

Investor Presentation Q3 Report 2020





Mats Steen
Chief Executive Officer
6 years at Logent

- 25+ years of supply chain experience, both from industrial and logistics companies
- Previous experience includes 7 years at DB Schenker
 - Divisional head for the land transport division in Sweden with SEK 12.5bn in revenue
 - MD of the Contract Logistics division in Sweden, Denmark, UK and Ireland



Sara Fors
Chief Financial Officer
6 years at Logent

- 20+ years of experience within finance from various businesses including staffing, retail and industrials
- Most recent experience as CFO at Lernia, one of the largest staffing and educational companies in Sweden, where she was a key manager in the turnaround of the company

Introduction to Logent

Unique service offering covering entire logistics value chain

Extensive customer offering with warehousing and transport management as core, supported by customs services and ports together with an integrated staffing business

Contract logistics
11,1% reported EBITDA margin for 2019¹⁾

Staffing support
5,9% EBITDA margin 2019¹⁾



Warehousing

Provider of mainly dedicated warehousing solutions with Logent running the customer's warehouse. Ranging from warehousing design to full outsourcing incl. staffing

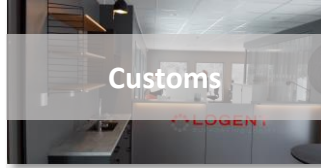
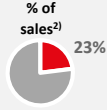
Customer examples



Transport management

Transport solutions where client outsources logistic function to Logent: from bookings to vendor selection, invoice control, KPI follow-up, general admin and IT integration

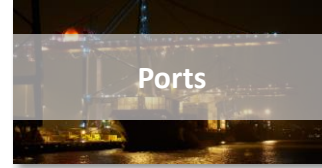
Customer examples



Customs

Customs services with on-site border stations and central services hub. Offering ranges from customs declarations to full outsourcing of customs admin

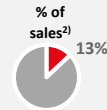
Customer examples



Ports

Operations of ports focused on loading/unloading of goods, cargo handling, leasing of space and un/mooring of ships

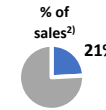
Customer examples



Staffing

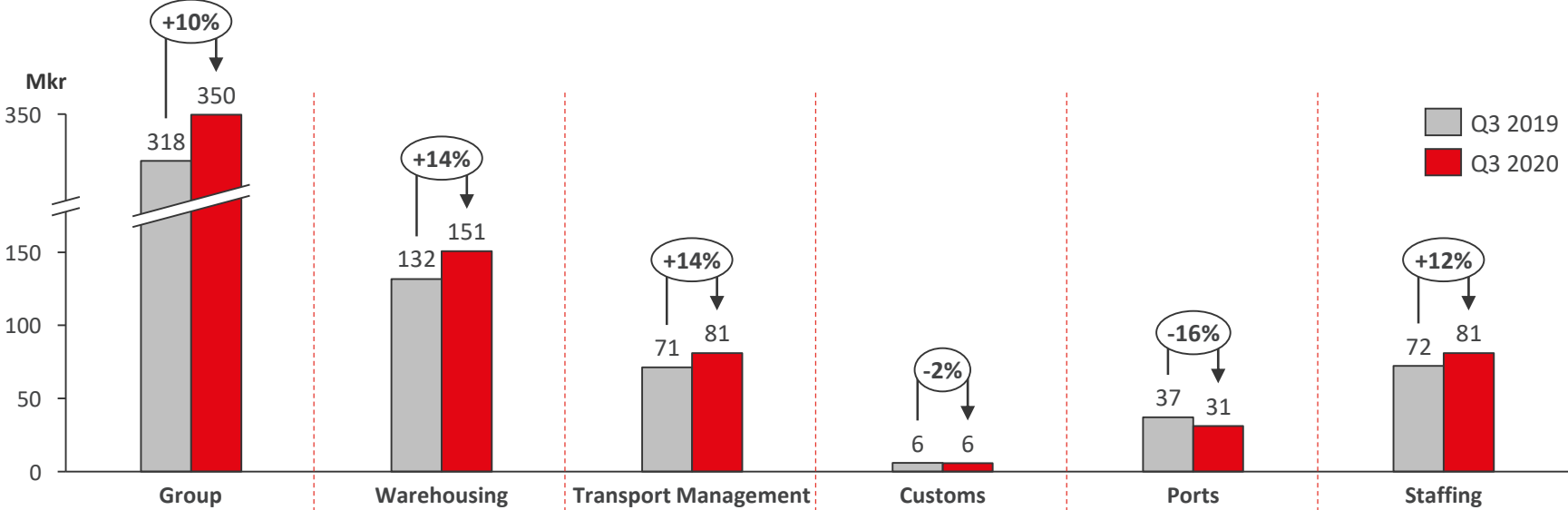
Staffing solutions related to logistics built to manage volume fluctuations. Both external and internal staffing (e.g. to Warehousing), and for recruitment services

