

**YEAR-END REPORT  
JANUARY-DECEMBER 2022**



 *storskogen*

## FOURTH QUARTER (1 OCTOBER–31 DECEMBER 2022)

- Net sales increased by 63 percent to SEK 9,836m (6,039).
- Adjusted EBITA increased by 71 percent to SEK 927m (542), corresponding to an adjusted EBITA margin of 9.4 percent (9.0).
- Operating profit (EBIT) increased by 86 percent to SEK 792m (426), corresponding to an operating margin of 8.1 percent (7.1).
- Profit for the period increased by 66 percent to SEK 417m (251).
- Earnings per share before/after dilution amounted to SEK 0.22 (0.13).
- Cash flow from operating activities came in at SEK 1,272m (699).
- Five acquisitions were completed during the quarter, with combined annual sales of SEK 446m for the full year 2022.

## THE PERIOD (1 JANUARY–31 DECEMBER 2022)

- Net sales increased by 96 percent to SEK 34,250m (17,496). Organic sales growth amounted to 12.1 percent.
- Adjusted EBITA increased by 86 percent to SEK 3,143m (1,688), corresponding to an adjusted EBITA margin of 9.2 percent (9.6). Organic EBITA growth amounted to -6.1 percent.
- Operating profit (EBIT) increased by 86 percent to SEK 2,613m (1,406), corresponding to an operating margin of 7.6 percent (8.0).
- Profit for the period increased by 68 percent to SEK 1,592m (947).
- Earnings per share before/after dilution amounted to SEK 0.86 (0.60).
- Cash flow from operating activities increased by 18 percent to SEK 1,628m (1,376).
- 54 acquisitions were completed during the year, with combined annual sales of SEK 11,916m for the full year 2022.

## EVENTS SINCE THE END OF THE PERIOD

- The Board of Directors proposes a dividend of SEK 0.08/share (0.07)
- Since the end of the period, Storskogen has completed three acquisitions with combined annual sales of SEK 95m and EBITA of SEK 16m. Storskogen's earning capacity (RTM adjusted EBITA) including these amounts to SEK 3,507m.
- As of the date of this report, Storskogen has signed three non-binding letters of intent (LOI). These potential acquisitions have combined annual sales of SEK 345m and EBITA of SEK 65m based on the companies' most recent financial year.

Amounts in parentheses are for the corresponding periods in 2021.

## PERFORMANCE MEASURES

SEK m	2022			2021		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Net sales	9,836	6,039	63	34,250	17,496	96
Adjusted EBITA	927	542	71	3,143	1,688	86
Adjusted EBITA-margin, %	9.4	9.0		9.2	9.6	
Operating profit	792	426	86	2,613	1,406	86
Operating margin, %	8.1	7.1		7.6	8.0	
Profit before tax	553	356	56	2,111	1,233	71
Profit for the period	417	251	66	1,592	947	68
Interest-bearing net debt/adjusted RTM EBITDA (12 months), x				2.6	0.5	
Total assets (balance day)				47,482	32,223	
Basic and diluted earnings per share, SEK	0.22	0.13	73	0.86	0.60	43
Return on equity, % (12 months)				8.8	10.4	
Return on capital employed, % (12 months)				10.1	9.1	
Equity/assets ratio, %				41.3	51.5	
Cash flow from operating activities	1,272	699		1,628	1,376	

# Comments from the CEO

Net sales increased by 96 percent to SEK 34.3 billion (17.5) in 2022, which means Storskogen has nearly doubled in size. Most of the increase is attributable to acquisitions, combined with good organic growth of 12 percent for the period. We conducted our business in an environment of significant global change during the year. Nonetheless, we continue to work actively with our companies, focusing on cash flow and strengthening profitability and the balance sheet. In the medium term, and under more stable conditions, our target is once again to accelerate acquisition-driven growth.

The fourth quarter was seasonally strong, and our portfolio companies developed in line with expectations. The reported adjusted EBITA margin of 9.4 percent was higher than in the corresponding period of the previous two years. However, in line with the historical pattern, we expect a weaker first quarter.

The demand trends seen during the third quarter largely continued in the fourth quarter, with lower demand in some consumer-related segments and sustained high demand in the Industry business area. Within Services, cost savings, price increases and strong demand contributed to another quarter with a sequential improvement in profitability. The business area Trade continued to operate in a challenging environment with a strong dollar, weaker consumer demand and reduced inventory among retailers. We acknowledge the potential effects of a recession in 2023 and have action plans in place to be able to handle such an eventuality.

Cash flow improved in the fourth quarter, and we delivered adjusted cash conversion of 109 percent. We are pleased to see that working capital decreased by SEK 306 million during the quarter, and we will continue to work in a structured manner with the portfolio companies to reduce working capital, which over time should free up additional capital. Strong cash flow contributed to a decrease in interest-bearing net debt of SEK 410 million in the quarter, which reduced leverage from 2.7x to 2.6x (interest-bearing net debt/RTM adjusted EBITDA) by the end of the year.

The past year has been another eventful period in Storskogen's history, and we are proud to have nearly doubled in size, through organic growth and by acquiring 54 profitable companies. During the year, as part of our systematic work of owning and developing companies, we launched KX (Knowledge Exchange), a tool for enabling knowledge-sharing and cost synergies. For example, joint procurement has already enabled us to achieve energy cost savings. We work with succession planning, system support and other vital issues to reduce dependence on key personnel and lower risk in the portfolio companies. I am confident that our model, which combines the strength of a global group with the agility of a decentralised decision model, will create and unlock value for our shareholders.

Storskogen has now been a listed company for five quarters, a period of significant global change that has created uncertainty regarding the business cycle and caused inflation to increase. Our organisation is used to taking on challenges and opportunities in a professional and entrepreneurial manner. We have a strong focus on cash flow and it is our clear ambition to decrease leverage towards the lower end of our target range of 2-3x. We have slowed the acquisition rate and will keep it relatively low until the net debt/EBITDA ratio has come down to the desired level. Once this has been reached, we look forward to using our strong organic cash flow to resume acquisition-driven growth.

Finally, I would like to thank our more than 12,000 employees, who despite challenges have done a fantastic job. I am confident that 2023 will be another eventful year in our continued endeavour to empower businesses to realise their full potential and to reach our vision of becoming the leading international owner of small and medium-sized companies.

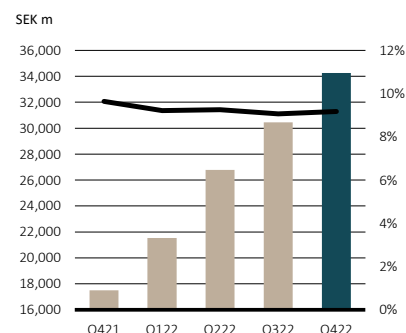
Daniel Kaplan, CEO



"We conducted our business in an environment of significant global change during the year. Nonetheless, we continue to work actively with our companies, focusing on cash flow and strengthening profitability and the balance sheet."

**Daniel Kaplan, CEO**

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



## MEDIUM-TERM FINANCIAL TARGETS

**ORGANIC EBITA GROWTH**  
Real GDP growth plus 1-2 percentage points (existing markets)

**EBITA GROWTH INCLUDING ACQUISITIONS**  
Growth in line with historical levels

**ADJUSTED EBITA MARGIN**  
10 percent over time

**ADJUSTED CASH CONVERSION**  
>70 percent (LTM)

**INTEREST-BEARING NET DEBT/RTM ADJUSTED EBITDA**  
2.0-3.0x

# The Group's performance

## SALES

### Fourth quarter 2022

Net sales for the fourth quarter increased by 63 percent to SEK 9,836 million (6,039). The growth was mainly related to acquisitions, but underlying growth remained strong for all three business areas in the quarter. The underlying growth was driven by both volume and price with generally strong demand and the impact from price increases.

### January–December 2022

Net sales for the full year increased by 96 percent to SEK 34,250 million (17,496). Organic sales growth for the year, meaning the growth in companies that were owned by Storskogen for both complete comparable periods, was 12.1 percent.

### 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 37,371 million.

## EARNINGS

### Fourth quarter 2022

For the fourth quarter, adjusted EBITA increased by 71 percent to SEK 927 million (542), corresponding to an adjusted EBITA margin of 9.4 percent (9.0). Operating profit (EBIT) increased by 86 percent to SEK 792 million (426) and the operating margin came in at 8.1 percent (7.1).

Net financial items amounted to SEK -239 million (-71), of which SEK 10 million (111) consisted of positive exchange rate effects and other financial income, SEK -222 million (-108) of interest and other expenses for loans and leasing, and SEK -27 million (-74) of negative exchange rate effects and other financial expenses.

Profit before tax increased by 56 percent to SEK 553 million (356). Profit for the period increased by 66 percent to SEK 417 million (251). Earnings per share amounted to SEK 0.22 (0.13).

Items affecting comparability, which are adjusted for in EBITA, amounted to SEK -87 million (-16), consisting of remeasurements of contingent considerations of SEK -93 million (-69), fair value adjustments of acquired assets (inventory) of SEK 1 million (49) and capital loss from divestments of SEK -5 million (0). Transaction costs, which are not included in items affecting comparability but are distributed per business area, affected the profit for the quarter by SEK -6 million (-45). Group functions affected adjusted EBITA by SEK -74 million (-75). The combined adjusted EBITA margin for the business areas, excluding Group functions and transaction costs, was 10.2 percent (11.0).

