months), x					2.0		2.5	0.5
Total assets (balance day)					27,546		47,040	32,223
Basic and diluted earnings per share, SEK	0.25	0.14	79	0.38	0.28	36	0.71	0.60
Return on equity, % (12 months)					12.6		9.2	10.4
Return on capital employed, % (12 months)					8.4		9.6	9.1
Equity/assets ratio, %					31.8		38.2	51.5
Cash flow from operating activities	335	891		152	1,088		440	1,376

Comments from the CEO

Our second quarter is typically stronger than the first, and 2022 was no exception with strong numbers overall. Had we owned all the companies in the Group for the past twelve months (RTM) we would have had annual sales of around SEK 36 billion and adjusted EBITA of SEK 3.6 billion. Storskogen's diversification makes us more resilient to future economic fluctuations. We expect a seasonally weaker third and a stronger fourth quarter.

Our mission to acquire and support small and medium-sized businesses in search of new ownership serves a purpose in society; we provide entrepreneurs with an exit opportunity, and take on the role of the next generational owner to ensure that the companies reach their long-term potential. Within our Group, which now has over twelve thousand employees, many companies are pillars of their local communities.

We have been a listed company for less than a year and I am often reminded of how important it is for us to continue to provide further insight into our business model; specifically how we create value and approach diversification and synergies. In order to pursue our mission at scale we are active in many business verticals. This enables us to be more selective in our search for excellent companies, and to calibrate and mitigate risks so that we become less affected by economic fluctuations. This would be impossible for a small, stand-alone company to achieve. Our collective financial strength also provides an upside over business cycles. This was illustrated in 2020 when our EBITA grew organically by 1 percent, despite the pandemic. When the pandemic hit in 2020, we made a decision to actively invest for future profitability, which contributed to organic EBITA growth of 36 percent in 2021. Essentially, our approach to diversification is a core feature.

However, diversification does not exclude synergies. Roll-ups and add-on acquisitions provide clear-cut synergies. SGD has for example consolidated the distribution of flooring solutions in Sweden. Båstad-Gruppen has obtained synergies through a series of add-on acquisitions in the workwear industry by, for example, sharing a modern warehousing solution. In addition, synergistic collaboration is achieved within clusters of similar companies. A recent example of this is three of our industrial companies delivering on different parts of a substantial wind power project.

Going forward, Storskogen will increase its focus on operational excellence. This will involve, for example, maintaining or improving margins, organic growth, and market positions. We are currently equipped to deliver on our long-term ownership model. Our employees work alongside the management teams of our subsidiaries, and continued growth can be handled with only marginal central cost increases. Ensuring that Storskogen's balance sheet is strong creates headroom for future acquisitions and enables us to manage market volatility. Our acquisition rate will be calibrated to adapt to the risks in the economy, as communicated in the first quarter. All companies in the portfolio are continually reviewed, and growth strategies, add-on acquisitions, cyclical and working capital are all taken into account, as are possible divestitures of companies that, despite our active measures, have not performed as expected.

The second quarter has been eventful from a strategic perspective, with our launch of KX and CAT. KX is Storskogen's knowledge exchange platform, providing tools and workstreams across business areas, ranging from pricing and joint purchasing to digitalisation. The launch of CAT – our Case Assessment Tool – provides a toolbox to capture key lessons from more than a decade of acquisitions, enabling scalability and consistency in evaluating, pricing and prioritising acquisitions. KX and CAT will be key drivers in creating long-term value within Storskogen.

Our vision – to be the best owner of small and medium-sized enterprises – begins and ends with our honest and deep commitment, our willingness to assume responsibility, and our love of running companies and doing business. This is the essence of the Storskogen model.

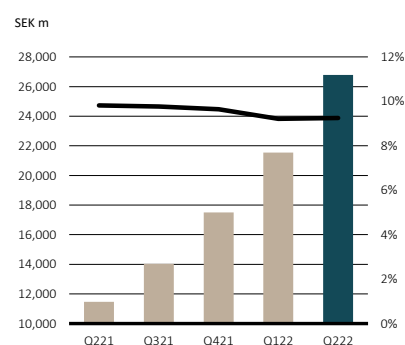
Daniel Kaplan, CEO



“Looking at the development in the first half of the year, I am particularly pleased with the strategic progress made in all business areas, with a large number of add-ons and the launch of KX and CAT.”

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 EBITA
2.0-3.0x

The Group's performance

SALES

Second quarter 2022

Net sales for the second quarter increased by 137 percent to SEK 9,059 million (3,821). The growth was mainly related to acquisitions, but the underlying growth was driven by both volume and price, with generally strong demand and the impact of price increases implemented in the spring, especially within business areas Industry and Trade.

January– June 2022

Net sales for the first six months of 2022 increased by 138 percent to SEK 15,997 million (6,713). Organic growth for the period was 16 percent, meaning the growth in companies that have been owned by Storskogen for both complete comparable periods, with double-digit organic growth in all three business areas.

RTM (rolling 12 months pro forma)

Had Storskogen owned all subsidiaries throughout the previous 12-month period (RTM), net sales would have amounted to SEK 35,728 million.

EARNINGS

Second quarter 2022

For the second quarter, adjusted EBITA increased by 129 percent to SEK 877 million (383), corresponding to an adjusted EBITA margin of 9.7 percent (10.0). Operating profit (EBIT) increased by 129 percent to SEK 681 million (298) and the operating margin amounted to 7.5 percent (7.8). Net financial items amounted to SEK -26 million (-29), of which SEK 185 million (1) consisted of exchange rate gains and other financial income, SEK -107 million (-30) of interest and other costs for loans and leasing, and SEK -104 million (-1) of negative exchange rate effects and other financial expense. Profit before tax increased by 144 percent to SEK 655 million (268). Profit for the period increased by 126 percent to SEK 474 million (210). Earnings per share amounted to SEK 0.25 (0.14).

Items affecting comparability which are adjusted in EBITA amounted to SEK -27 million (-43) for the quarter, consisting of remeasurements of contingent considerations of SEK 3 million (-43), inventory step-up in acquisitions of SEK -23 million (0) and acquisition-related stamp duty of SEK -7 million (0). Transaction costs, which are not included in items affecting comparability but are distributed per business area, amounted to SEK -37 million (-20). The business areas' combined adjusted EBITA margin, excluding Group functions and transaction costs, was 11.2 percent (12.3).

All three business areas improved profitability compared to the first quarter, and at Group level, despite continued disruptions, EBITA margin was only slightly lower than last year, due to price increases, cost efficiency and a generally strong market. As a counterweight to these positive factors, however, there were supply chain disruptions, high material costs and material shortages. The outlook is fundamentally good in the short term, though the third quarter is seasonally weaker and uncertainties regarding the economic situation are still significant. For further information on the business areas, see pages 5-7.

January– June 2022

Adjusted EBITA for the first six months increased by 121 percent to SEK 1,445 million (654), corresponding to an adjusted EBITA margin of 9.0 percent (9.7). Organic EBITA growth was -3 percent for the period, meaning the growth within companies that have been owned by Storskogen for both complete comparable periods, negatively affected by cost inflation. Operating profit (EBIT) increased by 117 percent to SEK 1,150 million (530) and the operating margin was 7.2 percent (7.9). Net financial items amounted to SEK -168 million (-48). Profit before tax increased by 104 percent to SEK 983 million (481). Profit for the period increased by 87 percent to SEK 712 million (381). Earnings per share amounted to SEK 0.38 (0.28).

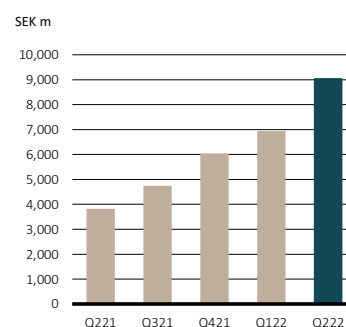
RTM (rolling 12 months pro forma)

Had Storskogen owned all subsidiaries throughout the previous 12-month period (RTM), the Group would have generated adjusted EBITDA of SEK 4,780 million and adjusted EBITA of SEK 3,644 million, corresponding to an adjusted EBITA margin of 10.2 percent.

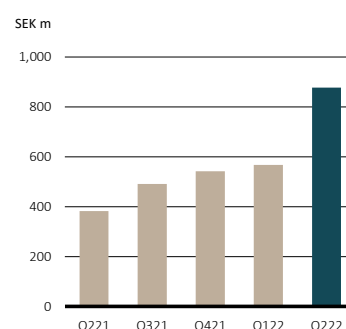
RETURNS

Return on equity was 9.2 percent (12.6) and return on capital employed was 9.6 percent (8.4). These return metrics are affected by growth and the dilutive effects of share issues during the

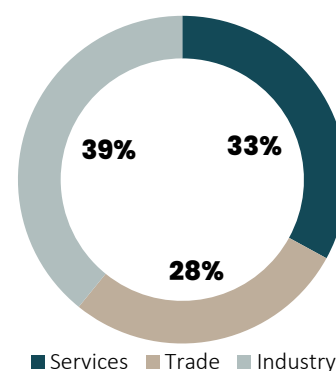
NET SALES BY QUARTER



OPERATING PROFIT (ADJUSTED EBITA) BY QUARTER



BREAKDOWN OF SALES BY BUSINESS AREA, Q2 2022



most recent 12-month period, to the extent that the proceeds from the issues have not yet been used for acquisitions.