Customer examples



Note: Financial information represents consolidated Entlog Holding AB accounts. 1) EBITDA Margin for Contract Logistics and Staffing as of 2019A. 2) Sales split based on Gross Sales excl. "other" as of 2019A

Q3 Performance (Revenue)



10% growth on group level mainly due to higher volume within the E-commerce sector in Warehousing. Staffing and Transport management also demonstrated significant growth as a consequence of increased volumes on new customers.

Strong development with 14% growth compared to same period last year. Main growth derives from the E-commerce sector which has grown with 25%. Automotive still down compared to last year due to Corona.

14% growth this quarter compared to same period last year. Volumes on major contracts has picked up again (however still behind last year) and new customer (signed within 12 months) has increasing volumes.

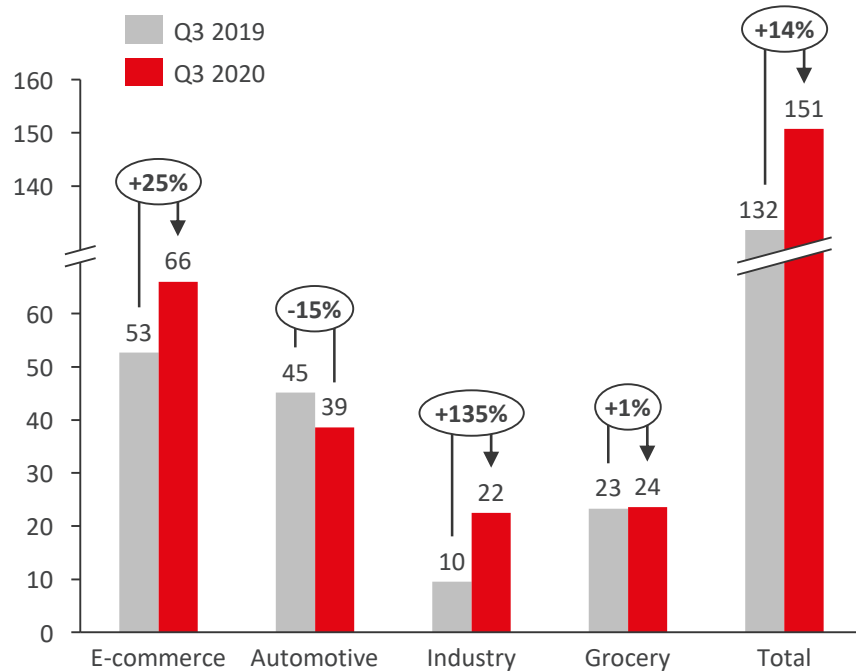
Flat development this quarter compared to same period last year. Several new customer signed but volumes on existing customer has decreased due to Corona.

Revenue down with 16% compared to last year which is explained by Covid-19 related collapse within the automotive segment. End of quarter volumes started to pick up but still on lower levels compared to last year.