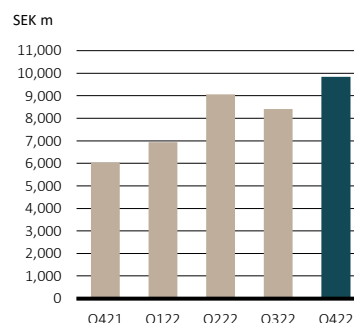
As previously communicated, the fourth quarter is seasonally stronger with high sales volumes. This, as well as high demand, is reflected in the good organic growth for the quarter and the full year. Price adjustments that were implemented continuously throughout the year are visible in both sales and earnings, also for businesses with longer projects. Thanks to the diversified portfolio, weak trends in some customer segments in Trade were offset by strong trends in Industry and Services. However, the weak Swedish krona affected earnings considerably, mostly within Trade, due to Storskogen's continued strong presence in Sweden, where the company is a net importer.

The first quarter is seasonally weaker than the fourth, due to lower activity during vacation periods. For further information on the business areas, see pages 5-7.

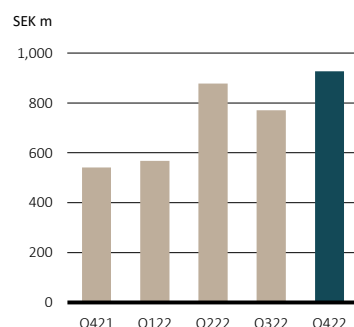
### January–December 2022

Adjusted EBITA for the full year increased by 86 percent to SEK 3,143 million (1,688), corresponding to an adjusted EBITA margin of 9.2 percent (9.6). Organic EBITA growth was -6.1 percent for the period and was negatively affected by cost inflation and the weak Swedish krona. Operating profit (EBIT) increased by 86 percent to SEK 2,613 million (1,406) and the operating margin was 7.6 percent (8.0). Net financial items amounted to SEK -502 million (-173), of which SEK 456 million (145) consisted of exchange rate gains and other financial income, SEK -567 million (-241) of interest and other loan and leasing expenses, and SEK -390 million (-77) of negative exchange rate effects and other financial expenses. Profit before tax increased by 71 percent to SEK 2,111 million (1,233). Profit for the period increased by 68 percent to SEK 1,592 million (947). Earnings per share amounted to SEK 0.86 (0.60).

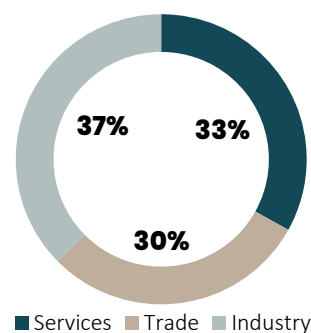
## NET SALES BY QUARTER



## OPERATING PROFIT (ADJUSTED EBITA) BY QUARTER



## BREAKDOWN OF SALES BY BUSINESS AREA, Q4 2022



### 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 4,658 million and adjusted EBITA of SEK 3,491 million, corresponding to an adjusted EBITA margin of 9.3 percent.

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

SEK m	2022			2021		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Services	3,258	2,336	39	11,351	6,906	64
Trade	2,908	1,794	62	9,637	5,410	78
Industry	3,680	1,913	92	13,288	5,186	156
<b>Operations</b>	<b>9,845</b>	<b>6,043</b>	<b>63</b>	<b>34,276</b>	<b>17,502</b>	<b>96</b>
Group operations	-9	-4		-26	-6	
<b>Net sales, Group</b>	<b>9,836</b>	<b>6,039</b>	<b>63</b>	<b>34,250</b>	<b>17,496</b>	<b>96</b>

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

SEK m	2022			2021		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Services	367	243	51	1,079	695	55
Trade	228	153	49	923	582	59
Industry	406	222	83	1,460	626	133
Group operations	-74	-75		-319	-215	
<b>Adjusted EBITA</b>	<b>927</b>	<b>542</b>	<b>71</b>	<b>3,143</b>	<b>1,688</b>	<b>86</b>
Reversal of adjusted items	87	-16		162	-33	
<b>EBITA</b>	<b>1,014</b>	<b>526</b>	<b>93</b>	<b>3,305</b>	<b>1,655</b>	<b>100</b>
Amortisation of intangible non-current assets	-222	-100		-692	-249	
<b>Operating profit, EBIT</b>	<b>792</b>	<b>426</b>	<b>86</b>	<b>2,613</b>	<b>1,406</b>	<b>86</b>

### RETURNS

Return on equity was 8.8 percent (10.4) and return on capital employed was 10.1 percent (9.1). These return metrics are affected by growth and the dilutive effects of share issues during the most recent 12-month period, assuming the proceeds from the issues have not yet been used for acquisitions.

### FINANCIAL POSITION

As of 31 December 2022, the Group had equity of SEK 19,628 million (16,588) and an equity/assets ratio of 41.3 percent (51.5). As of 31 December 2022, cash and cash equivalents amounted to SEK 3,022 million (6,167). The Group also had unutilised credit facilities of SEK 7,000 million at the end of the period. The Group's interest-bearing net debt decreased during the quarter by SEK 410 million to SEK 12,260 million as of 31 December 2022. Interest-bearing net debt/EBITDA, based on RTM adjusted EBITDA for the last 12-month period, decreased during the quarter, from 2.7x to 2.6x (0.5), which is within the target range of 2-3x.

### CASH FLOW AND INVESTMENTS

Cash flow from operating activities amounted to SEK 1,272 million (699) in the fourth quarter. Cash flow improved compared to the previous year due to higher profit and a lower level of working capital tied up. Changes in working capital positively affected cash flow by SEK 306 million (97). Adjusted cash conversion (adjusted EBITDA after changes in working capital and net investments in tangible assets as a percentage of adjusted EBITDA) was 109 percent (98). Cash flow for the quarter was positively impacted by lower inventory levels and decreased trade receivables, while lower trade payables due to reduced purchases had a negative effect. Cash flow from operating activities amounted to SEK 1,628 million (1,376) in the year. The improvement mainly consisted of a higher profit compared to the previous year. Changes in working capital negatively impacted cash flow by -1,143 million (-265) in the year. For the previous 12-month period, adjusted cash conversion was 59 percent (73).

The Group's net investments in tangible assets, i.e. capex, amounted to SEK 194 million (113) in the fourth quarter, corresponding to 2.0 percent (1.9) of net sales in the quarter, and SEK 539 million (350) in the full year, corresponding to 1.6 percent (2.0) of net sales in the year. Acquisitions and divestments of shares in subsidiaries, including payments of contingent considerations for acquisitions in previous years, amounted to net SEK 371 million (2,255) in the fourth quarter and SEK 9,190 million (7,849) in the full year.

# Business area Services

## RESULTS

Net sales in the Services business area increased by 39 percent to SEK 3,258 million (2,336) in the fourth quarter and by 64 percent to SEK 11,351 million (6,906) for the full year 2022. Organic sales growth in 2022 was 14 percent.

Adjusted EBITA increased by 51 percent to SEK 367 million (243) in the fourth quarter and by 55 percent to SEK 1,079 million (695) for the full year 2022. The adjusted EBITA margin was 11.3 percent (10.4) for the quarter and 9.5 percent (10.1) for the year. Organic EBITA growth in 2022 was -5 percent.

The result includes transaction costs of SEK 0 million (-11) for the quarter and SEK 22 million (17) for the full year 2022. The adjusted EBITA margin excluding transaction costs was 11.3 percent (10.9) for the quarter and 9.7 percent (10.3) for the full year.

SEK m	2022			2021		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Net sales	3,258	2,336	39	11,351	6,906	64
Adjusted EBITA excl. transaction costs	367	255	44	1,101	712	55
Transaction costs	0	-11		-22	-17	
Adjusted EBITA	367	243	51	1,079	695	55
Adjusted EBITA-margin, %	11.3	10.4		9.5	10.1	
Adjusted EBITA-margin excl. transaction costs, %	11.3	10.9		9.7	10.3	
Number of employees, end of period				5,140	4,297	
Number of business units, end of period				62	50	

The fourth quarter is seasonally strong for the companies within Services, and this was the case in 2022 too. In a market characterised by strong demand, and many instances of high occupancy rates, the EBITA margin for the quarter strengthened to its highest level for the year and surpassed the margin for the same period last year. A full impact from price adjustments, stabilisation of raw material and material prices, and fewer supply chain issues contributed to the improvement. Despite a strong final quarter, the EBITA margin for the full year was lower than in 2021, due to a challenging first half of the year.

The verticals that contributed most to the improved profitability were Logistics, Digital Services and Infrastructure. Logistics and Digital Services both enjoyed favourable market conditions with high demand. Infrastructure strengthened its margin continuously during the second half of the year and achieved a better EBITA margin in the fourth quarter than in the corresponding quarter of 2021. The main reason was the gradual impact of implemented price increases, with some time lag due to ongoing projects.

The companies in the Installation vertical experienced good demand with high occupancy and stabilised market conditions, which benefited both sales and profitability. However, profitability was somewhat lower than previous year.

A seasonally weaker start to the year is common for companies in the service sector. The companies in the Installation vertical are expecting continued good demand during the first half of the year but have lower visibility for the second half. The companies in Infrastructure also have relatively good order books. The Logistics vertical, which had a positive 2022, is facing some uncertainties in 2023, with generally lower purchasing power possibly leading to lower volumes. Some companies in the Engineering Services and Infrastructure verticals are active early in the value chain when new construction takes place and thus could be affected by lower activity.

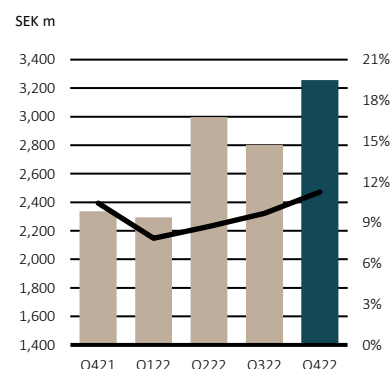
## ACQUISITIONS DURING THE QUARTER

During the fourth quarter of 2022, two smaller add-on acquisitions were completed; EnergiStyret i Kronoberg was added to Växjö Elmontage, and Eneron was added to Buildercom Group. A divestment was also completed, of Thermo-Fasad within Dextry Group, previously Måla i Sverige.