Net sales by business area and for the Group

SEK m	2022			2021			12 months until 30 Jun 2022	Full-year 2021
	Apr-Jun	Apr-Jun	Change %	Jan-Jun	Jan-Jun	Change %		
Services	2,998	1,621	85	5,292	2,936	80	9,262	6,906
Trade	2,523	1,260	100	4,474	2,114	112	7,770	5,410
Industry	3,543	942	276	6,242	1,665	275	9,763	5,186
Operations	9,064	3,823	137	16,007	6,715	138	26,794	17,502
Group operations	-6	-1	-	-11	-2	-	-14	-6
Net sales, Group	9,059	3,821	137	15,997	6,713	138	26,780	17,496

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

SEK m	2022			2021			12 months until 30 Jun 2022	Full-year 2021
	Apr-Jun	Apr-Jun	Change %	Jan-Jun	Jan-Jun	Change %		
Services	261	173	51	441	292	51	844	695
Trade	301	161	87	491	252	95	821	582
Industry	412	114	261	683	201	239	1,101	626
Group operations	-97	-66	-	-171	-92	-	-287	-215
Adjusted EBITA	877	383	130	1,445	654	121	2,479	1,688
Reversal of adjusted items	-27	-43	-	-2	-49	-	14	-33
EBITA	850	339	151	1,442	605	139	2,493	1,655
Amortisation of intangible non-current assets	-170	-42	-	-292	-75	-	-466	-249
Operating profit, EBIT	681	298	129	1,150	530	117	2,027	1,406

FINANCIAL POSITION

As of 30 June 2022, the Group had equity of SEK 17,980 million (8,771) and an equity/assets ratio of 38.2 percent (31.8).

As of 30 June 2022, cash and cash equivalents amounted to SEK 3,758 million (6,593). The Group also had unutilised credit facilities of SEK 7,599 million at the end of the period. The Group's interest-bearing net debt increased during the quarter by SEK 4,572 million to SEK 12,096 million as of 30 June 2022. Interest-bearing net debt/EBITDA, based on RTM adjusted EBITDA for the last 12-month period, was 2.5x (2.0), which is within the target of 2-3x.

CASH FLOW AND INVESTMENTS

Cash flow from operating activities amounted to SEK 335 million (891) in the second quarter and adjusted cash conversion (adjusted EBITDA after changes in working capital and net capex as a percentage of adjusted EBITDA) was 44 percent (175). The lower level is primarily explained by continued inventory build-up as a result of price increases, volume growth and persisting supply chain disruptions. For the previous 12-month period, adjusted cash conversion amounted to 32 percent.

The Group's net investments in tangible assets, i.e. capex, amounted to SEK 104 million (101) corresponding to 1.1 percent (2.6) of net sales in the quarter. Acquisitions of subsidiaries, including payments of contingent considerations for acquisitions in previous years, amounted to SEK 3,596 million (3,998) in the second quarter.

Business area Services

RESULTS

Net sales in business area Trade increased by 85 percent to SEK 2,998 million (1,621) in the second quarter and by 80 percent to SEK 5,292 million (2,936) in the first six months. Organic sales growth for the first six months was 16 percent.

Adjusted EBITA increased by 51 percent to SEK 261 million (173) in the second quarter and by 51 percent to SEK 441 million (292) in the first six months. The adjusted EBITA margin amounted to 8.7 percent (10.7) for the quarter and 8.3 percent (10.0) for the first six months. Organic EBITA growth for the first six months was -13 percent. The result includes transaction costs of SEK 11 million (2) for the quarter and SEK 18 million (4) for the first six months. The adjusted EBITA margin excluding transaction costs was 9.1 percent (10.8) for the quarter and 8.7 percent (10.1) for the first six months.

SEK m	2022			2021			12 months until 30 Jun 2022	Full-year 2021
	Apr-Jun	Apr-Jun	Change %	Jan-Jun	Jan-Jun	Change %		
Net sales	2,998	1,621	85	5,292	2,936	80	9,262	6,906
Adjusted EBITA excl. transaction costs	273	175	56	460	297	55	875	712
Transaction costs	-11	-2		-18	-4		-31	-17
Adjusted EBITA	261	173	51	441	292	51	844	695
Adjusted EBITA-margin, %	8.7	10.7		8.3	10.0		9.1	10.1
Adjusted EBITA-margin excl. transaction costs, %	9.1	10.8		8.7	10.1		9.4	10.3
Number of employees, end of period				5,095	3,316		5,095	4,297
Number of business units, end of period				61	45		61	50

The second quarter is the peak season for many businesses within the services industry and demand was generally good for the business area, which contributed to strong sales growth. Profitability was also strong, especially within Digital Services and Logistics. However, the business area's profitability and organic profit growth were negatively affected by the fact that verticals Installation, Contracting Services, Engineering Services and Infrastructure to varying degrees have been affected by cost inflation and delivery issues resulting in longer sales cycles and lower occupancy. The vertical HR and Competence has had a weaker half year but is experiencing a recovery that is expected to strengthen profitability in the coming quarters.

The third quarter is generally seasonally weaker within the services industry due to the vacation season. Adjusted for seasonal variations, the outlook for the second half of the year is relatively bright, although high inflation and an uncertain economic situation may negatively impact both demand and profitability in the longer term.

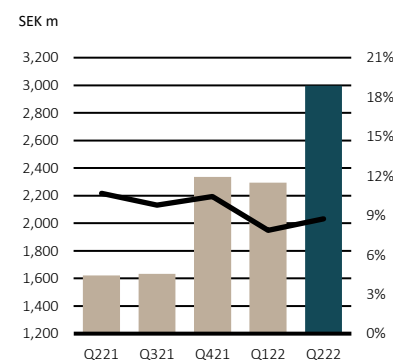
ACQUISITIONS DURING THE QUARTER

Acquisitions of three new business units were completed during the quarter. Two were outside Sweden; Danboring, a Danish full-service supplier of directional drilling which is a part of the vertical Infrastructure; and Thermica, a Norwegian specialist contractor for logistics buildings that provides turnkey contracts for warehouses, logistics, aquaculture and cold storage, which is a part of the vertical Engineering Services. The business unit that was acquired in Sweden is VSH Holding AB (Swedwise), which is active within IT automation through consulting services and software licences. The company is part of the vertical Digital Services. Three add-on acquisitions were also completed in the quarter: one each for Skaraslätten, Teodoliten and Örnbergs El, Tele & Data.

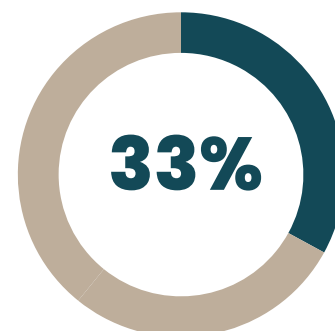


The Services business area comprises service companies with strong positions in specific B2B niche markets. It consists of 61 business units in the following verticals: Contracting Services, Infrastructure, Installation, Logistics, Engineering Services, Digital Services, and HR and Competence.

SALES, SEK M ADJUSTED EBITA MARGIN, %



SHARE OF GROUP SALES, Q2 2022



Business area Trade

RESULTS

Net sales in the Trade business area increased by 100 percent to SEK 2,523 million (1,260) in the second quarter and by 112 percent to SEK 4,474 million (2,114) in the first six months. Organic sales growth for the first six months was 15 percent.

Adjusted EBITA increased by 87 percent to SEK 301 million (161) for the quarter and 95 percent to SEK 491 million (252) for the first six months. The adjusted EBITA margin was 11.9 percent (12.8) for the quarter and 11.0 percent (11.9) for the first six months. Organic EBITA growth for the first six months amounted to -9 percent.

The result includes transaction costs of SEK 11 million (1) for the quarter and SEK 15 million (5) for the first six months. The adjusted EBITA margin excluding transaction costs was 12.4 percent (12.9) for the quarter and 11.3 percent (12.2) for the first six months.