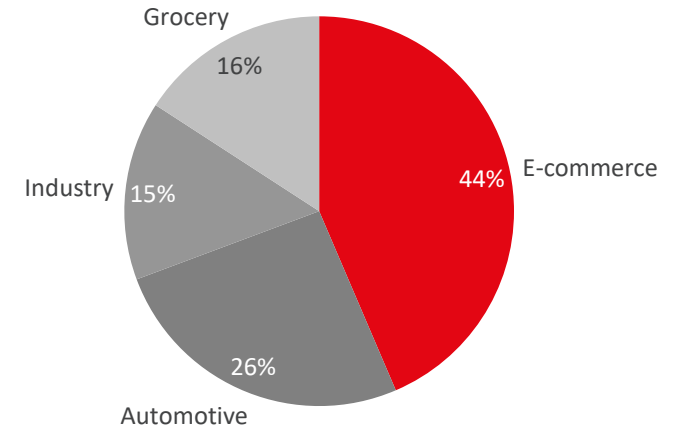
A growth of 12% for the third quarter compared to last year, mainly explained by strong development of the e-business segment in Norway. However, Sweden had a negative development.

Warehousing – Revenue per sector

Warehousing revenue per sector – Q3 2020

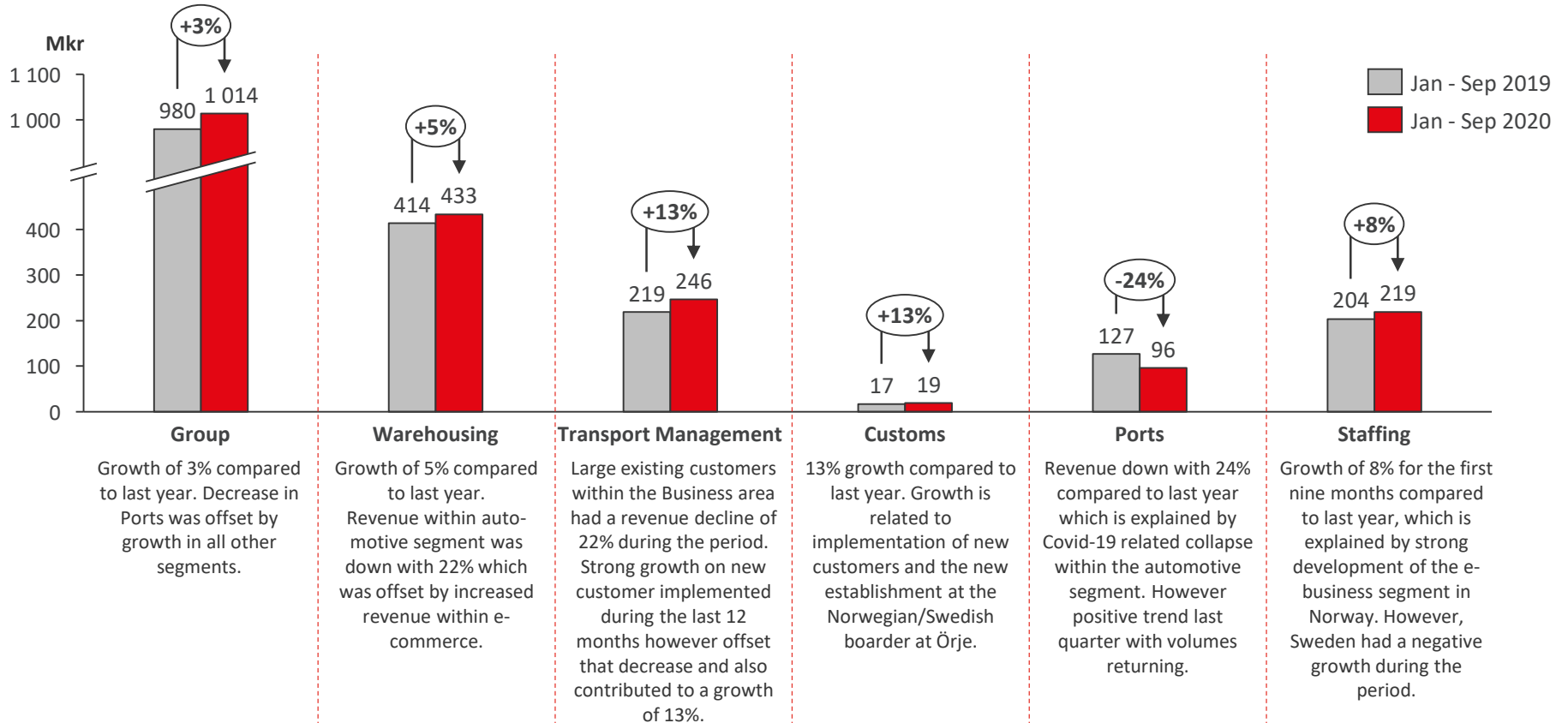


Warehousing revenue split in % - Q3 2020

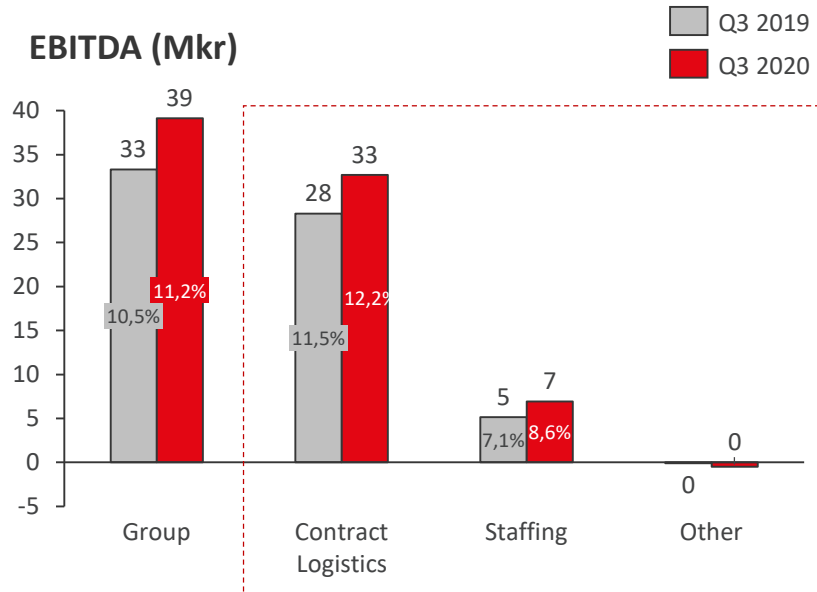