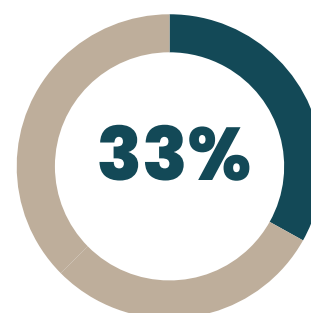


The Services business area comprises service companies with strong positions in specific B2B niche markets. It consists of 62 business units in the following verticals: Contracting Services, Infrastructure, Installation, Logistics, Engineering Services, Digital Services, and HR and Competence.

## SALES, SEK M ADJUSTED EBITA MARGIN, %



## SHARE OF GROUP SALES, Q4 2022



# Business area Trade

## RESULTS

Net sales in the Trade business area increased by 62 percent to SEK 2,908 million (1,794) in the fourth quarter and by 78 percent to SEK 9,637 million (5,410) for the full year 2022. Organic sales growth for the full year was 10 percent.

Adjusted EBITA increased by 49 percent to SEK 228 million (153) for the quarter and by 59 percent to SEK 923 million (582) for the full year. The adjusted EBITA margin was 7.8 percent (8.5) for the quarter and 9.6 percent (10.8) for the full year. Organic EBITA growth for the full year amounted to -14 percent.

The result includes transaction costs of SEK 2 million (7) for the quarter and SEK 26 million (14) for the full year. The adjusted EBITA margin excluding transaction costs was 7.9 percent (8.9) for the quarter and 9.9 percent (11.0) for the full year.

SEK m	2022			2021		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Net sales	2,908	1,794	62	9,637	5,410	78
Adjusted EBITA excl. transaction costs	229	160	43	950	596	59
Transaction costs	-2	-7		-26	-14	
Adjusted EBITA	228	153	49	923	582	59
Adjusted EBITA-margin, %	7.8	8.5		9.6	10.8	
Adjusted EBITA-margin excl. transaction costs, %	7.9	8.9		9.9	11.0	
Number of employees, end of period				2,417	1,555	
Number of business units, end of period				35	25	

The trends that could be noted after the summer largely persisted in the fourth quarter, with continued strong demand in the Health and Beauty and Niche Businesses verticals. Consumer-related durable goods saw continued subdued demand and some companies with sales to e-commerce customers were negatively impacted. This e-commerce is primarily found within the Home and Living as well as Sports, Clothing and Accessories verticals, and the weaker demand was partly related to high inventory levels among the companies' customers.

Despite cost inflation during the year being largely offset by price increases, the margin was pushed down. Profitability was especially impacted by the weaker Swedish krona, since a large share of purchases are made in dollars, but declining consumer demand also affected some companies. However, freight costs continued to decrease during the last quarter. The business area has considerable focus on reducing working capital, which contributed to a decrease in the total inventory value in the fourth quarter, while issues with delivery delays were largely resolved. Reducing working capital takes time but is starting to have an effect.

The Sports, Clothing and Accessories vertical reported some decrease in margin compared to the corresponding quarter the year before, mainly as a result of somewhat subdued demand due to high inventory levels among the vertical's customers. Profitability in the Home and Living vertical was primarily affected by increased material prices. These were somewhat compensated for by price increases, however with delay due to commitments to fixed prices. Health and Beauty saw continued high profitability. Despite the challenging macro-economic environment, Niche Businesses performed well with a higher margin than in the corresponding quarter in 2021.

Verticals that are less sensitive to the business cycle, like Health and Beauty and Niche Businesses, are expecting stable demand. However, uncertain market conditions are expected to have continued impact on demand, especially for durable goods. The work to decrease working capital in the business area continues, and there is a strong focus on reducing inventory levels.

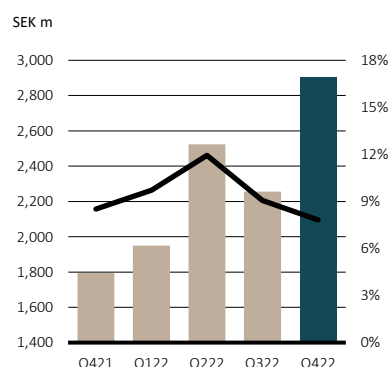
## ACQUISITIONS DURING THE QUARTER

During the last quarter of the year, Cutrin Norge was acquired, a distributor of professional hair care products. The company is an exclusive distributor of brands such as Cutrin and Moroccanoil in Norway. Cutrin Norge is an add-on acquisition and becomes part of the Health and Beauty vertical.

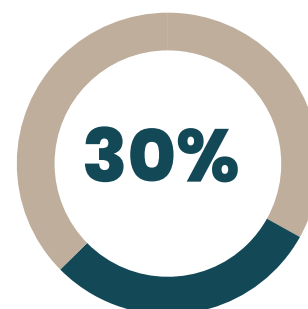


The Trade business area comprises companies selling physical products. The majority are distributors and wholesalers that market both their own and external brands. It consists of 35 business units in the following verticals: Home and Living, Health and Beauty, Sports, Clothing and Accessories, and Niche Businesses.

## SALES, SEK M ADJUSTED EBITA MARGIN, %



## SHARE OF GROUP SALES, Q4 2022



# Business area Industry

## RESULTS

Net sales in the Industry business area increased by 92 percent to SEK 3,680 million (1,913) in the fourth quarter and by 156 percent to SEK 13,288 million (5,186) for the full year. Organic sales growth amounted to 11 percent for the full year.

Adjusted EBITA increased by 83 percent to SEK 406 million (222) in the fourth quarter and by 133 percent to SEK 1,460 million (626) for the full year. The adjusted EBITA margin was 11.0 percent (11.6) for the quarter and 11.0 percent (12.1) for the full year. Organic EBITA growth was 1 percent for the full year.

The result includes transaction costs of SEK 4 million (30) for the quarter and SEK 24 million (48) for the full year. Excluding these, the adjusted EBITA margin was 11.1 percent (13.1) for the quarter and 11.2 percent (13.0) for the full year.

SEK m	2022			2021		
	Oct-Dec	Oct-Dec	Change %	Jan-Dec	Jan-Dec	Change %
Net sales	3,680	1,913	92	13,288	5,186	156
Adjusted EBITA excl. transaction costs	410	251	63	1,484	674	120
Transaction costs	-4	-30		-24	-48	
Adjusted EBITA	406	222	83	1,460	626	133
Adjusted EBITA-margin, %	11.0	11.6		11.0	12.1	
Adjusted EBITA-margin excl. transaction costs, %	11.1	13.1		11.2	13.0	
Number of employees, end of period				5,276	2,786	
Number of business units, end of period				39	30	

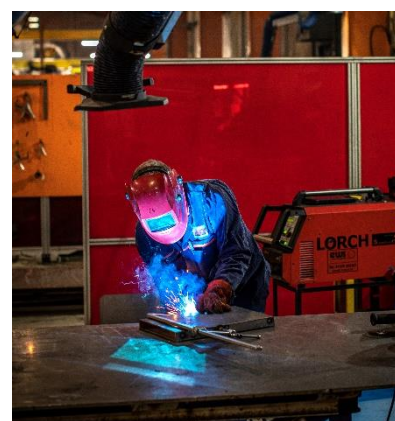
The Industry business area maintained good sales and profit growth, despite an uncertain macro environment. The underlying market was characterised by good demand even though order intake decreased somewhat during the quarter. All companies were affected by high cost inflation, with the exception of some raw material prices, especially steel, which continued to decrease during the quarter. In addition, several companies were affected by problematic supply chains with long lead times for components. However, implemented price increases largely offset the increased costs, which combined with continuous productivity improvements resulted in the EBITA margin remaining at a good level, in line with the previous quarter. Compared to the previous year, the EBITA margin was lower as a result of the above factors in combination with the fact that the fourth quarter of 2021 was strong.

The Automation vertical had a generally strong quarter due to continued high demand for automation solutions from the engineering and wood industries. The Industrial Technology vertical also had a good quarter overall, especially for the metal processing and metal application companies as well as for the foundries. Within the Products vertical, the companies with customers that deliver to the consumer market were affected by weaker demand, while several of the other companies developed well.

The uncertain macro environment makes it difficult to forecast market developments for the Industry companies. Geopolitical unrest, cost inflation and continued component shortages are being continuously addressed by the businesses. Order books remain at a high level, even though order intake decreased somewhat during the fourth quarter. The underlying trends of high demand for automation solutions and reshoring of production from low-cost countries to Sweden and Europe are expected to continue with a positive effect on several of the Industry companies, from both a financial and sustainability perspective.

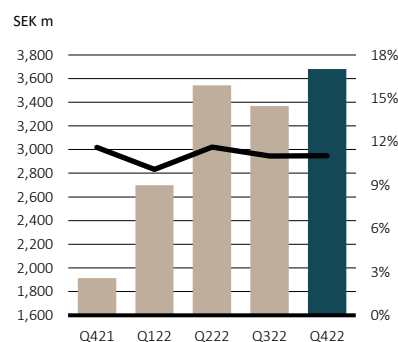
## ACQUISITIONS DURING THE QUARTER

During the quarter, the Singaporean company CMTi was acquired. CMTi manufactures special cabling for the medical technology industry. The company is part of the Automation vertical and constitutes the first acquisition in Asia for the Industry business area.

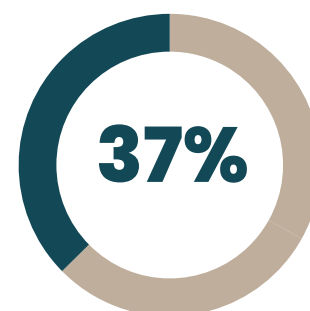


The Industry business area comprises on traditional B2B industrial companies in heavy and medium-heavy industry, manufacturing and automation. It consists of 39 business units in the following verticals: Automation, Industrial Technology, and Products.

