



# INTERIM FINANCIAL REPORT

## FULL YEAR 2024

### Q4 2024

**SGL Group ApS**  
28 February 2025

UNCOMPLICATE YOUR WORLD »

**SCAN GLOBAL**  
**LOGISTICS**



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## “ HOW TO READ THIS REPORT

To ensure like-for-like comparability of financial performance following the acquisition of Scan Global Logistics by CVC Funds on 23 May 2023, we present two sets of comparative numbers in this report:

Reported Comparative Results: Financial statements for the period 1 January 2023 to 31 December 2023, but only including the operational activities of Scan Global Logistics as of 23 May 2023.

Pro Forma Comparative Results: Financial statements for the comparative period 1 January 2023 to 31 December 2023, showing like-for-like performance of the Group.

# FINANCIAL HIGHLIGHTS

EURm	Q4 2024	Q4 2023	2024	2023	Pro forma 2023
<b>Income statement</b>					
Revenue	687	490	2,383	1,162	2,022
Gross profit	140	100	516	269	469
EBITDA before special items	61	30	195	102	193
EBIT before special items	33	13	112	60	129
Special items, net	(17)	(9)	(41)	(32)	(34)
Operating profit (EBIT)	16	4	71	28	95
Financial items, net	8	(29)	(108)	(65)	(98)
Result for the period	23	(27)	(54)	(51)	(33)
<b>Cash flow</b>					
Cash flows from operating activities	28	2	(90)	2	28
Cash flows from investing activities	(9)	(5)	(103)	(92)	(404)
Free cash flow	19	(3)	(193)	(90)	(376)
Cash flows from financing activities	(27)	(8)	131	233	220
Cash flow for the period	(8)	(11)	(62)	143	(156)

EURm	Q4 2024	Q4 2023	2024	2023	Pro forma 2023
<b>Financial position end of period</b>					
Total equity			832	875	875
Net working capital			229	94	94
Net interest-bearing debt (NIBD)			942	678	678
Net interest-bearing debt (NIBD) according to bond terms			896	625	625
Total assets			2,301	2,023	2,023
<b>Financial ratios in %</b>					
Gross margin	20.4	20.4	21.7	23.1	23.2
EBITDA margin before special items	8.9	6.1	8.2	8.8	9.5
EBIT margin before special items	4.8	2.7	4.7	5.2	6.4
EBIT margin	2.3	0.8	3.0	2.4	4.7
Conversion ratio	43.6	30.0	37.8	37.9	41.2
Equity ratio			36.2	43.3	43.3
Net leverage ratio according to bond terms			5.1	3.9	3.9
<b>Other</b>					
Number of full-time employees at the end of the period			4,588	3,608	3,608

# FINANCIAL PERFORMANCE

## KEY HIGHLIGHTS

- **Double-digit organic growth in Air & Ocean volumes**
- **Gross profit 40% increase in Q4 2024 (vs Q4 2023)**
- **Conversion ratio improved in Q4 2024 (vs Q4 2023)**
- **EBITDA before special items of EUR 195m within our guidance**

In 2024, SGL Group performed in line with the market amidst the perpetual challenging and unpredictable conditions. We achieved double-digit organic growth in Air & Ocean volumes, which combined with recent acquisitions in Italy and Brazil resulted in gross profit growth of 10% compared to 2023 pro forma year-over-year. However, the intense market dynamics and significant pressure on standard air and ocean logistics continue to negatively impact gross margins.

During 2024, SGL Group has not only maintained its strong and solid market position locally and globally but has through strategic initiatives also gained market shares by successfully onboarding new customers including both larger accounts and accounts in the segment for small- and medium-sized enterprises. This achievement stems from our unwavering commitment to a highly focused, customer-centric approach, delivering exceptional service to both new and existing customers.

North America has been challenged in 2024 by the general pressure on margins, resulting in performance lower than expectations. During Q4 2024, initiatives were commenced to change the trajectory in North America; however, the impact is expected to gradually materialise during 2025.