SEK m	2022			2021			12 months until 30 Jun 2022	Full-year 2021
	Apr-Jun	Apr-Jun	Change %	Jan-Jun	Jan-Jun	Change %		
Net sales	2,523	1,260	100	4,474	2,114	112	7,770	5,410
Adjusted EBITA excl. transaction costs	312	162	92	506	257	97	845	596
Transaction costs	-11	-1		-15	-5		-24	-14
Adjusted EBITA	301	161	87	491	252	95	821	582
Adjusted EBITA-margin, %	11.9	12.8		11.0	11.9		10.6	10.8
Adjusted EBITA-margin excl. transaction costs, %	12.4	12.9		11.3	12.2		10.9	11.0
Number of employees, end of period				2,064	1,348		2,064	1,555
Number of business units, end of period				34	23		34	25

Sales growth remained strong, driven by good demand and well implemented price increases. Continued delays and cancellations of deliveries due to the current product and component shortages in many industries had some negative impact but could be compensated for by skillful inventory management. Organic sales growth in the first six months was strong, while organic EBITA growth was lowered by two specific business units impacted by significant cost increases in combination with fixed selling prices. Excluding these, organic EBITA growth amounted to 2 percent.

Inventory levels remained higher than normal for several business units following a conscious decision to build up inventory to secure future deliveries in peak season and avoid some of the expected cost increases and risks of a weaker Swedish krona. In addition to this, material and shipping costs increased the inventory value.

Demand and order intake remain generally good. However, tendencies towards a wait-and-see approach and caution can be noted within some consumer-oriented companies. Although material and shipping costs are expected to remain at a high level, there are positive news regarding purchase prices, such as price increases not being carried through and some decreases being implemented.

ACQUISITIONS DURING THE QUARTER

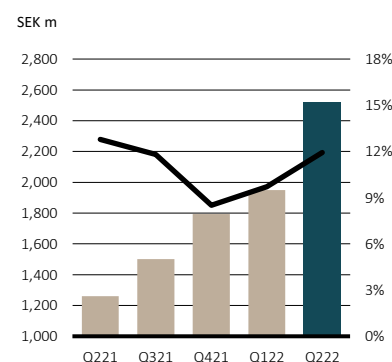
A total of ten acquisitions were completed during the second quarter. The vertical Health and Beauty saw the addition of Scandinavian Cosmetics Group, a leading Nordic distributor of beauty products with more than 80 brands; and Session MAP, a distributor of hair care products. The vertical Home and Living was strengthened by the acquisitions of PR Home, a company that sells lighting for the home and textiles through their own brand; and Acreto, a distributor of products in pest control as well as household appliances, heating and climate. The vertical Sports, Clothing and Accessories acquired JO Sport, a distributor of products within alpine, outdoor, cycling and sports to retailers in Sweden.

The remaining acquisitions in the second quarter were add-on acquisitions; two for SGD and one each for Vikingsun, Ashe Invest and Båstad-Gruppen.

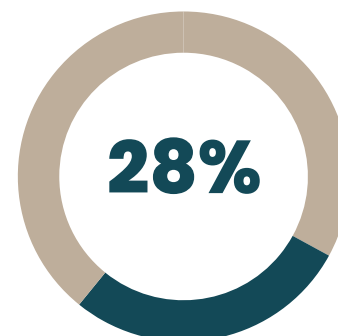


The Trade business area focuses on companies with strong brands in their markets, mostly distributors and wholesalers with both their own and external brands. It consists of 34 business units in the following verticals: Home and Living, Health and Beauty, Sports, Clothing and Accessories, and Niche Businesses.

SALES, SEK M ADJUSTED EBITA MARGIN, %



SHARE OF GROUP SALES, Q2 2022



Business area Industry

RESULTS

Net sales in the Industry business area increased by 276 percent to SEK 3,543 million (942) in the second quarter and by 275 percent to SEK 6,242 million (1,665) in the first six months. Organic sales growth amounted to 20 percent in the first six months.

Adjusted EBITA increased by 261 percent to SEK 412 million (114) for the second quarter and by 239 percent to SEK 683 million (201) in the first six months. The adjusted EBITA margin amounted to 11.6 percent (12.1) for the quarter and 10.9 percent (12.1) for the first six months. Organic adjusted EBITA growth was 19 percent for the first six months.

The result includes transaction costs of SEK 14 million (7) for the quarter and SEK 19 million (7) for the first six months. Excluding these, the adjusted EBITA margin amounted to 12.0 percent (12.8) for the quarter and 11.3 percent (12.5) for the first six months.

SEK m	2022			2021			12 months until 30 Jun 2022	Full-year 2021
	Apr-Jun	Apr-Jun	Change %	Jan-Jun	Jan-Jun	Change %		
Net sales	3,543	942	276	6,242	1,665	275	9,763	5,186
Adjusted EBITA excl. transaction costs	426	121	252	703	208	238	1,162	674
Transaction costs	-14	-7		-19	-7		-61	-48
Adjusted EBITA	412	114	261	683	201	239	1,101	626
Adjusted EBITA-margin, %	11.6	12.1		10.9	12.1		11.3	12.1
Adjusted EBITA-margin excl. transaction costs, %	12.0	12.8		11.3	12.5		11.9	13.0
Number of employees, end of period				4,950	2,263		4,950	2,786
Number of business units, end of period				37	26		37	30

The underlying market for business area Industry remained generally strong with good demand and a high order intake, which resulted in good sales and profit growth in the quarter. Volume growth, continued productivity improvements and the impact of price increases implemented in the spring resulted in the EBITA margin being in line with last year and significantly better than the previous quarter. This despite the high price of raw materials, especially steel, and continued supply chain disruptions involving material and component shortages.

The vertical Automation showed strong growth due to a sustained favourable market within the engineering and wood industries, despite the significant impact of component shortages. The vertical Industrial Technology also developed well in general, with good order intake, especially for metal processing and metal application companies, and for foundries. The vertical Products also experienced good development overall, partially due to price increases previously implemented taking full effect.

Market development for the industrial companies is difficult to assess. Raw material prices have decreased in many cases, and both demand and order intake looks good. It is, however, still important to keep monitoring geopolitical unrest, increasing inflation and material shortages. Furthermore, the trend of bringing production home has worked to the advantage of several of Storskogen's companies; for example, automation companies can supply their customers with increasingly automated production, and industrial technology companies can achieve a competitive advantage given the current high transportation costs and sanctions on Russia which impact low cost countries. Also, production company customers appreciate having suppliers in their local area.

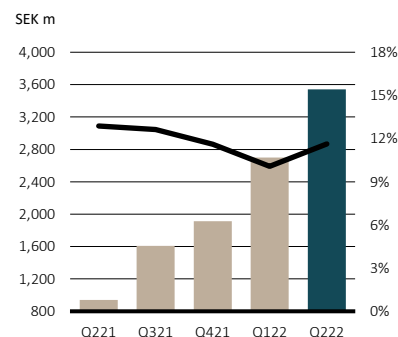
ACQUISITIONS DURING THE QUARTER

A total of four acquisitions were completed during the quarter. Two of them were in the UK; within the vertical Products, Fabco Sanctuary was acquired. The company is a market leader within design, manufacturing and installation of steel windows and glass walls in the UK. Within the vertical Industrial Technology, J&D Pierce was acquired. The company is a leading specialist within manufacturing and construction of structural steel logistics and data centres in the UK. The other two acquisitions consisted of a larger add-on acquisition for the trailer company Brenderup, and a smaller add-on acquisition for the automation company PV Systems.

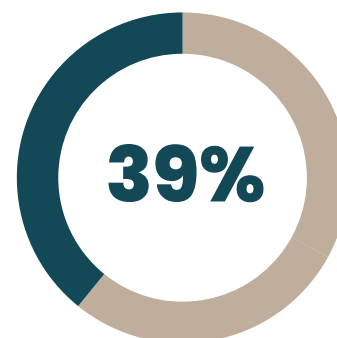


The Industry business area focuses on traditional B2B industrial companies in heavy and medium-heavy industry, manufacturing and automation. It consists of 37 business units in the following verticals: Automation, Industrial Technology, and Products.

SALES, SEK M ADJUSTED EBITA MARGIN, %



SHARE OF GROUP SALES, Q2 2022



Acquisitions

Storskogen completed 20 acquisitions during the second quarter, with a total of 1,106 employees, combined annual sales of SEK 4,343 million and EBITA of SEK 631 million, based on the companies' most recent financial year. Of these 20 acquisitions, 10 were platform acquisitions and 10 were add-on acquisitions. No business divestments took place during the quarter.

For more information on acquisitions completed during the period 1 January 2022 – 30 June 2022, see Note 4 – Business combinations.

