



SCAN
GLOBAL LOGISTICS

TRANSGROUP
GLOBAL LOGISTICS

AEA SGLT Holding II LP

- Summary of the Q3 interim report 2017

Key market developments

Ocean freight

- We continue to see a consolidation in the market towards oligopoly with only seven major carriers with a global scope left
- Less competitors should increase carrier profitability, but there is still too much volume which leaves room for uncertainty. For now, the general belief is that the industry is moving in a positive direction and will make an operating profit in the region of USD 6 billion this year
- The rate volatility has flattened during the last year as a result of the higher freight rates, and we expect this trend to continue subject to the carriers managing to control the supply and demand. The tool to success will be to balance new builds with a successful capacity management
- Many carriers are reducing their percentage of fixed long term named accounts and instead focusing on growing their FAK volumes to maximize profitability. Customers have to provide forecasts and commit terms and conditions accordingly

Airfreight

- We continue seeing a strong global airfreight market for the third quarter 2017
- In the same period the capacity in the market increased and consequently we see increasing prices
- Planning and forecasting are crucial elements in navigating in this environment securing the cargo of existing customer to be handled, minimize lead times as well as having the customer understand the new price levels

Financial highlights

- AEA SGLT Holding II LP generated revenues of USD 202.8 million in the third quarter, which was 4% lower than in Q2
- Q3 gross profit was USD 30 million, equal to a gross margin of 14.8% compared to 14.5% in Q2
- Despite slightly lower revenues, EBITDA before special items increased by 48% over Q2 to USD 5.3 million
- The EBITDA increase was driven by lower SG&A cost, mainly employee expenses and other administration costs
- Amortisation of intangibles identified at acquisition was USD 1.7 million in Q3 and net financial expenses amounted to USD 3.8 million, which mainly comprised of interest on the bond
- As per 30 September, the equity ratio was 31.6% and the consolidated net interest bearing debt amounted to USD 203 million resulting in a NIBD/EBITDA of 8.2x as per LTM Sep'17

TransGroup

- TransGroup experienced strong growth in revenues in the first 9 months of 2017. The increase reflects a generally strong macro economic trend in the US as well as organic growth resulting in international business growth, particularly within the corporate stations
- However the Q3 2017 revenues were in line with Q3 2016 although at a lower gross margin, which was partly off-set by lower SG&A costs

Scan Bidco

- The Scan Global Logistics A/S Group had positive revenue growth throughout Q3 2017 driven by an increase in volumes within all main products (Air, Ocean and Road)
- The general margin pressure in the market combined with a change in the sea carriers behaviour continued to have a significant impact on the Q3 2017 earnings, especially due to the increased sea freight rates on the core trade lanes since 2016
- The Aid, Development and Projects (ADP) division has experienced increased revenues compared to Q2 as well as a strengthened pipeline and no customer attrition. However at a lower Gross margin and EBITDA contribution