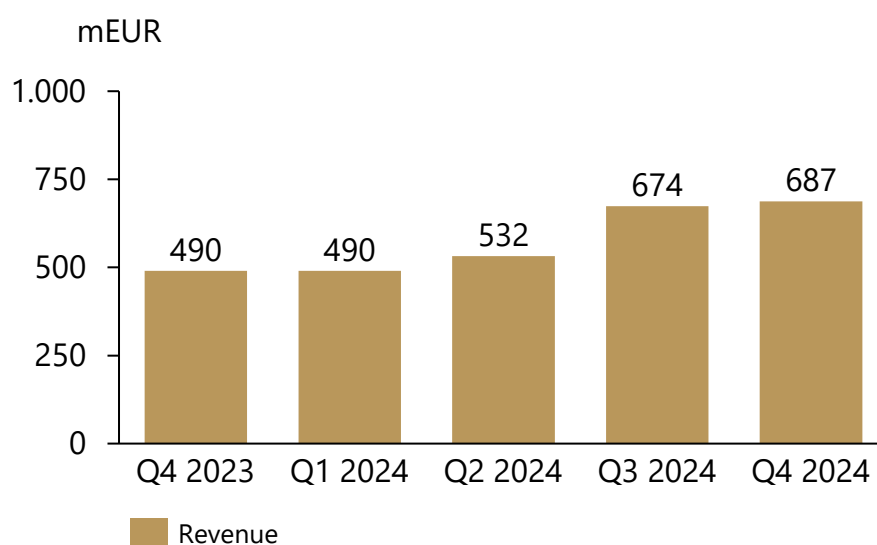
## REVENUE

Q4 2024 Revenue amounted to EUR 687m, an increase of 40% compared to EUR 490m in Q4 2023.

In Q4 2024, revenue increased mainly impacted by the continued growth in Air & Ocean volumes, combined with higher freight rates compared to the same period last year as well as the acquisitions in Italy and Brazil.

Full year 2024 Revenue amounted to EUR 2,383m, an increase of 18% compared to EUR 2,022m for the full year 2023 pro forma (2023 Reported: EUR 1,162m).

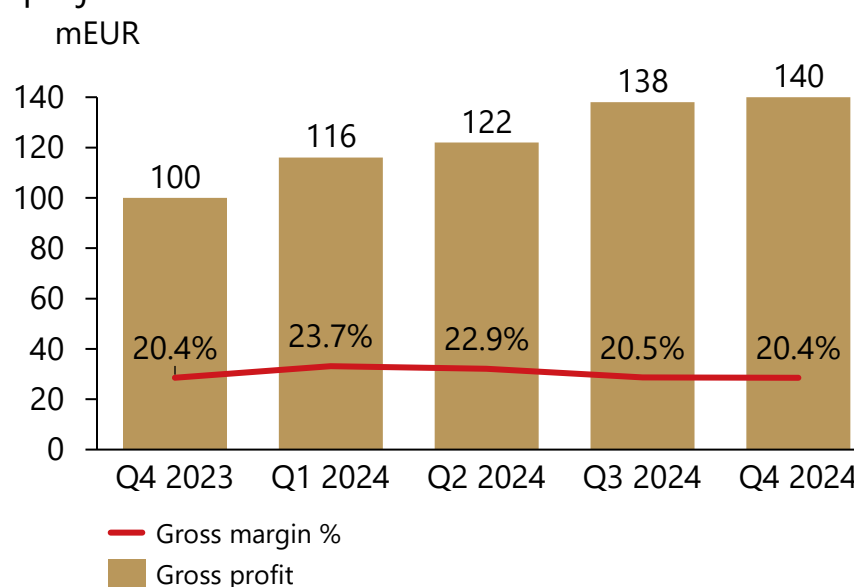
After a slow second part of 2023, several commercial and strategic initiatives were taken, which we partly see the effect of, especially in the last half of 2024. Both local and global markets continue to be impacted by geopolitical and macroeconomic events, resulting in continuous shifts in transport modes, between air and ocean. Consequently this results in shifts between main ports cross-borders, which in combination have impacted activity and therefore revenue positively.



## GROSS PROFIT

Q4 2024 Gross profit amounted to EUR 140m, an increase of 40% compared to EUR 100m in Q4 2023.

Full year 2024 SGL Group achieved a 10% gross profit growth amounting to EUR 516m compared to EUR 469m for 2023 pro forma in the same period last year (2023 Reported: EUR 269m). The growth is particularly driven by Asia that continues to demonstrate flexibility, entrepreneurship and agility in making logistics uncomplicated for our customers, even in a challenging market. This trend is complemented by an organic increase in activity across EMEA. However, performance in North America remains unsatisfactory and below expectations, negatively impacting margins. Further, we are starting to see the network effect from our investments in Italy and Brazil impacting both activity and gross profit, as expected. However, integration is not yet fully materialised. Our industries uncorrelated to macro-economic environment performed as planned, contributing positively to gross profit; however, to a lesser extent than the previous year, due to postponement of certain complex\* projects to 2025.