ACQUISITIONS DURING THE PERIOD

Breakdown of acquisitions completed in January–June 2022 by Group business areas:

Acquisitions (divestment)	Acquisition date	Annual net sales, SEK m	Number of employees	Share of capital/votes, %	Business area
Fremco A/S, incl. subsidiaries	January	68	20	84.0	Industry
Trollskes Maskinservice AB	January	13	10	92.6	Industry
2M2 Group AB, incl. subsidiaries	January	147	10	90.1	Trade
Budettan AB	January	39	49	90.1	Services
L.J. Sot Aktiebolag	January	8	11	95.9	Services
Markbyggarna i Skellefteå AB	January	29	5	90.1	Services
Dansforum i Göteborg AB, incl. subsidiaries	January	21	47	90.1	Services
EVIAB Gruppen AB, incl. subsidiaries	January	119	84	90.1	Services
Tornado Group Ltd, incl. subsidiaries	January	335	98	80.0	Industry
A&K Die Frische Küche GmbH, incl. subsidiaries	January	149	172	100	Industry
LNS Holding SA, incl. subsidiaries	January	1,314	1,080	100	Industry
Nimbus Gruppen AS, incl. subsidiaries	February	271	124	90.1	Services
EI & Nätverksmontage i Stockholm AB (ENAB)	February	18	13	90.1	Services
Hudikhus AB	February	125	24	70.0	Trade
mAnalyze dotterbolag AB	February	N/A	N/A	91.6	Services
Brandprojektering Sverige AB, incl. subsidiaries	February	28	19	70.0	Services
Karriärkonsulten Sverige AB	February	78	66	86.0	Services
Christ & Wirth Haustechnik GmbH	February	251	44	80.0	Services
Hedson Technologies International AB, incl. subsidiaries	March	256	125	100	Industry
Nitro Consult Aktiebolag	March	143	72	100	Services
Extra UK Ltd, incl. subsidiaries	March	329	32	80.0	Trade
Stop Start Transport Ltd	March	76	16	80.0	Services
Vokus Personal AG	March	219	16	90.0	Services
Dimabay GmbH, incl. subsidiaries	March	183	20	74.9	Trade
INGENIØR'NE A/S, incl. subsidiaries	March	224	170	82.0	Services
VSH Holding AB (Swedwise), incl. subsidiaries	April	76	30	82.4	Services
PR Home of Scandinavia AB, incl. subsidiaries	April	123	54	70.0	Trade
Session MAP AB	April	153	46	70.0	Trade
DETAB Ecomat Automation AB	April	14	11	100.0	Industry
Dafra Försäljning Aktiebolag	April	31	8	95.0	Trade
Tysse Mekaniske Verksted AS, incl. fellow subsidiary	April	241	65	98.7	Industry
Matterhorn Sverige AB	April	47	4	91.0	Trade
JO Sport i Hudiksvall AB	April	162	24	80.0	Trade
Racketdoktor AB	May	101	7	67.7	Trade
Danboring A/S, incl. subsidiaries	May	128	35	90.1	Services
Golv o Mattvaruhuset i Göteborg AB	May	28	6	100.0	Trade
Fabco Sanctuary Ltd	May	148	88	80.0	Industry
Scandinavian Cosmetics Group, incl. subsidiaries	May	1,145	235	95.9	Trade
Thermica AS	May	556	13	80.0	Services
Contain Svenska AB (Contilog)	June	27	2	80.0	Services
EIFabriken Sverige AB	June	20	9	81.3	Services
Acreto AB	June	215	22	80.0	Trade
Projektstrateg Sverige AB	June	21	20	70.0	Services
Höganäs Träprofiler AB	June	26	2	100.0	Trade
J & D Pierce Contracts Ltd, incl. subsidiaries	June	1,080	425	80.0	Industry
Sum		8,787	3,433		

From the end of the quarter up until the date of the report, Storskogen has completed 4 acquisitions with combined annual sales of SEK 258 million. For more information on these acquisitions, see the section “Significant events after the end of the period”.

As of the date of the report, Storskogen has signed 6 non-binding letters of intent regarding potential acquisitions. Storskogen has also initiated 3 acquisition processes where it is the preferred buyer. These potential acquisitions have combined annual sales of around SEK 1,112 million.

Other financial information

EMPLOYEES

At the end of the quarter, the Group had 12,225 (6,974) employees. Acquisitions carried out during the quarter increased the number of employees by 1,106.

SHARE CAPITAL

On 30 June 2022, the number of shares amounted to 1,664 million shares divided into 1,516 million B shares and 148 million A shares. During the quarter, the number of registered B shares decreased by 9 million, after redemption of treasury shares of -17 million shares and directed share issues in connection with acquisitions of 8 million shares. In connection with an acquisition, it was resolved upon a directed issue of a convertible of SEK 80 million, with mandatory conversion in June 2023.

Share structure on 30 June 2022

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	49.4
Series B share, 1 vote per share	1,515,762,394	1,515,762,394	91.1	50.6
Total number of shares	1,663,763,768	2,995,776,134	100.0	100.0

Ten largest shareholders on 30 June 2022¹

	Series A	Series B	Percentage of capital	Percentage of votes
Daniel Kaplan ²	38,270,140	36,745,122	4.5	14.0
Alexander Murad Bjärgård	37,539,070	27,691,998	3.9	13.5
Ronnie Bergström ³	38,270,254	18,513,504	3.4	13.4
Peter Ahlgren	33,921,910	15,714,607	3.0	11.8
AMF Pension & Fonder	-	130,532,324	7.8	4.4
Futur Pension	-	93,089,895	5.6	3.1
Swedbank Robur Fonder	-	73,735,136	4.4	2.5
Capital Group	-	57,508,321	3.5	1.9
Philian Invest AB	-	36,200,000	2.2	1.2
Movestic Livförsäkring AB	-	34,670,488	2.1	1.2
Total largest shareholders	148,001,374	524,401,395	40.4	66.9
Other	-	991,360,999	59.6	33.1
Total	148,001,374	1,515,762,394	100.0	100.0

¹ Source: Monitor by Modular Finance AB. The verification date may vary for foreign shareholders.

² Includes shares owned by Firm Factory AB

³ Includes shares owned by Ängsmon AB

⁴ Includes shares owned by Scalata Invest AB and Scalata AB

PARENT COMPANY

The Parent Company generated net sales of SEK 32 million (25) in the second quarter and SEK 62 million (45) during the first six months of the year. Profit for the quarter amounted to SEK 198 million (-143), and SEK 152 million (-132) for the first six months of the year. Net sales consist of management services within the Group. Parent Company profit after financial items was positively affected by exchange rate effects and intra-group interest income.

RELATED-PARTY TRANSACTIONS

No significant changes have taken place for the Group or the Parent Company in transactions or relationships with related parties, compared with what appears in the Annual Report 2021. All related-party transactions have taken place on market terms.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

Since the end of the period, the Group has completed 4 acquisitions, of which 3 are add-on acquisitions and 1 is a platform acquisition.

The business area Services has acquired Xodbox, the Group's first acquisition in Singapore. The company is a digital media company that delivers media campaigns to organisations in Singapore.

The business area Trade has acquired Vox Hair Concept, which owns hair salons through its subsidiary Tango. Vox Hair Concept offers collaborative purchasing and business support for both independent hair salons and salons within Tango.

The business area Industry has acquired all of the shares in Löfqvist Engineering, an automation company which manufactures robot solutions for Swedish industry. Through the subsidiary Gullängets Mekaniska Verkstad, business area Industry has also completed an add-on acquisition of Lucky Harpan.

Acquisitions completed after the end of the period had combined annual sales of SEK 258 million and EBITA of SEK 38 million.

In addition, as of the date of the report, the Group has entered into 6 non-binding letters of intent through which Storskogen has received exclusivity to conduct due diligence on each target and negotiate with the company and sellers. In addition, Storskogen has 3 acquisition processes where it is the preferred buyer. These potential acquisitions have combined annual sales of SEK 1,112 million, and EBITA of approximately SEK 201 million.

ANNUAL GENERAL MEETING 2022

At the Annual General Meeting in Storskogen on 17 May 2022, it was resolved on, among other things, a dividend of SEK 0.07 per share, new election of Annette Brodin Rampe as member of the Board of Directors and Chair of the Board of Directors, re-election of Alexander Bjärgård, Bengt Braun, Louise Hedberg and Johan Thorell as board members, re-election of Ernst & Young Aktiebolag as auditor, implementation of two incentive programmes, reduction of the share capital through a redemption of shares and a bonus issue as well as authorisations for the Board of Directors to resolve on issuances of B shares and repurchases and transfers of treasury B shares.

The Chief Executive Officer and the Board of Directors hereby provide an assurance that this interim report presents a true and fair view of developments in the Group's and the Parent Company's operations, financial position and results, and describes material risks and uncertainties faced by the Parent Company and the companies in the Group.