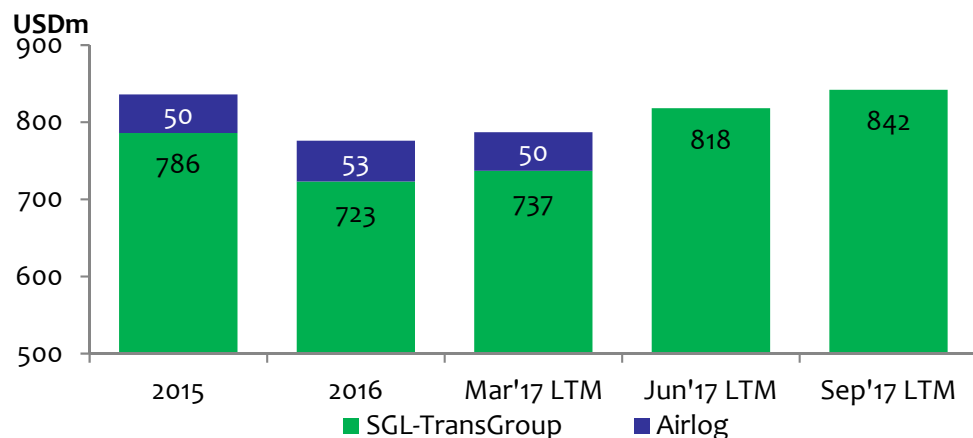
Key financials

USD '000	Q3 2017	Q2 2017	Q1 2017	YTD 2017
Revenue	202,773	211,053	179,927	593,753
Cost of operation	-172,802	-180,441	-151,989	-505,232
Gross profit	29,971	30,612	27,938	88,521
Other external expenses	-3,895	-7,911	-5,646	-17,452
Staff costs	-20,758	-19,109	-16,560	-56,427
EBITDA before special items	5,318	3,592	5,732	14,642
Depreciation of tangibles	-340	-362	-303	-1,005
Amortisation of intangibles	-1,665	-2,582	-2,547	-6,794
EBIT before special items	3,313	648	2,882	6,843
Special items	-185	-364	0	-549
EBIT	3,128	284	2,882	6,294
Net financial items	-3,827	-4,090	-3,900	-11,817
Result before tax	-699	-3,806	-1,018	-5,523
Tax on profit	-841	922	-223	-142
Result of the period	-1,540	-2,884	-1,241	-5,665
Gross margin*	14.8 %	14.5 %	15.5 %	14.9 %
EBITDA margin*	2.6 %	1.7 %	3.2 %	2.5 %

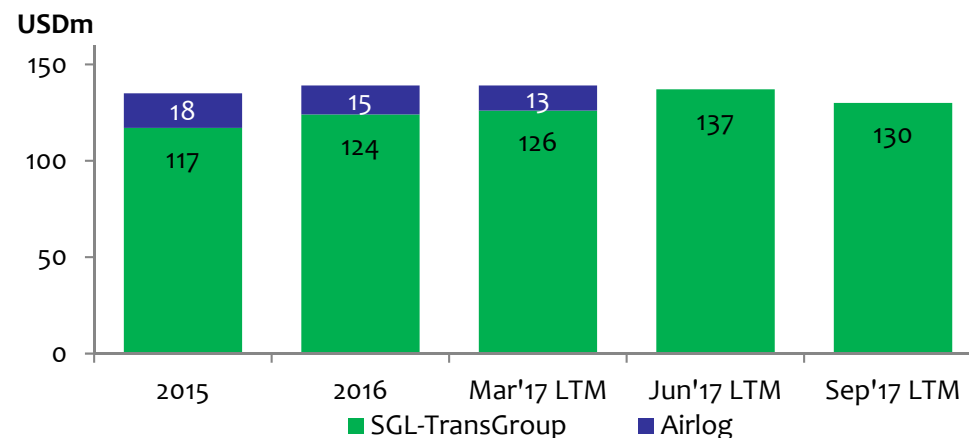
USDm	30 Sep. 2017	30 Jun. 2017	31 Mar. 2017
Net interest bearing debt	203	195	182
Net leverage	8.2x	7.2x	5.8x