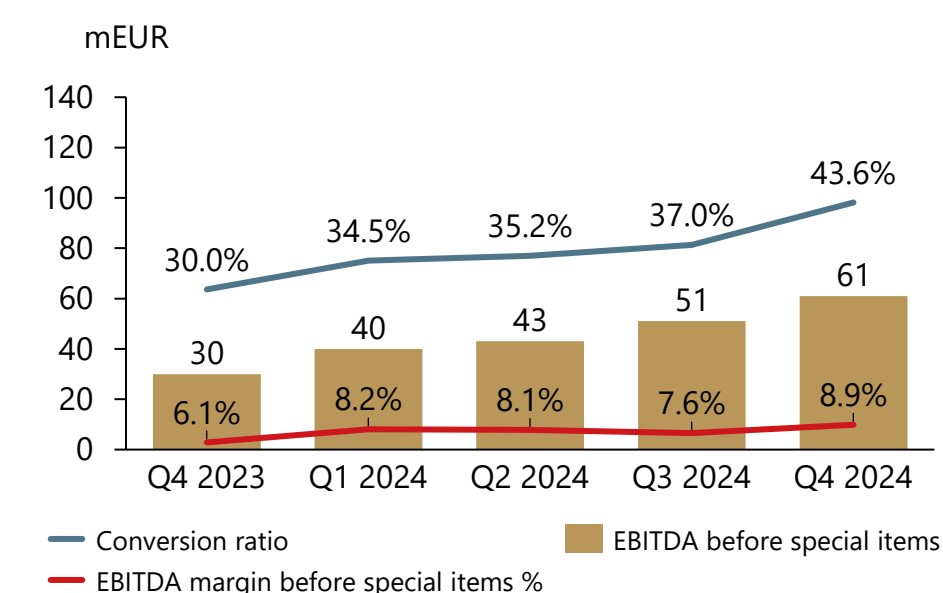


## EBITDA BEFORE SPECIAL ITEMS

Q4 2024 EBITDA before special items amounted to EUR 61m; EUR 30m in Q4 2023, an increase of 103% driven by the gross profit growth.

Full year 2024 EBITDA before special items increased 1% year-over-year to EUR 195m compared to pro forma EUR 193m in 2023 (2023 Reported: EUR 102m).

In 2024, SGL made strategic investments in central functions to address the demand from compliance and investors, resulting in higher staff costs and other external expenses. SGL has made a deliberate decision to maintain current staff levels to remain agile and to manage the increased complexity of shipments deriving from geopolitical challenges. Moreover, to capitalise on the dynamic market and to deliver on the promising pipeline of complex projects, which has been postponed to 2025. The conversion ratio, which describes the ratio of EBITDA before special items to SGL's gross profit, was improved during Q4 2024 in comparison to the first three quarters of 2024 and compared to Q4 2023.



\* Projects within complex industries mainly comprise Aid & Relief, Renewable Projects and Government & Defence.



# FINANCIAL PERFORMANCE

## DEPRECIATION AND AMORTISATION

Full year 2024 Depreciation and amortisation amounted to EUR 83m compared to 2023 pro forma EUR 64m (2023 Reported: EUR 42m). The increase is mainly driven by amortisations from acquisitions of businesses and investments in IT projects to secure the infrastructure necessary for continued long-term growth and scalability.

## SPECIAL ITEMS, NET

Full year 2024 Special items, net, amounted to a cost of EUR 41m, compared to 2023 pro forma EUR 34m (2023 Reported: EUR 32m), driven by restructuring activities in North America, M&A-related costs, of which EUR 9m is related to business combination accounting treatment and Greenfield activities in EMEA and South America.

## OPERATING PROFIT (EBIT)

Full year 2024 Operating profit (EBIT) amounted to EUR 71m compared to 2023 pro forma EUR 95m (2023 Reported: EUR 28m). The decrease was mainly due to the derived effect from the flat development on EBITDA before special items and increased amortisations from acquisitions and IT costs combined with special items restructuring costs (see sections above).