Stockholm, 16 August 2022

Storskogen Group AB

Annette Brodin Rampe
Chairman

Alexander Bjärgård
Board member

Bengt Braun
Board member

Louise Hedberg
Board member

Johan Thorell
Board member

Daniel Kaplan
CEO

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

Financial statements

CONSOLIDATED INCOME STATEMENT, CONDENSED

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 Jun 2022	Full-year 2021
Net sales	9,059	3,821	15,997	6,713	26,780	17,496
Cost of goods sold	-7,182	-2,974	-12,790	-5,258	-21,324	-13,792
Gross profit	1,877	847	3,207	1,455	5,456	3,704
Selling expenses	-741	-306	-1,319	-528	-2,199	-1,408
Administrative expenses	-550	-275	-1,003	-459	-1,715	-1,171
Other operating income	254	151	508	224	824	539
Other operating expenses	-158	-120	-242	-162	-338	-257
Operating profit	681	298	1,150	530	2,027	1,406
Financial income	185	1	219	5	366	152
Financial expenses	-211	-31	-386	-53	-658	-325
Profit before tax	655	268	983	481	1,734	1,233
Tax	-181	-58	-270	-100	-457	-286
Profit for the period	474	210	712	381	1,278	947
Profit for the year attributable to:						
Owners of the parent company	421	187	631	355	1,131	856
Non-controlling interests	53	23	81	26	147	91
Basic and diluted earnings per share, SEK	0.25	0.14	0.38	0.28	0.71	0.60

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONDENSED

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 Jun 2022	Full-year 2021
Profit for the period	474	210	712	381	1,278	947
Other comprehensive income						
Items that will not be reclassified to the income statement						
Remeasurements of defined benefit pension plans	20	-	20	-	2	-19
Total items that will not be transferred to the income statement	20	-	20	-	2	-19
Items that have or may be transferred to the income statement						
Exchange differences, foreign operations	247	-14	262	9	352	99
Gains/losses on holding of derivatives for cash flow hedging	-12	-1	-14	-7	-14	-7
Total items that have or may be transferred to the income statement	235	-15	248	2	338	92
Other comprehensive income for the period, net of tax	256	-15	268	2	340	74
Comprehensive income for the period	730	195	981	383	1,618	1,020
Comprehensive income for the period attributable to:						
Owners of the parent company	647	175	875	360	1,434	918
Non-controlling interests	82	20	105	23	184	102

CONSOLIDATED BALANCE SHEET, CONDENSED

SEK m	30 Jun 2022	30 Jun 2021	31 Dec 2021
Assets			
Intangible assets	24,662	12,454	15,344
Property, plant and equipment	5,091	2,633	3,332
Financial non-current assets	47	127	33
Deferred tax assets	107	55	62
Total non-current assets	29,907	15,269	18,771
Inventories	4,985	2,198	2,924
Trade receivable	5,134	2,385	2,925
Current receivables	3,249	1,096	1,435
Current investments	7	6	1
Cash and cash equivalents	3,758	6,593	6,167
Total current assets	17,132	12,277	13,452
Total assets	47,040	27,546	32,223
Equity and liabilities			
Total equity	17,980	8,771	16,588
Interest-bearing non-current liabilities	14,990	10,920	6,929
Provisions for pensions	356	104	280
Non-interest-bearing non-current liabilities	3,073	1,151	1,801
Provisions	89	112	87
Deferred tax liabilities	1,656	770	917
Total non-current liabilities	20,164	13,058	10,013
Interest-bearing current liabilities	515	712	625
Trade payable	2,798	1,457	1,730
Non-interest-bearing current liabilities	5,583	3,548	3,266
Total current liabilities	8,896	5,717	5,621
Total equity and liabilities	47,040	27,546	32,223

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

SEK m	30 Jun 2022	30 Jun 2021	31 Dec 2021
Opening equity attributable to owners of the parent company	15,395	4,909	4,909
Comprehensive income			
Profit for the period	631	355	856
Revaluation of defined benefit pension fund asset	20	-	-19
Other comprehensive income for the period	225	4	81
Comprehensive income for the period	875	360	918
Transactions with the Group's owners			
Contributions from and value transfers to owners			
Dividends paid	-116	-536	-536
Share issue, cash	-	2,347	10,319
Share issue, non-cash	168	100	861
Transaction costs on issue of shares, after tax	-0	-19	-181
Share capital paid but not registered, cash	-	282	-
Share issue not registered, non-cash	-	761	-
Contributed capital from issued share options	-	-	10
Share-based payment transactions	11	-	5
Change in fair value of minority option	-993	-356	-890
Total contributions from and value transfers to owners	-931	2,579	9,588
Changes in ownership of subsidiaries			
Acquisition/divestment of non-controlling interests	-18	7	-20
Total changes in ownership of subsidiaries	-18	7	-20
Total transactions with the Group's owners	-949	2,585	9,568
Closing equity attributable to owners of the parent company	15,322	7,854	15,395
Opening equity in non-controlling interests	1,193	353	353
Profit for the period	81	26	91
Other comprehensive income for the period	24	-2	11
Comprehensive income for the period	105	23	102
Dividends to non-controlling interests	-70	-22	-32
Acquisition/divestment of non-controlling interests	-3	4	12
Non-controlling interests arising on business combinations from before	1,433	558	740
Shareholders contribution from non-controlling interest	-	-	17
Closing equity in non-controlling interests	2,658	916	1,193
Total equity	17,980	8,771	16,588

CONSOLIDATED CASH FLOW STATEMENT, CONDENSED

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 Jun 2022	Full-year 2021
Profit before tax	655	268	983	481	1,734	1,233
Adjustment for non-cash items	361	230	673	334	1,096	757
Income tax paid	-160	-89	-442	-216	-575	-348
Change in working capital	-519	481	-1,062	489	-1,816	-265
Cash flow from operating activities	335	891	152	1,088	440	1,376
Net investments in non-current assets	-116	-97	-230	552	-400	383
Subsidiary/business acquisitions and divestments	-3,596	-3,998	-8,333	-5,457	-10,725	-7,849
Cash flow from investment activities	-3,712	-4,095	-8,564	-4,905	-11,124	-7,465
Dividend to owners of the parent company	-116	-536	-116	-536	-116	-536
Dividends to minority owners	-68	-22	-70	-22	-80	-32
Proceeds from issues of shares	-	2,441	-	2,609	7,492	10,102
Change in loans	4,466	5,548	6,395	6,635	947	1,187
Other financing activities	-126	-75	-249	-145	-450	-346
Cash flow from financing activities	4,155	7,356	5,960	8,541	7,793	10,374
Cash flow for the period	778	4,151	-2,452	4,724	-2,892	4,285
Cash and cash equivalents at beginning of period	2,937	2,445	6,167	1,866	6,593	1,866
Exchange rate differences in cash and cash equivalents	43	-4	43	2	57	16
Cash and cash equivalents at end of period	3,758	6,593	3,758	6,593	3,758	6,167

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) unless otherwise indicated. Rounding differences may occur.

Risk and uncertainties

Storskogen Group's diversified business model, with 132 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 Annual Report 2021, 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 increases and rising commodity prices as well as disruptions in distribution chains can also have an impact on the organisation's profits. 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 judgements

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

2022

Jan-Jun, SEK m	Services	Trade	Industry	Group operations	Total
Net sales	5,292	4,474	6,242	-11	15,997
Cost of goods sold	-4,194	-3,570	-4,911	-115	-12,790
Gross profit	1,098	904	1,331	-126	3,207
Selling expenses	-446	-378	-462	-34	-1,319
Administrative expenses	-362	-182	-444	-15	-1,003
Other operating income	65	169	270	5	508
Other operating expenses	-35	-119	-86	-2	-242
Operating profit	320	394	608	-172	1,150
Financial income	2	5	63	148	219
Financial expenses	-30	-25	-76	-256	-386
Profit before tax	292	375	595	-279	983
Reversal of financial income/expenses	28	19	13	107	168
Reversal of amortisation and impairments of intangible assets	98	76	117	1	292
EBITA	418	470	725	-171	1,442
Items affecting comparability	23	21	-42	-	2
Adjusted EBITA	441	491	683	-171	1,445

Net sales, geographical distribution

2022

Jan-Jun, SEK m	Services	Trade	Industry	Group operations	Total
Sweden	4,426	2,505	2,022	-11	8,942
Within the EU, excluding Sweden	303	718	2,123	-	3,145
Outside the EU	563	1,250	2,097	-	3,910
Total net sales	5,292	4,474	6,242	-11	15,997

ITEMS BY SEGMENT AND BREAKDOWN OF REVENUE

2021

Jan-Jun, SEK m	Services	Trade	Industry	Group operations	Total
Net sales	2,936	2,114	1,665	-2	6,713
Cost of goods sold	-2,312	-1,644	-1,255	-46	-5,258
Gross profit	624	470	410	-48	1,455
Selling expenses	-228	-179	-109	-12	-528
Administrative expenses	-179	-92	-162	-27	-459
Other operating income	78	86	55	5	224
Other operating expenses	-25	-36	-91	-10	-162
Operating profit	270	248	103	-92	530
Financial income	0	3	3	-2	5
Financial expenses	-12	-8	-5	-28	-53
Profit before tax	259	243	101	-122	481
Reversal of financial income/expenses	11	5	2	30	48
Reversal of amortisation and impairments of intangible assets	38	19	17	0	75
EBITA	309	267	121	-92	605
Items affecting comparability	-16	-15	81	-	49
Adjusted EBITA	292	252	201	-92	654