## SALES, SEK M ADJUSTED EBITA MARGIN, %



## SHARE OF GROUP SALES, Q4 2022





# Acquisitions

Storskogen completed five acquisitions during the fourth quarter, with a total of 439 employees, combined annual sales of SEK 446 million and EBITA of SEK 104 million, based on the companies' most recent financial year. Of these five acquisitions, one was a platform acquisition and four were add-on acquisitions. During the quarter, Thermo-Fasad, a subsidiary of Dextro Group, previously Måla i Sverige, was divested. The divested company had sales of SEK 31 million and EBITA of SEK -5 million.

For more information on acquisitions completed during the period 1 January 2022 – 31 December 2022, see Note 4 – Business combinations.

## ACQUISITIONS DURING THE PERIOD

### Breakdown of acquisitions completed in January–December 2022 by Group business area:

Acquisition / divestment	Acquisition date	Annual net sales 2022, SEK m	Number of employees by acquisition	Share of capital/votes, %	Business area
Fremco A/S, incl. subsidiaries	January	102	20	84.0	Industry
Trollskes Maskinservice AB	January	15	10	92.6	Industry
2M2 Group AB, incl. subsidiaries	January	246	10	90.1	Trade
Budettan AB	January	55	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	19	47	90.1	Services
EVIAB Gruppen AB, incl. subsidiaries	January	253	84	90.1	Services
Tornado Group Ltd, incl. subsidiaries	January	396	98	80.0	Industry
A&K Die Frische Küche GmbH, incl. subsidiaries	January	235	172	100	Industry
LNS Holding SA, incl. subsidiaries	January	2,444	1,080	100	Industry
Nimbus Gruppen AS, incl. subsidiaries	February	261	124	90.1	Services
EI & Nätverksmontage i Stockholm AB (ENAB)	February	7	13	90.1	Trade
Hudikhus AB	February	150	24	70.0	Trade
ViaAnalyze AB	February	8	N/A	91.6	Services
Brandprojektering Sverige AB, incl. subsidiaries	February	33	19	70.0	Services
Karriärkonsulten Sverige AB	February	56	66	86.0	Services
Christ & Wirth Haustechnik GmbH	February	311	44	80.0	Services
Hedson Technologies International AB, incl. subsidiaries	March	270	125	100	Industry
Nitro Consult Aktiebolag	March	131	72	100	Services
Extra UK Ltd, incl. subsidiaries	March	260	32	80.0	Trade
Stop Start Transport Ltd	March	90	16	80.0	Services
Vokus Personal AG	March	303	16	90.0	Services
Dimabay GmbH, incl. subsidiaries	March	202	20	74.9	Trade
INGENIØR'NE A/S, incl. subsidiaries	March	231	170	82.0	Services
VSH Holding AB (Swedwise), incl. subsidiaries	April	84	30	82.4	Services
PR Home of Scandinavia AB, incl. subsidiaries	April	110	54	70.0	Trade
Session MAP AB	April	164	46	70.0	Trade
DETABECOMAT Automation AB (DETAB)	April	12	11	100	Industry
Dafra Försäljning Aktiebolag	April	30	8	95.0	Trade
Tysse Mekaniske Verksted AS, incl. fellow subsidiary	April	283	65	98.7	Industry
Matterhorn Sverige AB	April	47	4	91.0	Trade
JO Sport i Hudiksvall AB	April	180	24	80.0	Trade
Racketdoktor AB	May	68	7	67.7	Trade
Danboring A/S, incl. subsidiaries	May	107	35	90.1	Services
Golv o Mattvaruhuset i Göteborg AB	May	28	6	100	Trade
Fabco Sanctuary Ltd	May	148	88	80.0	Industry

Acquisition / divestment	Acquisition date	Annual net sales 2022, SEK m	Number of employees by acquisition	Share of capital/votes, %	Business area
Scandinavian Cosmetics Group, incl. subsidiaries	May	1,053	235	95.9	Trade
Thermica AS	May	673	13	80.0	Services
Contain Svenska AB (Contilog)	June	50	2	80.0	Services
ElFabriken Sverige AB	June	22	9	81.3	Services
Acreto AB	June	210	22	80.0	Trade
Projektstrateg Sverige AB	June	19	20	70.0	Services
Höganäs Träprofiler AB	June	27	2	100	Trade
J&D Pierce (Contracts) Ltd, incl. subsidiaries	June	1,730	425	80.0	Industry
Vox Hair Concept AS, incl. subsidiaries	July	208	230	80.0	Trade
XodBox Pte Ltd, incl. subsidiaries	July	45	26	65.0	Services
Lucky Harpan AB	July	3	-	100	Industry
Hans Löfqvist Engineering AB	July	51	16	100	Industry
CMTi Pte. Ltd. (CMTi), incl. subsidiaries	October	235	384	70.0	Industry
EnergiStyret i Kronoberg AB	October	5	2	63.1	Services
Cutrin Gruppen Norge AS, incl. subsidiaries	October	204	53	92.0	Trade
VIFAB, Verkstadsindustri Fastighet AB	October	1	-	90.1	Industry
Eneron Oy	November	1	-	100	Services
Divestment Thermo-Fasad AB	December	-31	-19	94.8	Services
<b>Sum</b>		<b>11,885</b>	<b>4,125</b>		

Since the end of the quarter and up until the date of this report, Storskogen has completed three acquisitions with combined annual sales of SEK 95 million. For more information on these acquisitions, see the section “Significant events since the end of the period”.

As of the date of this report, Storskogen has signed three non-binding letters of intent regarding potential acquisitions. These companies have combined annual sales of around SEK 345 million.

# Other financial information

## EMPLOYEES

At the end of the year, the Group had 12,945 (8,719) employees. Acquisitions carried out during the quarter increased the number of employees by 439.

## SHARE CAPITAL

On 31 December 2022, the number of shares amounted to 1,664 million, divided into 1,516 million Series B shares and 148 million Series A shares.

### Share structure on 31 December 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
<b>Total number of shares</b>	<b>1,663,763,768</b>	<b>2,995,776,134</b>	<b>100.0</b>	<b>100.0</b>

### Ten largest shareholders on 31 December 2022<sup>1</sup>

	Series A	Series B	Percentage of capital	Percentage of votes
Daniel Kaplan <sup>2</sup>	38,270,140	37,035,122	4.5	14.0
Alexander Murad Bjärgård	37,539,070	27,691,998	3.9	13.5
Ronnie Bergström <sup>3</sup>	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	-	141,366,852	8.5	4.7
Futur Pension	-	87,150,553	5.2	2.9
Movestic Pension	-	77,894,745	4.7	2.6
Swedbank Robur Fonder	-	73,204,287	4.4	2.4
Vanguard	-	48,348,708	2.9	1.6
Philian Invest AB	-	36,200,000	2.2	1.2
<b>Total largest shareholders</b>	<b>148,001,374</b>	<b>563,120,376</b>	<b>42.7</b>	<b>68.2</b>
Other	-	952,642,018	57.3	31.8
<b>Total</b>	<b>148,001,374</b>	<b>1,515,762,394</b>	<b>100.0</b>	<b>100.0</b>

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

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

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

## PARENT COMPANY

The Parent Company generated net sales of SEK 62 million (32) in the fourth quarter and SEK 156 million (104) for the full year. Profit amounted to SEK 106 million (763) for the quarter and SEK 485 million (608) for 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 terms of transactions or relationships with related parties, compared with what appears in the Annual Report 2021. All related-party transactions have taken place at market terms.

## **SIGNIFICANT EVENTS SINCE THE END OF THE PERIOD**

Since the end of the period, the Group has completed three acquisitions, all of which are add-on acquisitions.

The Services business area has completed one add-on acquisition through SoVent Group, which acquired HSV Hässleholm to broaden and develop its existing range of soot and ventilation services.

The Industry business area has completed two add-on acquisitions, both through ARAT Group, which acquired Höga Kusten Resurs Teknik and Loginor with the aim of further expanding the Group's expertise and offering within the sawmill and processing industries.

Acquisitions completed since the end of the period have combined annual sales of SEK 95 million and EBITA of SEK 16 million.

In addition, as of the date of the report, the Group has entered into three 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. These potential acquisitions have combined annual sales of SEK 345 million, and EBITA of approximately SEK 65 million.

## **ANNUAL GENERAL MEETING 2023**

The annual general meeting will be held on 12 May in Stockholm. Further information regarding location, how the AGM will be conducted, and registration will be included in the notice of the AGM, which will be published no earlier than six weeks and no later than four weeks before the AGM. Information on how shareholders can submit proposals to the AGM can be found on Storskogen's website.

## **DIVIDEND**

The Board has decided to propose to the Annual General Meeting in May, a dividend corresponding to SEK 0.08 per A and B share.

