

Quarterly and year-end financial information

Date: 28th of Feb 2020

SSCP Lager BidCo AB (publ) – Consolidated quarterly and year-end financial information for the period 28 June - 31 December 2019.

Events in the quarter

- SSCP Lager BidCo AB (publ) settled the former bank loan on the 31st of October 2019. The bank loan was raised in connection with the acquisition of Entlog Holding Group AB. A bond of 900 MSEK was issued on the 31st of October 2019. The bond will be noted on Nasdaq Stockholm within a year from the issue date.
- During the fourth quarter Logent signed a contract with e-commerce fashion company NA-KD. Logent will operate the new highly automated warehouse in Landskrona to cover the Nordic countries. The warehouse includes an Autostore-solution and operations will start during the third quarter in 2020.
- Johan Wallmander, former CEO of Logent Staffing & Recruitment, has been appointed VP Corporate Development. Johan will be responsible for Logent's strategic and geographical expansion into new markets.
- Patrik Engh has been appointed CEO of Logent Staffing & Recruitment. He is also CEO of Logent Customs AB. Patrik has, among other, 18 years of experience from Addeco, where he during the last 9 years was responsible for the Industry & Logistic segment. Before joining Logent, Patrik worked for Jungheinrich Svenska AB.
- SSCP Lager BidCo AB (publ) has adapted the accounting standard IFRS.

1 October to 31 December 2019

- Net sales amounted to SEK 340,133 thousand
- Operating profit/loss amounted to SEK (22,623) thousand
- Adjusted EBITDA excluding IFRS 16-effect amounted to SEK 30,685 thousand (9.0%)
- Adjusted EBITA excluding IFRS 16-effect amounted to SEK 29,003 thousand (8.5%)
- Cash flow from operating activities amounted to SEK 78,055 thousand

28 June to 31 December 2019

- Net sales amounted to SEK 658,168 thousand
- Operating profit/loss amounted to SEK (7,531) thousand
- Adjusted EBTIDA excluding IFRS 16-effect amounted to 64,060 thousand (9.7%)
- Adjusted EBITA excluding IFRS 16-effect amounted to 60,834 thousand (9.2%)
- Cash flow from operating activities amounted to SEK 111,939 thousand

Material events subsequent to the reporting period

- No material events subsequent to the reporting period.

CEO's comments

The strategic transformation of Logent from a staffing company to a logistics company enabled growth already in 2018 but generated full effect in 2019. In 2019, agreements were signed with several important new customers such as NA-KD, Saab AB, ITAB and Kanthal, which will be apparent in the 2020 earnings. Logent's decentralized management model, combined with central resources for development and project management, as well as the company's broad service offering, formed the basis for this positive trend.

The economic situation during Q4 2019 had a negative impact on Logent, but the underlying Entlog Holding AB Group nonetheless reported growth of 7%. The Group's adjusted EBITDA excluding IFRS 16 closed at 133.4 MSEK (10.1%) proforma for Entlog Holding AB Group's full year result during 2019. We note that Logent's platform is in place and we have signed many new customer agreements, which will be implemented throughout 2020. The pipeline is robust, which indicates that there will be continued strong organic growth going forward. The Company will continue to invest in its unique expertise in being able to design and implement advanced and effective logistics solutions, at the same time as we support our units with competence provision from our staffing company. The Company's focus for the past two years on broadening the operation to new sectors has yielded favorable results and, in particular, we have seen growth in e-commerce and industry. Similarly, the Company has continued to work with a generally high level of flexibility. These factors mean that the Company now stands well-equipped to address any continued slowdown in the market.

We also saw that our initiatives to help new arrivals enter the labor market also functioned well in 2019. In total we gave more than 69 people permanent positions within Logent and among our customers.

The Company gained a new principal owner in 2019, when Adelis Equity Partner sold its majority share to Stirling Square Capital Partner. The changed ownership structure primarily entails a focus for Logent on expanding outside its two existing markets, Sweden and Norway. For this reason, a separate central department for Corporate Development was created to facilitate establishment in new markets.

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About Logent Group

Logent is a comprehensive and independent logistics partner, with a Nordic base and with global networks. We have a wide range of services and create value for our customers through guaranteed cost and quality improvements. Our services include Logistics Services such as Warehouse Management, Transport Management and Customs, Port and Combined Terminals, Staffing Services and Consulting Services. This means that Logent has grown to a turnover of about SEK 1.5 billion from the start in 2006 and employs approximately 3,000 people.

Appendix

SSC Lager BidCo AB (publ) – Year-end Report and Interim Report for the fourth quarter of 2019 [[Link](#)]
SSCP Lager BidCo AB (publ) – Bokslutskommuniké och delårsrapport för fjärde kvartalet 2019 [[Link](#)]