Net sales, geographical distribution

2021

Jan-Jun, SEK m	Services	Trade	Industry	Group operations	Total
Sweden	2,840	1,371	1,110	-2	5,318
Within the EU, excluding Sweden	41	238	345	-	624
Outside the EU	56	505	210	-	771
Total net sales	2,936	2,114	1,665	-2	6,713

NOTE 3 – REVENUE FROM CUSTOMER CONTRACTS

SEK m	2022	2021	2022	2021	12 months until	Full-year
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	30 Jun 2022	2021
Contracting Services	238	158	419	293	767	640
Infrastructure	604	443	1,078	785	1,993	1,701
Installation	925	455	1,713	821	3,054	2,162
Logistics	325	218	605	417	1,089	901
Engineering Services	509	181	783	352	1,209	778
Digital Services	163	103	308	158	529	379
HR and Competence	239	65	393	113	631	351
Intragroup sales within the business area	-5	-2	-7	-2	-11	-6
Total, Services segment	2,998	1,621	5,292	2,936	9,262	6,906
Home and Living	886	506	1,733	861	2,940	2,067
Niche Businesses	783	462	1,474	790	2,699	2,015
Health and Beauty	381	220	596	354	1,046	803
Sports, Clothing and Accessories	479	75	677	112	1,099	534
Intragroup sales within the business area	-5	-3	-8	-4	-13	-10
Total, Trade segment	2,523	1,260	4,474	2,114	7,770	5,410
Automation	1,055	348	1,870	622	2,660	1,412
Industrial Technology	1,177	362	2,076	601	3,145	1,670
Products	1,322	252	2,320	469	4,003	2,152
Intragroup sales within the business area	-11	-20	-24	-27	-45	-47
Total, Industry segment	3,543	942	6,242	1,665	9,763	5,186
Intragroup sales eliminations	-6	-1	-11	-2	-14	-6
Total	9,059	3,821	15,997	6,713	26,780	17,496

New verticals

On 1 January 2022, an adjustment of the Group's verticals was implemented to clarify and more uniformly classify the business units based on how they are interconnected and followed up. The new verticals constitute the Group's cash-generating units. The table above presents the comparative figures according to the new division of the verticals.

For segment Services, the adjustment means that the previous vertical Construction & Infrastructure has been divided into two separate verticals. Trade has replaced its previous verticals with four new ones that clarify the segment's different business orientations and operational niches. Segment Industry has reallocated some business units between the different verticals. All changes have taken place within each segment.

NOTE 4 – BUSINESS COMBINATIONS

Preliminary acquisition analysis for the period

Refers to acquisitions completed during the period January to June 2022:

SEK m	Services	Trade	Industry	Total
Intangible assets	659	845	1,315	2,819
Other non-current assets	90	58	1,136	1,283
Inventories	17	682	663	1,362
Other current assets	756	575	1,403	2,733
Cash and cash equivalents	282	269	354	905
Deferred tax liabilities/tax assets	-205	-176	-345	-726
Liabilities to credit institutions	-36	-500	-427	-963
Other liabilities	-747	-736	-954	-2,437
Acquired net assets	816	1,017	3,143	4,976
Goodwill	2,074	2,292	2,090	6,456
Non-controlling interests	-410	-528	-494	-1,432
Purchase price including contingent consideration	2,480	2,782	4,738	10,000
Less cash and cash equivalents in acquired operations	-282	-269	-354	-905
Less unpaid purchase consideration	-243	-622	-207	-1,073
Effect on consolidated cash and cash equivalents	1,954	1,891	4,177	8,022

Significant acquisitions during the period

SEK m	LNS Holding SA - included in Industry	Scandinavian Cosmetics Group - included in Trade	J & D Pierce - included in Industry	Total significant acquisitions
Intangible assets	597	303	128	1,028
Other non-current assets	425	31	366	822
Inventories	509	163	26	697
Other current assets	391	210	603	1,204
Cash and cash equivalents	182	149	71	402
Deferred tax liabilities/tax assets	-133	-62	-56	-251
Liabilities to credit institutions	-256	-419	-51	-726
Other liabilities	-407	-254	-301	-961
Acquired net assets	1,309	121	787	2,216
Goodwill	618	793	535	1,947
Non-controlling interests	-	-38	-264	-302
Purchase price including contingent consideration	1,927	877	1,057	3,861
Less cash and cash equivalents in acquired operations	-182	-149	-71	-402
Less unpaid purchase consideration	-135	-	-6	-141
Effect on consolidated cash and cash equivalents	1,610	727	980	3,317

Purchase considerations and estimates

Purchase considerations for acquisitions for the period totalled SEK 10,000 million, of which SEK 6,456 million has been recognised as goodwill. Considerations for non-controlling interests acquired during the period amounted to SEK 34 million and considerations for non-controlling interests divested during the period amounted to SEK 13 million, payments of contingent considerations for acquisitions from previous years has been made with an amount of SEK 289 million. Had the period's acquisitions been made with effect from 1 January 2022, it is estimated that they would have contributed SEK approximately 6,376 million to the Group's net sales and around SEK 447 million to the Group's profit after tax. No material changes were made during the quarter to the Group's acquisition analyses for previous years' acquisitions. The acquisition analyses for acquisitions from the third quarter 2021 to the second quarter 2022 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 justified by the companies' future earnings potential. On 30 June 2022, the Group recognised total goodwill of SEK 18,837 million (9,750). The Group's goodwill is tested for impairment as required, and at least annually, by cash-generating unit.

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). Brands are not amortised but are tested annually for impairment in accordance with IAS 36.

Other step-ups identified in acquisitions during the period relate to buildings, inventories and technology. Buildings are generally depreciated over 25 years, technology is generally depreciated over three to ten years, while inventories are depreciated on the basis of turnover.

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 and the statement of comprehensive income. Acquisition-related expenses for acquisitions completed during the period totalled SEK 55 million (27).

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. This liability generally crystallises, if the criteria are met, 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 9.6 percent (9.6). 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 1,073 million (622), while the total liability recognised for discounted contingent considerations on 30 June 2022 is SEK 1,425 million (892).

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-JUNE 2022

SEK m	Services	Trade	Industry	Total
Effect after the acquisition date included in consolidated profit				
Sales	749	654	2,149	3,553
Profit for the period	90	64	160	314
Effect if the acquisitions had been completed on January 1				
Sales	1,417	1,566	3,393	6,376
Profit for the period	103	109	235	447

Acquisitions completed during the period January to June 2022 increased the Group's net sales by SEK 3,553 million, EBITA by SEK 412 million and profit for the period by SEK 314 million. Transaction costs for these acquisitions came to SEK 55 million and are included in administrative expenses in the consolidated income statement.

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

	30 Jun 2022				30 Jun 2021			
	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	39	8	-	47	117	7	3	127
Trade receivable	5,134	-	-	5,134	2,385	-	-	2,385
Current receivables	1,100	-	3	1,103	561	-	5	566
Current investments	-	7	-	7	-	6	-	6
Cash and cash equivalents	3,758	-	-	3,758	6,593	-	-	6,593
Total	10,031	15	3	10,049	9,656	13	8	9,677

	30 Jun 2022				30 Jun 2021			
	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	13,784	-	3	13,788	10,323	-	2	10,324
Non-interest-bearing non-current liabilities	21	845	-	866	13	376	-	390
Interest-bearing current liabilities	78	-	47	125	444	-	0	444
Trade payable	2,798	-	-	2,798	1,457	-	-	1,457
Non-interest-bearing current liabilities	3,061	580	-	3,641	2,566	516	-	3,082
Total	19,742	1,425	50	21,217	14,803	892	2	15,697

	31 Dec 2021			
	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	26	8	0	33
Trade receivable	2,925	-	-	2,925
Current receivables	746	-	11	757
Current investments	-	1	-	1
Cash and cash equivalents	6,167	-	-	6,167
Total	9,864	8	11	9,884

	31 Dec 2021			
	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	6,071	-	0	6,071
Non-interest-bearing non-current liabilities	11	495	-	506
Interest-bearing current liabilities	316	-	1	317
Trade payable	1,730	-	-	1,730
Non-interest-bearing current liabilities	1,878	441	-	2,320
Total	10,006	936	2	10,943

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 to be an accurate approximation of their fair values. Given the prevailing low-interest-rate economic environment, calculations indicate that the difference between amortised cost and fair value is not significant.