- E-commerce segment has a significant growth which is explained by implementation of new customer such as NA-KD and increasing volumes on existing customers such as HelloFresh.
- Automotive is still behind last year due to Covid-19 related issues. In Q3 the gap in volumes between 2020 and 2019 however decreased. The segment is slowly recovering.
- Strong growth in Industry segment due to implementation of a new customer in 2020.

Jan - Sept Performance (Revenue)



Q3 Performance (EBITA & Cash Flow)



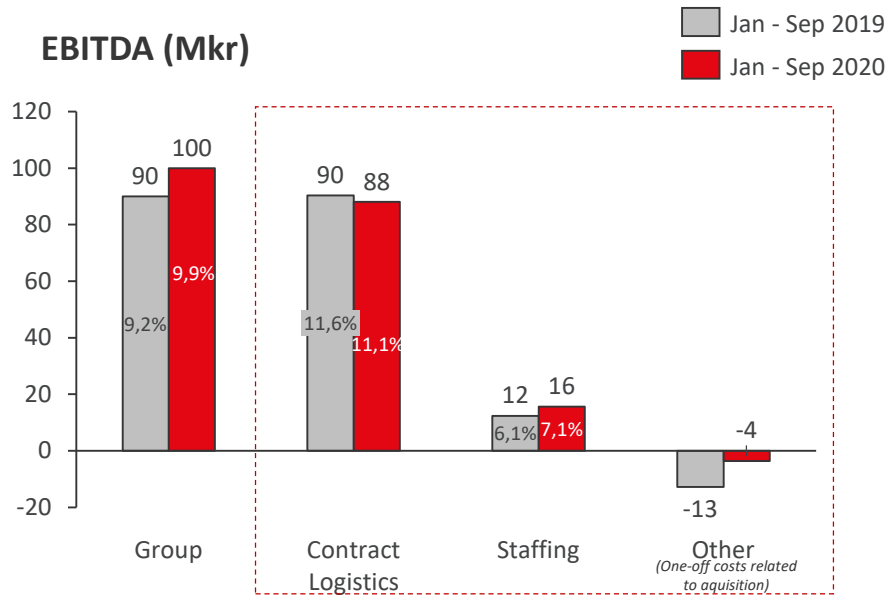
CASH FLOW (Group)