Pro forma development

Combined revenue development

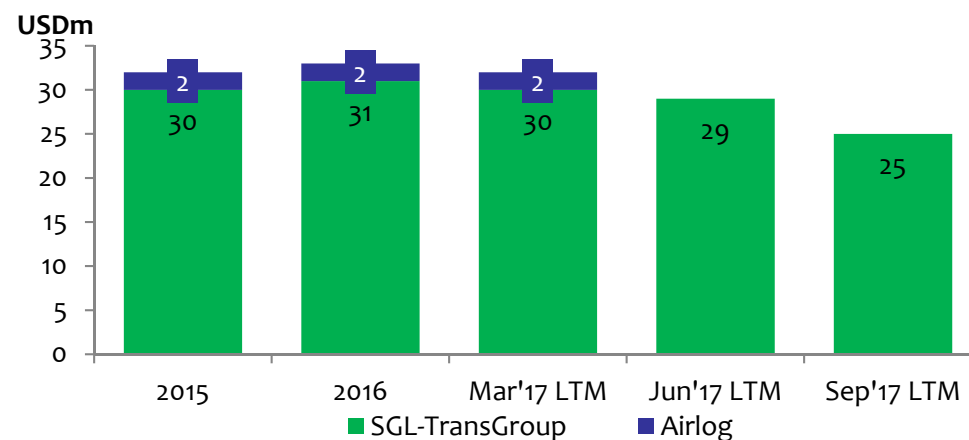


Combined gross profit development



- On a pro forma level, the company generated revenues of USD 842m in LTM Sep'17, equal to a 2.9% increase over LTM Jun'17
- LTM gross profit amounted to USD 130 million per September compared to USD 137 million per end of June 2017
- Despite a significant increase over Q2 EBITDA, the negative trend in LTM EBITDA continued in Q3 as a result of the continued general margin pressure and declining gross profit and EBITDA contribution from the ADP division
- LTM adjusted EBITDA amounted to USD 25 million per September 2017
- EBITDA has been adjusted for non-recurring items in connection with the acquisitions

Combined EBITDA development

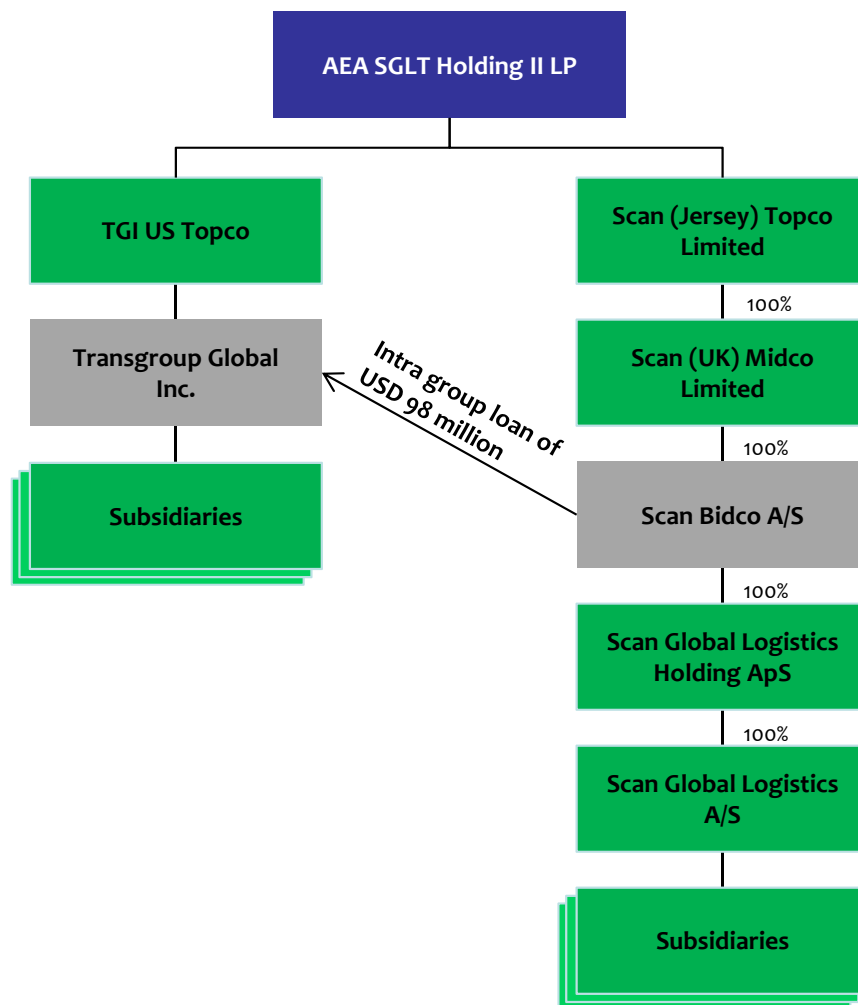


Integration process

Integration

- As part of our strategy, we have started several work streams in a global integration. These work streams are focused on Finance, IT and Marketing
- Targets short term are to create one global finance organization to secure finance and business partnering for the business. Long term systems, toolboxes and process optimizations are priorities
- The IT roadmap is defined and agreed. System and tools will be amended to meet customers needs and integrated in the organization successively
- Global Marketing will start merging brands, i.e. logos, websites and external material during 2017. The exercise will be founded in insights from customers, market and employees.

Group structure – AEA SGLT Holding II LP



Scan Bidco A/S is the Issuer of the outstanding bonds:

- ISIN: NO 0010768062
- ISIN: NO 0010768070