	30 Jun 2022					Total carrying amount	30 Jun 2021					Total carrying amount
	Level 1	Level 2	Level 3	Other ¹	Difference in fair value and book value, related to market quoted bonds		Level 1	Level 2	Level 3	Other ¹	Difference in fair value and book value, related to market quoted bonds	
Financial assets, SEK m												
Financial non-current assets	-	-	-	47	-	47	-	3	-	124	-	127
Trade receivable	-	-	-	5,134	-	5,134	-	-	-	2,385	-	2,385
Current receivables	-	3	-	1,100	-	1,103	-	5	-	561	-	566
Current investments	7	-	-	-	-	7	6	-	-	-	-	6
Cash and cash equivalents	3,758	-	-	-	-	3,758	6,593	-	-	-	-	6,593
Total	3,765	3	-	6,281	-	10,049	6,598	8	-	3,070	-	9,677

	30 Jun 2022					Total carrying amount	30 Jun 2021					Total carrying amount
	Level 1	Level 2	Level 3	Other ¹	Difference in fair value and book value, related to market quoted bonds		Level 1	Level 2	Level 3	Other ¹	Difference in fair value and book value, related to market quoted bonds	
Financial liabilities, SEK m												
Interest-bearing non-current liabilities	-	5,615	-	7,784	388	13,788	-	3,045	-	7,323	-44	10,324
Non-interest-bearing non-current liabilities	-	-	845	21	-	866	-	-	376	13	-	390
Interest-bearing current liabilities	-	47	-	78	-	125	-	0	-	444	-	444
Trade payable	-	-	-	2,798	-	2,798	-	-	-	1,457	-	1,457
Non-interest-bearing current liabilities	-	-	580	3,061	-	3,641	-	-	516	2,566	-	3,082
Total	-	5,662	1,425	13,742	388	21,217	-	3,045	892	11,803	-44	15,697

	31 Dec 2021				Total carrying amount	
	Level 1	Level 2	Level 3	Other ¹		Difference in fair value and book value, related to market quoted bonds
Financial assets, SEK m						
Financial non-current assets	-	0	-	33	-	33
Trade receivable	-	-	-	2,925	-	2,925
Current receivables	-	11	-	746	-	757
Current investments	1	-	-	-	-	1
Cash and cash equivalents	6,167	-	-	-	-	6,167
Total	6,168	11	-	3,705	-	9,884

	31 Dec 2021				Total carrying amount	
	Level 1	Level 2	Level 3	Other ¹		Difference in fair value and book value, related to market quoted bonds
Financial liabilities, SEK m						
Interest-bearing non-current liabilities	-	5,027	-	1,071	-27	6,071
Non-interest-bearing non-current liabilities	-	-	495	11	-	506
Interest-bearing current liabilities	-	1	-	316	-	317
Trade payable	-	-	-	1,730	-	1,730
Non-interest-bearing current liabilities	-	-	441	1,878	-	2,320
Total	-	5,029	936	5,006	-27	10,943

¹ To be able to reconcile the financial instruments with the balance sheet items, financial instruments not measured at fair value together with other assets and liabilities are presented in the Other column.

Level 2 derivatives have been measured at fair value based on data from counterparty.

Change in financial liabilities Level 3, SEK m	OB	Aquisition	Paid	Remeasured / present value	Exchange difference	CB
Contingent considerations	936	826	-289	-62	14	1,425

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 9.6 percent (9.6).

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, previous preferential rights to dividends ceased with the admission of the Company's shares to the stock exchange through an initial public offering, and all Series A and Series B shares now carry the same rights to the Company's assets and profits. Earnings per share for comparative periods is presented as though all shares had the same rights to the Company's assets and profit.

In October 2021, 51,335,798 Series A shares were redeemed without payment so that the remaining Series A shares had a value corresponding to 20 percent of the Company's value immediately before the initial public offering. The redemption of these shares has been allowed for retroactively when calculating the number of ordinary shares outstanding, in current period as well as comparison periods.

SEK	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 Jun 2022	Full-year 2021
Earnings per share						
Basic earnings per share, SEK	0.25	0.14	0.38	0.28	0.71	0.60
Diluted earnings per share, SEK	0.25	0.14	0.38	0.28	0.71	0.60
SEK k						
Net profit for the period attributable to owners of the parent						
Net profit for the year attributable to owners of the parent	420,580	186,741	630,975	355,455	1,131,260	855,740
Number						
Weighted average number of shares used in calculating earnings per share						
Weighted average number of shares, Series A shares	148,001,374	210,664,202	148,001,374	210,664,202	172,412,480	203,595,793
Weighted average number of shares, Series B shares	1,515,597,820	1,093,916,272	1,512,338,117	1,081,402,056	1,431,414,235	1,219,379,413
Total weighted average number of shares	1,663,599,194	1,304,580,474	1,660,339,491	1,292,066,258	1,603,826,715	1,422,975,206

PERFORMANCE MEASURES

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 Jun 2022	Full-year 2021
Net sales	9,059	3,821	15,997	6,713	26,780	17,496
Adjusted EBITDA	1,108	506	1,876	880	3,245	2,249
Adjusted EBITA	877	383	1,445	654	2,479	1,688
Adjusted EBITA margin, %	9.7	10.0	9.0	9.7	9.3	9.6
Operating profit	681	298	1,150	530	2,027	1,406
Operating margin, %	7.5	7.8	7.2	7.9	7.6	8.0
Profit before tax	655	268	983	481	1,734	1,233
Profit for the period	474	210	712	381	1,278	947
Working capital				1,218	3,410	1,857
Return on working capital, % (12 months)				92.4	72.7	90.9
Return on equity, % (12 months)				12.6	9.2	10.4
Return on capital employed, % (12 months)				8.4	9.6	9.1
Equity/assets ratio, %				31.8	38.2	51.5
Interest-bearing net debt				5,138	12,096	1,666
Net debt				6,797	15,815	3,904
Debt/equity ratio, x				0.8	0.9	0.2
Interest-bearing net debt/adjusted RTM EBITDA (12 months), x				2.0	2.5	0.5
Interest coverage ratio, x	4.1	9.7	3.5	10.0	3.6	4.8
Average number of employees				4,478	10,327	5,760
Number of employees at end of period				6,974	12,225	8,719
Cash flow from operating activities	335	891	152	1,088	440	1,376
Cash conversion, %	43.7	175.1	31.8	134.1	32.4	72.6
Basic and diluted earnings per share, SEK	0.25	0.14	0.38	0.28	0.71	0.60

PARENT COMPANY STATEMENT OF PROFIT OR LOSS, CONDENSED

SEK m	2022	2021	2022	2021	12 months until	Full-year
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	30 Jun 2022	2021
Net sales	32	25	62	45	121	104
Administrative expenses	-81	-62	-147	-96	-310	-258
Other operating income	0	1	0	1	2	3
Other operating cost	-0	-9	-0	-9	-7	-16
Operating profit	-49	-45	-86	-59	-195	-168
Financial income	427	13	542	55	1,167	680
Financial expenses	-137	-125	-268	-140	-367	-239
Profit after financial items	242	-157	188	-144	605	273
Appropriations	-	-	-	-	392	392
Tax	-43	15	-36	12	-104	-56
Profit for the period	198	-143	152	-132	892	608

PARENT COMPANY BALANCE SHEET, CONDENSED

SEK m	30 Jun 2022	30 Jun 2021	31 Dec 2021
Assets			
Intangible non-current assets	0	0	0
Property, plant and equipment	2	-	1
Financial non-current assets	26,781	13,876	17,005
Total non-current assets	26,783	13,876	17,006
Current receivables	1,867	1,174	3,591
Cash and cash equivalents	2,048	5,299	4,976
Total current assets	3,915	6,473	8,567
Total assets	30,698	20,349	25,573
Equity and liabilities			
Restricted equity	1	1	1
Unrestricted equity	16,875	8,406	16,685
Total equity	16,875	8,407	16,686
Non-current liabilities	13,571	9,679	5,896
Current liabilities	252	2,264	2,991
Total equity and liabilities	30,698	20,349	25,573

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 measures should therefore not be regarded as replacing measures that are defined in accordance with IFRS. Definitions of the measures used, most of which are alternative performance measures, are presented below.

RETURN ON EQUITY¹

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 owners of the Parent Company.

SEK m	12 months until 30 Jun 2022	12 months until 30 Jun 2021	Full-year 2021
Profit for the period	1,278	711	947
Equity	13,889	5,663	9,112
Return on equity, %	9.2	12.6	10.4

RETURN ON WORKING CAPITAL¹

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 30 Jun 2022	12 months until 30 Jun 2021	Full-year 2021
Adjusted EBITA	2,479	1,125	1,688
Working capital	3,410	1,218	1,857
Return on working capital, %	72.7	92.4	90.9

RETURN ON CAPITAL EMPLOYED¹

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 30 Jun 2022	12 months until 30 Jun 2021	Full-year 2021
Operating profit	2,027	955	1,406
Financial income	366	7	152
Operating profit including financial income	2,393	962	1,558
Capital employed	24,994	11,449	17,024
Return on capital employed, %	9.6	8.4	9.1

EBITA¹

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

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 Jun 2022	Full-year 2021
Operating profit	681	298	1,150	530	2,027	1,406
Amortisation of intangible assets	170	42	292	75	466	249
Impairment of intangible assets	0	0	0	0	0	0
EBITA	850	339	1,442	605	2,493	1,655

EBITDA¹

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	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 jun 2022	Full-year 2021
Operating profit	681	298	1,150	530	2,027	1,406
Amortisations and depreciations	400	165	723	302	1,232	810
Impairment	0	0	0	0	0	0
EBITDA	1,081	463	1,874	831	3,259	2,216

FINANCIAL ITEMS¹

Financial income less financial expenses. The purpose is to present developments in the Group's financing activities.