The Chief Executive Officer hereby provides assurance that this year-end 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 February 2023

Storskogen Group AB

Daniel Kaplan  
*CEO*

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

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# Financial statements

## CONSOLIDATED INCOME STATEMENT, CONDENSED

SEK m	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	9,836	6,039	34,250	17,496
Cost of goods sold	-7,901	-4,796	-27,475	-13,792
<b>Gross profit</b>	<b>1,935</b>	<b>1,243</b>	<b>6,775</b>	<b>3,704</b>
Selling expenses	-851	-504	-2,890	-1,408
Administrative expenses	-513	-469	-2,032	-1,171
Other operating income	497	197	1,393	539
Other operating expenses	-276	-40	-634	-257
<b>Operating profit</b>	<b>792</b>	<b>426</b>	<b>2,613</b>	<b>1,406</b>
Financial income	21	117	479	152
Financial expenses	-259	-187	-980	-325
<b>Profit before tax</b>	<b>553</b>	<b>356</b>	<b>2,111</b>	<b>1,233</b>
Tax	-137	-105	-519	-286
<b>Profit for the period</b>	<b>417</b>	<b>251</b>	<b>1,592</b>	<b>947</b>
<b>Profit for the year attributable to:</b>				
Owners of the parent company	367	211	1,436	856
Non-controlling interests	49	40	157	91
Basic and diluted earnings per share, SEK	0.22	0.13	0.86	0.60

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONDENSED

SEK m	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
<b>Profit for the period</b>	<b>417</b>	<b>251</b>	<b>1,592</b>	<b>947</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to the income statement</b>				
Remeasurements of defined benefit pension plans	75	-20	150	-19
<b>Total items that will not be transferred to the income statement</b>	<b>75</b>	<b>-20</b>	<b>150</b>	<b>-19</b>
<b>Items that have or may be transferred to the income statement</b>				
Exchange differences, foreign operations	43	70	566	99
Gains/losses on holding of derivatives for cash flow hedging	0	1	-16	-7
<b>Total items that have or may be transferred to the income statement</b>	<b>43</b>	<b>71</b>	<b>549</b>	<b>92</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>118</b>	<b>52</b>	<b>700</b>	<b>74</b>
<b>Comprehensive income for the period</b>	<b>534</b>	<b>303</b>	<b>2,292</b>	<b>1,020</b>
<b>Comprehensive income for the period attributable to:</b>				
Owners of the parent company	463	251	2,066	918
Non-controlling interests	72	52	226	102

## CONSOLIDATED BALANCE SHEET, CONDENSED

SEK m	31 Dec 2022	31 Dec 2021
<b>Assets</b>		
Intangible assets	25,566	15,344
Property, plant and equipment	5,305	3,332
Financial non-current assets	80	33
Pension obligation assets	9	-
Deferred tax assets	133	62
<b>Total non-current assets</b>	<b>31,093</b>	<b>18,771</b>
Inventories	5,203	2,924
Trade receivables	4,940	2,925
Current receivables	3,223	1,435
Current investments	1	1
Cash and cash equivalents	3,022	6,167
<b>Total current assets</b>	<b>16,389</b>	<b>13,452</b>
<b>Total assets</b>	<b>47,482</b>	<b>32,223</b>
<b>Equity and liabilities</b>		
<b>Total equity</b>	<b>19,628</b>	<b>16,588</b>
Interest-bearing non-current liabilities	14,453	6,929
Provisions for pensions	205	280
Non-interest-bearing non-current liabilities	2,343	1,801
Provisions	87	87
Deferred tax liabilities	1,865	917
<b>Total non-current liabilities</b>	<b>18,954</b>	<b>10,013</b>
Interest-bearing current liabilities	625	625
Trade payables	2,563	1,730
Non-interest-bearing current liabilities	5,713	3,266
<b>Total current liabilities</b>	<b>8,901</b>	<b>5,621</b>
<b>Total equity and liabilities</b>	<b>47,482</b>	<b>32,223</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

SEK m	31 Dec 2022	31 Dec 2021
<b>Opening equity attributable to owners of the parent company <sup>1</sup></b>	<b>16,564</b>	<b>4,909</b>
Adjustment of opening equity attributable to owners of the parent company due to correction of errors <sup>1</sup>	-	344
<b>Opening equity attributable to owners of the parent company after correction of errors <sup>1</sup></b>	<b>16,564</b>	<b>5,253</b>
<b>Comprehensive income</b>		
Profit for the period	1,436	856
Remeasurements of defined benefit pension plans	148	-19
Other comprehensive income for the period	482	81
<b>Comprehensive income for the period</b>	<b>2,066</b>	<b>918</b>
<b>Transactions with the Group's owners</b>		
<b>Contributions from and value transfers to owners</b>		
Dividends paid	-116	-536
Share issue, cash	-	10,319
Share issue, non-cash	168	861
Transaction costs on issue of shares, after tax	0	-181
Contributed capital from issued share options	-	10
Share-based payment transactions	30	5
Put options attributable to non-controlling interests <sup>1</sup>	1,050	-65
<b>Total contributions from and value transfers to owners</b>	<b>1,131</b>	<b>10,413</b>
<b>Changes in ownership of subsidiaries</b>		
Acquisition/divestment of non-controlling interests	-168	-20
<b>Total changes in ownership of subsidiaries</b>	<b>-168</b>	<b>-20</b>
<b>Total transactions with the Group's owners</b>	<b>964</b>	<b>10,393</b>
<b>Closing equity attributable to owners of the parent company</b>	<b>19,595</b>	<b>16,564</b>
<b>Opening equity in non-controlling interests <sup>1</sup></b>	<b>24</b>	<b>353</b>
Adjustment of opening equity in non-controlling interests due to correction of errors <sup>1</sup>	-	-344
<b>Opening equity in non-controlling interests after correction of errors <sup>1</sup></b>	<b>24</b>	<b>9</b>
Profit for the period	157	91
Other comprehensive income for the period	69	11
<b>Comprehensive income for the period</b>	<b>226</b>	<b>102</b>
Dividends to non-controlling interests	-123	-32
Acquisition/divestment of non-controlling interests	24	12
Non-controlling interests arising on business combinations from before	1,622	740
Shareholders contribution from non-controlling interest	-	17
Put options attributable to non-controlling interests <sup>1</sup>	-1,739	-825
<b>Closing equity in non-controlling interests</b>	<b>34</b>	<b>24</b>
<b>Total equity</b>	<b>19,628</b>	<b>16,588</b>

<sup>1</sup> The allocation of opening equity as of 1 January 2021 has been adjusted due to correction of error from the previous year. In several of Storskogen's subsidiaries, there are put options regarding purchase of non-controlling interests which is reported as other liabilities in the consolidated balance sheet. Since the minority's share of the Group's total equity is reflected in the liability, the liability should not simultaneously be included in the equity item of non-controlling interests.

The correction has been made retroactively, which has entailed a transfer from non-controlling interests to equity attributable to owners of the parent company. Equity attributable to owners of the parent company as of 1 January 2021 has increased by SEK 344 million, from SEK 4,909 million to SEK 5,253 million and equity attributable to non-controlling interests has decreased by the equivalent amount from SEK 353 million to SEK 9 million. Closing equity attributable to owners of the parent company as of 31 December 2021 has increased by SEK 1,169 million, from SEK 15,395 million to SEK 16,564 million and non-controlling interests as of 31 December 2021 has decreased by the equivalent amount, from SEK 1,193 million to SEK 24 million. The correction has no impact on the total equity of the Group or other financial reports.

## CONSOLIDATED CASH FLOW STATEMENT, CONDENSED

SEK m	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Profit before tax	553	356	2,111	1,233
Adjustment for non-cash items	419	256	1,351	757
Income tax paid	-6	-10	-690	-348
Change in working capital	306	97	-1,143	-265
<b>Cash flow from operating activities</b>	<b>1,272</b>	<b>699</b>	<b>1,628</b>	<b>1,376</b>
Net investments in non-current assets	-210	-115	-609	383
Subsidiary/business acquisitions and divestments	-371	-2,255	-9,193	-7,849
<b>Cash flow from investing activities</b>	<b>-581</b>	<b>-2,370</b>	<b>-9,802</b>	<b>-7,465</b>
Dividend to owners of the parent company	-	-	-116	-536
Dividends to minority owners	-26	-	-123	-32
Proceeds from issues of shares	0	7,165	0	10,102
Change in loans	-633	-4,031	5,712	1,187
Other financing activities	-151	-116	-533	-346
<b>Cash flow from financing activities</b>	<b>-811</b>	<b>3,018</b>	<b>4,939</b>	<b>10,374</b>
<b>Cash flow for the period</b>	<b>-119</b>	<b>1,346</b>	<b>-3,235</b>	<b>4,285</b>
Cash and cash equivalents at beginning of period	3,159	4,820	6,167	1,866
Exchange rate differences in cash and cash equivalents	-18	1	91	16
<b>Cash and cash equivalents at end of period</b>	<b>3,022</b>	<b>6,167</b>	<b>3,022</b>	<b>6,167</b>



# Notes

## NOTE 1 – ACCOUNTING POLICIES, ESTIMATES AND ASSUMPTIONS

### Accounting policies

Storskogen applies International Financial Reporting Standards (IFRS), as admitted by EU. The Group's interim report has been prepared in accordance with the relevant sections of the Annual Accounts Act and IAS 34 Interim Financial Reporting. The Parent Company's interim report has been prepared in accordance with the Annual Accounts Act, Chapter 9: Interim Reporting. The Parent Company applies RFR 2. The same accounting policies and assumptions have been applied for the Group and the Parent Company as in the most recent Annual Report. No new or amended standards have had or are expected to have any material effect on the Group. All amounts in this report are expressed in millions of Swedish kronor (SEK m) unless otherwise indicated. Rounding differences may occur.

### Risk and uncertainties

Storskogen Group's diversified business model, with 136 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 Group'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 assessments

The preparation of the interim report has required management to make assessments, estimates and assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, revenue and expenses. Actual outcomes may differ from these estimates and assessments. The critical assessments and sources of uncertainty in estimates are the same as in the most recent Annual Report.