	Q3 2020	Q3 2019
Cash flow before changes in working capital excluding interest paid	57,7	48,2
Interest paid	-16,6	-18,9
Change in working capital	-13,4	-4,9
Cash flow from operating activities	27,7	24,4
Cash flow from investing activities	-0,3	-859,7
Cash flow from financing activities	-18,9	827,3
Total cash flow for the period	8,4	-8,0

- Overall strong performance in line with forecast presented at Q2 reporting
- Solid margin within all business areas
- Within Segment Staffing the margin increase is related to scalability in Norway
- Automotive business almost fully recovered at end of Q3

- Higher interest payments than last year due to new financing.
- Q3 2019 includes repayment of bank loans and new bond financing established

Jan-Sept Performance (EBITDA & Cash Flow)



CASH FLOW (Group)

	Jan - Sept 2020	Jan - Sept 2019
Cash flow before changes in working capital excluding interest paid	155,8	144,1
Interest paid	-48,6	-30,9
Change in working capital	-30,5	-28,5
Cash flow from operating activities	76,8	84,6
Cash flow from investing activities	-24,4	-862,3
Cash flow from financing activities	-54,1	766,0
Total cash flow for the period	- 1,7	-11,7

- Margin 2019 includes cost related to acquisition of Logent, if these costs are taken out, the Group margin for Jan – Sep 2019 would be 10,5%.
- The margin drop compared to last year is related to the “collapse” within automotive segment due to Covid-19 in the beginning of Q2.
- Within Segment Staffing the margin increase is related to scalability in Norway

- Higher interest payments than last year due to new financing.
- CAPEX in new customer SAAB in January 2020
- Change in financing activities largely explained by a re-payment of loans during 2019.

Warehousing



NA-KD site went “live” in August and assortment is built up step by step until October. The future volume is expected to grow above average E-commerce businesses.

Due to Corona, SAAB has not yet started ramp up of their fighter plane production and therefore Logent revenue is flat.

Hello-Fresh (food recipe boxes via e-commerce) continues to grow in a higher pace than anticipated, which probably partly could be explained by Corona.

Our automotive sites have finally recovered and are since September in full operation.

Pipeline within warehousing is very strong.

A significant updated quality assurance program is currently being rolled out together with a new internal training program.

Transport Management



Transport Management is still impacted by Covid-19 to a higher degree than other business units. This is explained by the majority of the customers are in the industry sector.

One new customers was awarded during Q3 (FX Airgun) and will be rolled out during Q4.

The rollout of ITAB phase 1 has been completed but phase 2 was has been postponed.

Customs



Logent Customs is still impacted by Covid-19 during Q3, however the underlying growth of new customers resulted in an overall growth.

Positive trend within sales with several new customers awarded during Q3.

Plantagen (a material customer for customs) will be existed at year-end.

Ports



The port business has partly recovered during Q3, but still lower volumes than 2019.

Staffing & recruitment



Q3 continued with strong volumes and the business unit demonstrated a growth of 12 % mainly driven by customers in Norway.

A strong pipeline with several significant opportunities

The Group result expects to be much better than Q4 2019

Very limited impact of Covid-19 in Q4, with the exception of Transport Management and Ports & Terminals

4 new material contracts within Staffing signed so far during Q4

The strong pipeline within logistics is expected to materialize during Q4 and Q1.

Very high volumes at our E-Commerce customers.

Intensive dialogue with a material M&A target

Q&A