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 jun 2022	Full-year 2021
Financial income	185	1	219	5	366	152
Financial expenses	-211	-31	-386	-53	-658	-325
Net financial items	-26	-29	-168	-48	-292	-173

ADJUSTED EBITA¹

Operating profit (EBIT) before amortisation and impairment of intangible assets, excluding remeasurement of contingent considerations, non-recurring costs related to the IPO, and fair value adjustments of acquired assets (such as inventory step-ups). The purpose is to assess the Group's operating activities. Adjusted EBITA facilitates comparison of EBITA between periods.

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 jun 2022	Full-year 2021
Operating profit	681	298	1,150	530	2,027	1,406
Items affecting comparability	27	43	2	49	-14	33
Amortisations of intangible assets	170	42	292	75	466	249
Impairment of intangible assets	0	0	0	0	0	0
Adjusted EBITA	877	383	1,445	654	2,479	1,688

ADJUSTED EBITA MARGIN¹

Adjusted EBITA as a percentage of net sales. The purpose is to provide a guide to profitability in relation to sales.

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 jun 2022	Full-year 2021
Adjusted EBITA	877	383	1,445	654	2,479	1,688
Net sales	9,059	3,821	15,997	6,713	26,780	17,496
Adjusted EBITA-margin, %	9.7	10.0	9.0	9.7	9.3	9.6

ADJUSTED EBITDA¹

Operating profit (EBIT) before depreciation, amortisation and impairment, excluding remeasurement of contingent considerations, non-recurring costs related to the IPO, and fair value adjustments of acquired assets (such as inventory step-ups). The purpose is to assess the Group's operating activities. EBITDA serves as a complement to operating profit. Adjusted EBITDA facilitates comparison of EBITDA between periods.

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 jun 2022	Full-year 2021
Operating profit	681	298	1,150	530	2,027	1,406
Items affecting comparability	27	43	2	49	-14	33
Amortisations and depreciations	400	165	723	302	1,232	810
Impairment	0	0	0	0	0	0
Adjusted EBITDA	1,108	506	1,876	880	3,245	2,249

ADJUSTED CASH CONVERSION¹

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

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 jun 2022	Full-year 2021
Adjusted EBITDA	1,108	506	1,876	880	3,245	2,249
Change in operating capital	-519	481	-1,062	489	-1,816	-265
Cash flow from net investments in tangible assets	-104	-101	-217	-189	-378	-350
Operating Cash Flow	485	887	597	1,180	1,051	1,634
Adjusted EBITDA	1,108	506	1,876	880	3,245	2,249
Adjusted cash conversion, %	43.7	175.1	31.8	134.1	32.4	72.6

ITEMS AFFECTING COMPARABILITY¹

Items such as remeasurement of contingent considerations, non-recurring costs related to the IPO, and acquisition-related amortisations and stamp duties are excluded to facilitate comparisons between periods.

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 jun 2022	Full-year 2021
Revaluation of additional purchase price	3	-43	62	-49	180	69
Costs related to the IPO	-	-	-	-	-53	-53
Fair value adjustments of acquired assets	-23	0	-51	0	-100	-50
Stamp tax on foreign business combinations	-7	-	-13	-	-13	-
Items affecting comparability	-27	-43	-2	-49	14	-33

INTEREST-BEARING NET DEBT¹

Interest-bearing liabilities (i.e. interest-bearing non-current liabilities, non-current lease liabilities, short-term interest-bearing current liabilities, current lease liabilities and interest-bearing provisions for pensions) less 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	30 Jun 2022	30 Jun 2021	31 Dec 2021
Interest-bearing liabilities	15,505	11,632	7,554
Provisions for pensions, interest-bearing	356	104	280
Current investments	-7	-6	-1
Cash and cash equivalents	-3,758	-6,593	-6,167
Interest-bearing net debt	12,096	5,138	1,666

INTEREST-BEARING NET DEBT/RTM ADJUSTED EBITDA (12 MONTH)¹

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	30 Jun 2022	30 Jun 2021	31 Dec 2021
Interest-bearing net debt	12,096	5,138	1,666
RTM adjusted EBITDA	4,780	2,573	3,115
Interest-bearing net debt/RTM adjusted EBITDA	2.5	2.0	0.5

NET DEBT¹

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

SEK m	30 Jun 2022	30 Jun 2021	31 Dec 2021
Interest-bearing liabilities	15,505	11,632	7,554
Provisions for pensions, interest-bearing	356	104	280
Contingent consideration liabilities	1,425	892	936
Minority options	2,294	767	1,302
Current investments	-7	-6	-1
Cash and cash equivalents	-3,758	-6,593	-6,167
Net debt	15,815	6,797	3,904

ORGANIC EBITA GROWTH¹

Change in EBITA, excluding exchange rate, acquisition and divestment effects from acquisitions and adjusted for Group functions, relative to EBITA for the same companies for 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. The purpose is to analyse underlying growth in operating profit.

ORGANIC NET SALES GROWTH (ORGANIC GROWTH)¹

Change in net sales, excluding exchange rate, acquisition and divestment effects from acquisitions, 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. The purpose is to analyse underlying growth in net sales.

INTEREST COVERAGE RATIO¹

Operating profit plus financial income divided by financial expenses. The purpose is to present earnings in relation to interest costs.

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 Jun 2022	Full-year 2021
Operating profit	681	298	1,150	530	2,027	1,406
Financial income	185	1	219	5	366	152
Profit after financial items, net, including financial expenses	865	299	1,369	534	2,393	1,558
Financial expenses	-211	-31	-386	-53	-658	-325
Interest coverage ratio	4.1	9.7	3.5	10.0	3.6	4.8

WORKING CAPITAL¹

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 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 30 Jun 2022	12 months until 30 Jun 2021	Full-year 2021
Inventories	3,308	1,270	1,947
Accounts receivable	3,444	1,501	2,141
Other current receivables	1,536	651	808
Accounts payable	-2,043	-875	-1,290
Other current liabilities	-2,836	-1,328	-1,749
Working capital	3,410	1,218	1,857

OPERATING MARGIN¹

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

SEK m	2022 Apr-Jun	2021 Apr-Jun	2022 Jan-Jun	2021 Jan-Jun	12 months until 30 jun 2022	Full-year 2021
Operating profit	681	298	1,150	530	2,027	1,406
Net sales	9,059	3,821	15,997	6,713	26,780	17,496
Operating margin, %	7.5	7.8	7.2	7.9	7.6	8.0

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 RATIO¹

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	30 Jun 2022	30 Jun 2021	31 Dec 2021
Net debt	15,815	6,797	3,904
Equity	17,980	8,771	16,588
Debt/equity ratio	0.9	0.8	0.2

EQUITY/ASSETS RATIO¹

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	30 Jun 2022	30 Jun 2021	31 Dec 2021
Equity	17,980	8,771	16,588
Total assets	47,040	27,546	32,223
Equity/assets ratio, %	38.2	31.8	51.5

CAPITAL EMPLOYED¹

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 30 Jun 2022	12 months until 30 Jun 2021	Full-year 2021
Total assets	34,196	15,020	22,496
Non-interest-bearing liabilities	-7,759	-3,125	-4,670
Provisions	-1,443	-445	-803
Capital employed	24,994	11,449	17,024

NUMBER OF SHARES OUTSTANDING¹

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

Total number of registered shares	30 Jun 2022	30 Jun 2021	31 Dec 2021
Serie A shares	148,001,374	210,664,202	148,001,374
Serie B shares	1,515,762,394	1,163,169,340	1,507,913,753
Number of outstanding shares	1,663,763,768	1,373,833,542	1,655,915,127

¹ Classified as an alternative performance measure under ESMA's guidelines.

About Storskogen

Storskogen is a group of companies with a vision to be the best owner of small and medium-sized enterprises. The common denominator for Storskogen's companies is their 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 have a long-term perspective when we acquire and support companies in their continued development, without a time limit on our ownership horizon.



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.



FINANCIAL CALENDAR

Interim report Q3 2022 – 15 November 2022

CONTACT INFORMATION

Daniel Kaplan, CEO and founder, daniel@storskogen.com
 +46 73-920 9400
 Lena Glader, CFO, lena@storskogen.com
 +46 73-988 4466
 Erik Kronqvist, IRO, erik.kronqvist@storskogen.com
 +46 70-697 2222

STORSKOGEN GROUP AB (PUBL.)

Reg.no: 559223-8694
 Visiting address: Hovslagargatan 3, 111 48 Stockholm
info@storskogen.com