## NOTE 2 – ITEMS BY SEGMENT AND BREAKDOWN OF REVENUE

2022

Jan-Dec, SEK m	Services	Trade	Industry	Group operations	Total
Net sales	11,351	9,637	13,288	-26	34,250
Cost of goods sold	-8,940	-7,808	-10,489	-237	-27,475
<b>Gross profit</b>	<b>2,411</b>	<b>1,829</b>	<b>2,798</b>	<b>-263</b>	<b>6,775</b>
Selling expenses	-939	-910	-969	-72	-2,890
Administrative expenses	-742	-419	-863	-9	-2,032
Other operating income	205	561	613	14	1,393
Other operating expenses	-89	-178	-366	-1	-634
<b>Operating profit</b>	<b>846</b>	<b>884</b>	<b>1,214</b>	<b>-330</b>	<b>2,613</b>
Financial income	7	10	35	427	479
Financial expenses	-69	-90	-112	-708	-980
<b>Profit before tax</b>	<b>783</b>	<b>804</b>	<b>1,137</b>	<b>-612</b>	<b>2,111</b>
Reversal of financial income/expenses	62	80	77	282	502
Reversal of amortisation and impairments of intangible assets	246	188	257	1	692
<b>EBITA</b>	<b>1,092</b>	<b>1,072</b>	<b>1,471</b>	<b>-329</b>	<b>3,305</b>
Items affecting comparability	-12	-148	-11	10	-162
<b>Adjusted EBITA</b>	<b>1,079</b>	<b>923</b>	<b>1,460</b>	<b>-319</b>	<b>3,143</b>

### Net sales, geographical distribution

2022

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

## ITEMS BY SEGMENT AND BREAKDOWN OF REVENUE

2021

Jan-Dec, SEK m	Services	Trade	Industry	Group operations	Total
Net sales	6,906	5,410	5,186	-6	17,496
Cost of goods sold	-5,384	-4,295	-3,978	-135	-13,792
<b>Gross profit</b>	<b>1,521</b>	<b>1,115</b>	<b>1,209</b>	<b>-141</b>	<b>3,704</b>
Selling expenses	-544	-468	-355	-40	-1,408
Administrative expenses	-450	-228	-418	-76	-1,171
Other operating income	174	226	131	9	539
Other operating expenses	-28	-81	-128	-21	-257
<b>Operating profit</b>	<b>673</b>	<b>564</b>	<b>438</b>	<b>-269</b>	<b>1,406</b>
Financial income	2	24	13	114	152
Financial expenses	-29	-22	-36	-238	-325
<b>Profit before tax</b>	<b>646</b>	<b>565</b>	<b>415</b>	<b>-393</b>	<b>1,233</b>
Reversal of financial income/expenses	27	-2	24	124	173
Reversal of amortisation and impairments of intangible assets	97	71	80	1	249
<b>EBITA</b>	<b>771</b>	<b>635</b>	<b>518</b>	<b>-268</b>	<b>1,655</b>
Items affecting comparability	-75	-53	108	53	33
<b>Adjusted EBITA</b>	<b>695</b>	<b>582</b>	<b>626</b>	<b>-215</b>	<b>1,688</b>

## Net sales, geographical distribution

2021

Jan-Dec, SEK m	Services	Trade	Industry	Group operations	Total
Sweden	6,507	3,171	2,576	-6	12,249
Denmark	45	132	204	-	381
Finland	19	138	287	-	444
Germany	18	137	609	-	765
Other countries within the EU	53	391	769	-	1,213
Norway	58	592	232	-	882
Switzerland	160	362	68	-	590
UK	1	397	73	-	471
USA	8	0	170	-	178
Other countries outside the EU	35	89	200	-	324
<b>Total net sales</b>	<b>6,906</b>	<b>5,410</b>	<b>5,186</b>	<b>-6</b>	<b>17,496</b>

## NOTE 3 – REVENUE FROM CUSTOMER CONTRACTS

### Net sales by vertical

SEK m	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Contracting Services	269	184	913	640
Infrastructure	648	531	2,273	1,701
Installation	1,073	843	3,635	2,162
Logistics	323	256	1,257	901
Engineering Services	517	252	1,772	778
Digital Services	189	139	643	379
HR and Competence	247	135	879	351
Intragroup sales within the business area	-9	-3	-20	-6
<b>Total, Services segment</b>	<b>3,258</b>	<b>2,336</b>	<b>11,351</b>	<b>6,906</b>
Home and Living	904	689	3,378	2,067
Niche Businesses	907	635	3,021	2,015
Health and Beauty	721	256	1,866	803
Sports, Clothing and Accessories	382	218	1,395	534
Intragroup sales within the business area	-6	-2	-22	-10
<b>Total, Trade segment</b>	<b>2,908</b>	<b>1,794</b>	<b>9,637</b>	<b>5,410</b>
Automation	1,249	430	4,133	1,412
Industrial Technology	1,389	599	4,782	1,670
Products	1,065	898	4,432	2,152
Intragroup sales within the business area	-23	-14	-59	-47
<b>Total, Industry segment</b>	<b>3,680</b>	<b>1,913</b>	<b>13,288</b>	<b>5,186</b>
Intragroup sales eliminations	-9	-4	-26	-6
<b>Total</b>	<b>9,836</b>	<b>6,039</b>	<b>34,250</b>	<b>17,496</b>

### 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.

### Timing of revenue recognition

SEK m	2022	2021
	Jan-Dec	Jan-Dec
Goods and services transferred at a point in time	26,562	12,216
Goods and services transferred over time	7,688	5,280
<b>Total</b>	<b>34,250</b>	<b>17,496</b>

## NOTE 4 – BUSINESS COMBINATIONS

### Preliminary acquisition analysis for the period

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

SEK m	Services	Trade	Industry	Total
Intangible assets	832	1,240	1,730	3,802
Other non-current assets	142	72	1,038	1,252
Inventories	17	728	773	1,518
Other current assets	1,027	619	1,492	3,138
Cash and cash equivalents	303	397	408	1,108
Deferred tax liabilities/tax assets	-228	-276	-399	-903
Liabilities to credit institutions	-37	-523	-442	-1,002
Other liabilities	-1,084	-827	-1,056	-2,967
<b>Acquired net assets</b>	<b>971</b>	<b>1,431</b>	<b>3,544</b>	<b>5,946</b>
Goodwill	2,024	2,053	2,292	6,368
Non-controlling interests	-439	-527	-655	-1,622
<b>Purchase price including contingent consideration</b>	<b>2,555</b>	<b>2,957</b>	<b>5,180</b>	<b>10,692</b>
Less cash and cash equivalents in acquired operations	-303	-397	-408	-1,108
Less unpaid purchase consideration	-73	-440	-189	-702
Less Share issue, non cash	-168	-	-	-168
Less paid through convertible loan	-	-80	-	-80
<b>Effect on consolidated cash and cash equivalents</b>	<b>2,012</b>	<b>2,040</b>	<b>4,583</b>	<b>8,635</b>

### 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	Acreto - included in Trade	Total significant acquisitions
Intangible assets	529	458	279	239	1,505
Other non-current assets	422	32	366	0	821
Inventories	519	163	26	131	839
Other current assets	391	205	607	95	1,297
Cash and cash equivalents	182	149	71	11	413
Deferred tax liabilities/tax assets	-121	-93	-85	-49	-348
Liabilities to credit institutions	-256	-419	-51	-	-726
Other liabilities	-407	-252	-324	-168	-1,151
<b>Acquired net assets</b>	<b>1,260</b>	<b>243</b>	<b>889</b>	<b>259</b>	<b>2,651</b>
Goodwill	668	667	420	328	2,083
Non-controlling interests	-	-38	-262	-117	-417
<b>Purchase price including contingent consideration</b>	<b>1,928</b>	<b>872</b>	<b>1,048</b>	<b>470</b>	<b>4,317</b>
Less cash and cash equivalents in acquired operations	-182	-149	-71	-11	-413
Less unpaid purchase consideration	-136	-	-	-175	-311
Less paid through convertible loan	-	-	-	-80	-80
<b>Effect on consolidated cash and cash equivalents</b>	<b>1,610</b>	<b>723</b>	<b>976</b>	<b>204</b>	<b>3,513</b>

### Purchase considerations and assessments

Purchase considerations for acquisitions for the year totalled SEK 10,692 million, of which SEK 6,368 million has been recognised as goodwill. The impact of business acquisitions on the Group's cash and cash equivalents is SEK 8,635 million. Cash and cash equivalents are also affected by acquisitions of minority shares during the period with payments of purchase considerations amounting to SEK 187 million, divestment of minority shares contributes with a received purchase consideration of SEK 44 million, payments of contingent considerations for acquisitions from previous years amounts to SEK 412 million and divestment of operations decreases cash and cash equivalents by SEK 3 million, primarily due to divested cash and cash equivalents. Had the period's acquisitions been made with effect from 1 January 2022, it is estimated that they would have contributed approximately SEK 11,916 million to the Group's net sales and the impact on the Group's profit after tax would have been around SEK 922 million. 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 first quarter to the fourth 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 31 December, the Group recognised total goodwill of SEK 18,989 million (12,194). The Group's goodwill is tested for impairment as required, and at least annually, by cash-generating unit. During the fourth quarter, an impairment test was carried out and no need for impairment was identified.

Change in the Group's goodwill, SEK m	OB	Aquisition	Impairment	Divestments	Exchange difference	CB
Goodwill	12,194	6,368	-	-3	428	18,989

### 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 during the period totalled SEK 72 million (88).

### 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 10.6 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 702 million (694), while the total liability recognised for discounted contingent considerations on 31 December 2022 was SEK 997 million (936).

### Non-controlling interests

The Group measures holdings where it does not have a controlling interest at fair value based on full goodwill using the latest known market value, which is defined as the purchase price in respective acquisition.

### Acquisition-related disclosures

All acquisitions during the period have been carried out through purchase of shares.

### EFFECT OF ACQUISITIONS ON THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR JANUARY-DECEMBER 2022

SEK m	Services	Trade	Industry	Total
<b>Effect after the acquisition date included in consolidated profit</b>				
Sales	2,089	2,073	4,616	8,779
Profit for the period	245	145	399	789
<b>Effect if the acquisitions had been completed on January 1</b>				
Sales	2,803	3,189	5,924	11,916
Profit for the period	266	190	467	922

Acquisitions completed during the period January to December 2022 increased the Group's net sales by SEK 8,779 million, EBITA by SEK 1,089 million and profit for the period by SEK 789 million. Transaction costs for these acquisitions came to SEK 72 million and are included in administrative expenses in the consolidated income statement.

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

	31 Dec 2022				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 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	33	8	39	80	26	8	0	33
Trade receivables	4,940	-	-	4,940	2,925	-	-	2,925
Current receivables	1,056	-	40	1,096	746	-	11	757
Current investments	-	1	-	1	-	1	-	1
Cash and cash equivalents	3,022	-	-	3,022	6,167	-	-	6,167
<b>Total</b>	<b>9,051</b>	<b>9</b>	<b>79</b>	<b>9,139</b>	<b>9,864</b>	<b>8</b>	<b>11</b>	<b>9,884</b>

	31 Dec 2022				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 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	13,219	-	2	13,221	6,071	-	0	6,071
Non-interest-bearing non-current liabilities	26	381	-	407	11	495	-	506
Interest-bearing current liabilities	138	-	62	200	316	-	1	317
Trade payables	2,563	-	-	2,563	1,730	-	-	1,730
Non-interest-bearing current liabilities	2,836	659	-	3,494	1,878	441	-	2,320
<b>Total</b>	<b>18,782</b>	<b>1,040</b>	<b>64</b>	<b>19,886</b>	<b>10,006</b>	<b>936</b>	<b>2</b>	<b>10,943</b>

### Fair value measurement

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

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

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

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

### Fair value for informational purposes

The carrying amounts of assets and liabilities measured at amortised cost are considered to be an accurate approximation of their fair values. Given the short fixed interest-rate periods and the maturity of the items, calculations indicate that the difference between amortised cost and fair value is not significant.

	31 Dec 2022					Total carrying amount	31 Dec 2021					
	Level 1	Level 2	Level 3	Other <sup>1</sup>	Difference in fair value and book value, related to market quoted bonds		Level 1	Level 2	Level 3	Other <sup>1</sup>	Difference in fair value and book value, related to market quoted bonds	
Financial assets, SEK m												
Financial non-current assets	-	39	-	41	-	80	-	0	-	33	-	33
Trade receivables	-	-	-	4,940	-	4,940	-	-	-	2,925	-	2,925
Current receivables	-	40	-	1,056	-	1,096	-	11	-	746	-	757
Current investments	1	-	-	-	-	1	1	-	-	-	-	1
Cash and cash equivalents	3,022	-	-	-	-	3,022	6,167	-	-	-	-	6,167
<b>Total</b>	<b>3,023</b>	<b>79</b>	<b>-</b>	<b>6,037</b>	<b>-</b>	<b>9,139</b>	<b>6,168</b>	<b>11</b>	<b>-</b>	<b>3,705</b>	<b>-</b>	<b>9,884</b>

	31 Dec 2022						31 Dec 2021					
Financial liabilities, SEK m	Level 1	Level 2	Level 3	Other <sup>1</sup>	Difference in fair value and book value, related to market quoted bonds	Total carrying amount	Level 1	Level 2	Level 3	Other <sup>1</sup>	Difference in fair value and book value, related to market quoted bonds	Total carrying amount
Interest-bearing non-current liabilities	-	4,755	-	7,258	1,208	13,221	-	5,027	-	1,071	-27	6,071
Non-interest-bearing non-current liabilities	-	-	381	26	-	407	-	-	495	11	-	506
Interest-bearing current liabilities	-	62	-	138	-	200	-	1	-	316	-	317
Trade payables	-	-	-	2,563	-	2,563	-	-	-	1,730	-	1,730
Non-interest-bearing current liabilities	-	43	616	2,836	-	3,494	-	-	441	1,878	-	2,320
<b>Total</b>	<b>-</b>	<b>4,859</b>	<b>997</b>	<b>12,822</b>	<b>1,208</b>	<b>19,886</b>	<b>-</b>	<b>5,029</b>	<b>936</b>	<b>5,006</b>	<b>-27</b>	<b>10,943</b>

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

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

Bonds and convertibles in level 2 have been valued at fair value via derivation from price quotations.

Change in financial liabilities Level 3, SEK m	OB	Aquisition	Paid	Remeasured / present value	Exchange difference	CB
Contingent considerations	936	702	-412	-257	28	997

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 10.6 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 has 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 adjusted retroactively when calculating the number of ordinary shares outstanding, in current period as well as comparison periods.

	2022	2021	2022	2021
SEK	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
<b>Earnings per share</b>				
Basic earnings per share, SEK	0.22	0.13	0.86	0.60
Diluted earnings per share, SEK	0.22	0.13	0.86	0.60
<b>SEK k</b>				
<b>Net profit for the period attributable to owners of the parent</b>				
Net profit for the year attributable to owners of the parent	367,386	210,681	1,435,708	855,740
<b>Number</b>				
<b>Weighted average number of shares used in calculating earnings per share</b>				
Weighted average number of shares, Series A shares	148,001,374	152,386,600	148,001,374	203,595,793
Weighted average number of shares, Series B shares	1,522,858,898	1,496,240,960	1,517,612,878	1,219,379,413
<b>Total weighted average number of shares</b>	<b>1,670,860,272</b>	<b>1,648,627,560</b>	<b>1,665,614,252</b>	<b>1,422,975,206</b>

## PERFORMANCE MEASURES

	2022	2021	2022	2021
SEK m	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	9,836	6,039	34,250	17,496
Adjusted EBITDA	1,191	716	4,079	2,249
Adjusted EBITA	927	542	3,143	1,688
Adjusted EBITA margin, %	9.4	9.0	9.2	9.6
Operating profit	792	426	2,613	1,406
Operating margin, %	8.1	7.1	7.6	8.0
Profit before tax	553	356	2,111	1,233
Profit for the period	417	251	1,592	947
Working capital			5,102	1,857
Return on working capital, % (12 months)			61.6	90.9
Return on equity, % (12 months)			8.8	10.4
Return on capital employed, % (12 months)			10.1	9.1
Equity/assets ratio, %			41.3	51.5
Interest-bearing net debt			12,260	1,666
Net debt			15,249	3,904
Debt/equity ratio, x			0.8	0.2
Interest-bearing net debt/adjusted RTM EBITDA (12 months), x			2.6	0.5
Interest coverage ratio, x	3.4	3.8	4.5	5.7
Average number of employees			11,263	5,760
Number of employees at end of period			12,945	8,719
Cash flow from operating activities	1,272	699	1,628	1,376
Adjusted cash conversion, %	109.4	97.8	58.8	72.6
Basic and diluted earnings per share, SEK	0.22	0.13	0.86	0.60



## PARENT COMPANY STATEMENT OF PROFIT OR LOSS, CONDENSED

SEK m	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	62	32	156	104
Administrative expenses	-106	-95	-323	-258
Other operating income	0	0	0	3
Other operating cost	0	0	0	-16
<b>Operating profit</b>	<b>-44</b>	<b>-63</b>	<b>-166</b>	<b>-168</b>
Financial income	371	642	1,469	680
Financial expenses	-274	-136	-775	-239
<b>Profit after financial items</b>	<b>53</b>	<b>443</b>	<b>527</b>	<b>273</b>
Appropriations	-	392	-	392
Tax	53	-71	-43	-56
<b>Profit for the period</b>	<b>106</b>	<b>763</b>	<b>485</b>	<b>608</b>

## PARENT COMPANY BALANCE SHEET, CONDENSED

SEK m	31 Dec 2022	31 Dec 2021
<b>Assets</b>		
Intangible non-current assets	0	0
Property, plant and equipment	1	1
Financial non-current assets	28,343	17,005
<b>Total non-current assets</b>	<b>28,344</b>	<b>17,006</b>
Current receivables	3,956	3,591
Cash and cash equivalents	1,168	4,976
<b>Total current assets</b>	<b>5,124</b>	<b>8,567</b>
<b>Total assets</b>	<b>33,469</b>	<b>25,573</b>
<b>Equity and liabilities</b>		
Restricted equity	1	1
Unrestricted equity	17,238	16,685
<b>Total equity</b>	<b>17,239</b>	<b>16,686</b>
Non-current liabilities	12,942	5,896
Current liabilities	3,288	2,991
<b>Total equity and liabilities</b>	<b>33,469</b>	<b>25,573</b>

# Definitions and calculations

## PERFORMANCE MEASURES

Storskogen presents a number of performance measures that are not defined in accordance with IFRS. The Company considers these measures to provide valuable supplementary information for investors and the Company's management, as they allow an evaluation of trends and the Company's performance. As not all companies calculate these measures in the same way, they are not always comparable with those used by other companies. These 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 EQUITY<sup>1</sup>

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

SEK m	12 months until	12 months until
	31 Dec 2022	31 Dec 2021
Profit for the period	1,592	947
Equity	17,999	9,112
<b>Return on equity, %</b>	<b>8.8</b>	<b>10.4</b>

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

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

SEK m	12 months until	12 months until
	31 Dec 2022	31 Dec 2021
Adjusted EBITA	3,143	1,688
Working capital	5,102	1,857
<b>Return on working capital, %</b>	<b>61.6</b>	<b>90.9</b>

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

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

SEK m	12 months until	12 months until
	31 Dec 2022	31 Dec 2021
Operating profit	2,613	1,406
Financial income	479	152
<b>Operating profit including financial income</b>	<b>3,091</b>	<b>1,558</b>
Capital employed	30,753	17,024
<b>Return on capital employed, %</b>	<b>10.1</b>	<b>9.1</b>

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

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

SEK m	2022		2021	
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating profit	792	426	2,613	1,406
Amortisation of intangible assets	222	100	692	249
Impairment of intangible assets	0	0	0	0
<b>EBITA</b>	<b>1,014</b>	<b>526</b>	<b>3,305</b>	<b>1,655</b>

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

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

SEK m	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Operating profit	792	426	2,613	1,406
Amortisations and depreciations	486	273	1,628	810
Impairment	-1	0	-0	0
<b>EBITDA</b>	<b>1,278</b>	<b>700</b>	<b>4,241</b>	<b>2,216</b>

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

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

SEK m	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Financial income	21	117	479	152
Financial expenses	-259	-187	-980	-325
<b>Net financial items</b>	<b>-239</b>	<b>-71</b>	<b>-502</b>	<b>-173</b>

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

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

SEK m	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Operating profit	792	426	2,613	1,406
Items affecting comparability	-87	16	-162	33
Amortisations of intangible assets	222	100	692	249
Impairment of intangible assets	0	0	0	0
<b>Adjusted EBITA</b>	<b>927</b>	<b>542</b>	<b>3,143</b>	<b>1,688</b>

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

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

SEK m	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Adjusted EBITA	927	542	3,143	1,688
Net sales	9,836	6,039	34,250	17,496
<b>Adjusted EBITA-margin, %</b>	<b>9.4</b>	<b>9.0</b>	<b>9.2</b>	<b>9.6</b>

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

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

SEK m	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Operating profit	792	426	2,613	1,406
Items affecting comparability	-87	16	-162	33
Amortisations and depreciations	486	273	1,628	810
Impairment	-1	0	-0	0
<b>Adjusted EBITDA</b>	<b>1,191</b>	<b>716</b>	<b>4,079</b>	<b>2,249</b>

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

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

SEK m	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Adjusted EBITDA	1,191	716	4,079	2,249
Change in operating capital	306	97	-1,143	-265
Cash flow from net investments in tangible assets defined as CapEx	-194	-113	-539	-350
<b>Operating Cash Flow</b>	<b>1,303</b>	<b>700</b>	<b>2,397</b>	<b>1,634</b>
Adjusted EBITDA	1,191	716	4,079	2,249
<b>Adjusted cash conversion, %</b>	<b>109.4</b>	<b>97.8</b>	<b>58.8</b>	<b>72.6</b>

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

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

SEK m	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Revaluations of contingent considerations	93	69	255	69
Costs related to the IPO	-	-36	-	-53
Fair value adjustments of acquired assets	-1	-49	-56	-50
Stamp tax on foreign business combinations	0	-	-14	-
Central restructuring costs	-	-	-18	-
Capital gain/loss from divestment of business	-5	-	-5	-
<b>Items affecting comparability</b>	<b>87</b>	<b>-16</b>	<b>162</b>	<b>-33</b>

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

Interest-bearing liabilities (i.e. non-current interest-bearing liabilities, non-current lease liabilities, current interest-bearing liabilities, current lease liabilities and interest-bearing provisions for pensions) less short-term investments and cash and cash equivalents. The purpose is to provide an alternative measure of the Group's debt/equity ratio. The performance measure gives an indication of the Group's financial target with regard to net debt in relation to RTM adjusted EBITDA.

SEK m	31 Dec 2022	31 Dec 2021
	Interest-bearing liabilities	15,078
Provisions for pensions, interest-bearing	205	280
Current investments	-1	-1
Cash and cash equivalents	-3,022	-6,167
<b>Interest-bearing net debt</b>	<b>12,260</b>	<b>1,666</b>

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

Interest-bearing net debt in relation to RTM adjusted EBITDA provides a liquidity measure for net debt in relation to cash-generating operating results. Net debt is at the balance sheet date, and RTM adjusted EBITDA is calculated as adjusted EBITDA recorded for the previous 12-month period adjusted for the contribution of the businesses contractually acquired by the Group during that 12-month period. The purpose is to provide an indication of the Group's ability to pay its debts. The performance measure gives an indication of the Group's financial target with regard to net debt in relation to RTM adjusted EBITDA.

SEK m	31 Dec 2022	31 Dec 2021
	Interest-bearing net debt	12,260
RTM adjusted EBITDA	4,658	3,115
<b>Interest-bearing net debt/RTM adjusted EBITDA</b>	<b>2.6</b>	<b>0.5</b>

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

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

SEK m	31 Dec 2022	31 Dec 2021
Interest-bearing liabilities	15,078	7,554
Provisions for pensions, interest-bearing	205	280
Contingent consideration liabilities	997	936
Minority options	1,991	1,302
Current investments	-1	-1
Cash and cash equivalents	-3,022	-6,167
<b>Net debt</b>	<b>15,249</b>	<b>3,904</b>

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

Change in EBITA, excluding exchange rate, acquisition and divestment effects and adjusted for Group functions, relative to the same period the previous year. Acquired entities are included in organic EBITA growth once they have been part of the Group for the full comparison period, divested companies are excluded from both periods once they have been divested. The purpose is to analyse underlying growth in operating profit.

## ORGANIC NET SALES GROWTH (ORGANIC GROWTH)<sup>1</sup>

Change in net sales, excluding exchange rate, acquisition and divestment effects, relative to the same period the previous year. Acquired entities are included in organic growth once they have been part of the Group for the full comparison period, divested companies are excluded from both periods once they have been divested. The purpose is to analyse underlying growth in net sales.

## INTEREST COVERAGE RATIO<sup>1</sup>

Operating profit plus interest income divided by interest expenses. The purpose is to present earnings in relation to interest expenses, which is a measure of the Group's capacity to cover its interest expenses. Previously the definition has included all financial income and expenses from net financial items (i.e. including currency effects, among other things), but in order for the key figure to more clearly reflect the Group's capacity to cover interest expenses, only interest income is now added. The result is then divided by the interest expenses. According to the previous definition, the interest coverage ratio for the year had been 3.2x (4.8).

SEK m	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating profit	792	426	2,613	1,406
Interest income	11	5	23	7
<b>Operating profit including interest income</b>	<b>803</b>	<b>432</b>	<b>2,636</b>	<b>1,413</b>
Interest expenses	-233	-113	-590	-248
<b>Interest coverage ratio</b>	<b>3.4</b>	<b>3.8</b>	<b>4.5</b>	<b>5.7</b>

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

Working capital is calculated as current operating receivables (inventories, accounts receivable and other non-interest-bearing current receivables) less current operating liabilities (accounts payable and other non-interest-bearing current liabilities excluding 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	12 months until
	31 Dec 2022	31 Dec 2021
Inventories	4,476	1,947
Accounts receivable	4,461	2,141
Other current receivables	2,299	808
Accounts payable	-2,571	-1,290
Other current liabilities	-3,563	-1,749
<b>Working capital</b>	<b>5,102</b>	<b>1,857</b>

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

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

SEK m	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating profit	792	426	2,613	1,406
Net sales	9,836	6,039	34,250	17,496
<b>Operating margin, %</b>	<b>8.1</b>	<b>7.1</b>	<b>7.6</b>	<b>8.0</b>

### OPERATING PROFIT (EBIT)

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

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

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

SEK m	31 Dec 2022	31 Dec 2021
Net debt	15,249	3,904
Equity	19,628	16,588
<b>Debt/equity ratio</b>	<b>0.8</b>	<b>0.2</b>

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

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

SEK m	31 Dec 2022	31 Dec 2021
Equity	19,628	16,588
Total assets	47,482	32,223
<b>Equity/assets ratio, %</b>	<b>41.3</b>	<b>51.5</b>

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

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

SEK m	12 months until	12 months until
	31 Dec 2022	31 Dec 2021
Total assets	42,400	22,496
Non-interest-bearing liabilities	-9,772	-4,670
Provisions	-1,876	-803
<b>Capital employed</b>	<b>30,753</b>	<b>17,024</b>

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

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

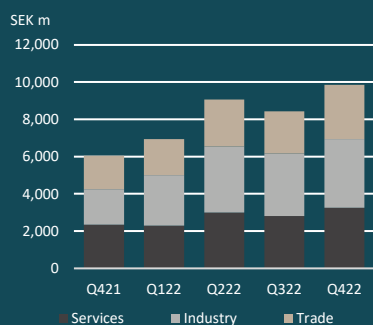
	31 Dec 2022	31 Dec 2021
Serie A shares	148,001,374	148,001,374
Serie B shares	1,515,762,394	1,507,913,753
<b>Number of outstanding shares</b>	<b>1,663,763,768</b>	<b>1,655,915,127</b>

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

# About Storskogen

Storskogen is an international group of businesses across Trade, Industry, and Services. We are uniquely positioned to identify, acquire, and develop market leaders with sustainable business models over an infinite ownership horizon. Storskogen creates value by providing access to capital and strategic direction with active governance and a decentralised operational model. Storskogen has over 12,900 employees, generates SEK 37.4 billion RTM net sales on a proforma basis across a diversified group of businesses and is listed on Nasdaq Stockholm.

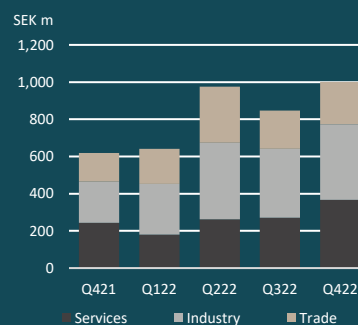
## NET SALES



# 136

business units  
in the Services,  
Industry and  
Trade business  
areas

## ADJUSTED EBITA



### MISSION

Our mission is to empower businesses to realise their full potential.

### VISION

Our vision is to be the leading international owner of small and medium-sized businesses.



## FINANCIAL CALENDAR

Annual Report – week 13, 2023  
Interim Report Q1 2023 – 12 May 2023  
Annual General Meeting – 12 May 2023, Stockholm  
Interim Report Q2 2023 – 16 August 2023  
Interim Report Q3 2023 – 7 November 2023

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