## FINANCIAL ITEMS

Full year 2024 Financial items amounted to net expenses of EUR 108m compared to net expenses of EUR 98m in pro forma 2023 (2023 Reported: EUR (65)m). The net expense was driven by the interest expense from the issued bond debt. In Q4 2024, an adjustment has been made to financial items to correctly account for the redemption of old bonds and issue of new senior secured bonds. This has had a positive impact in Q4 2024.

## TAX

Full year 2024 Tax expense amounted to EUR 17m, compared to 2023 pro forma EUR 30m (2023 Reported: Tax expense EUR 14m). Non-deductible interest expenses mainly impact the development.

## CASH FLOW

Full year 2024 The cash flow from operating activities was negative with EUR 90m. The development was driven by the build-up of net working capital following a continued impact by an increase in rates and volumes combined with pressure on payment terms from customers. However, it was positively impacted by a solid EBITDA.

Negative cash flow from investing activities of EUR 103m is mainly driven by the acquisition of Blu (Brazil), Foppiani (Italy) and ENK (South Korea) as part of Investments in Group entities combined with continuing and significant investments in IT projects enabling scalability.

Positive cash flow from financing activities of EUR 131m is mainly driven by the issuing of new bonds, thus partly offset by buy-back of own existing bonds.

## CAPITAL STRUCTURE

Equity attributable to the parent company was EUR 832m. The total equity ratio was 36.2% as of 31 December 2024. Compared to 31 December 2023 the equity ratio decreased 7.1% points driven by the result for the period.

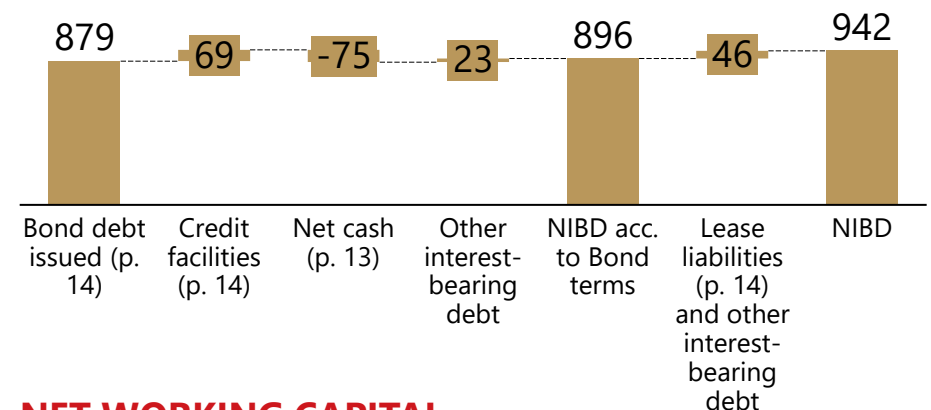
We actively and continuously manage our liquidity and indebtedness profile.

On 22 April 2024, SGL Group issued and placed new senior secured bonds in an amount of EUR 600m.

The bonds are raised for acquisition purposes as part of our M&A strategy and general corporate purposes. Further, as announced in March and May 2024, SGL Group completed partial buy-backs of existing bonds in a nominal amount totaling EUR 471m funded by the new bonds issued. Subsequently, SGL Group partially redeemed own existing bonds of EUR 166m.

## NET INTEREST-BEARING DEBT (NIBD)

Net interest-bearing debt (NIBD) was EUR 942m as of 31 December 2024 and mainly comprises bond debt of EUR 879m and the company's net cash position of EUR 75m deriving from a negative development in the Group's net working capital position. The total liquidity reserve was EUR 149m end of December 2024 (December 2023: EUR 274m).



## NET WORKING CAPITAL

The net working capital amounted to an asset of EUR 229m on 31 December 2024. This was an increase of EUR 135m compared to EUR 94m on 31 December 2023. Net working capital continued to be impacted by increases in rates and volumes and to some extent also impacted by pressure on payment terms from customers causing a slight increase in spread between payments made to suppliers and payments received from customers.

## OUTLOOK 2025

Looking into 2025, we expect a continued high level of activity in 2025, stemming from recent commercial investments gaining further traction and full impact from recent acquisitions.

However, changes in ocean freight dynamics can have a derived impact to air freight as seen in 2024 as well as the Red Sea situation is still expected to play a role for capacity and rates for both ocean and air freight in 2025. Moreover, the risk of potential increased tariffs remains uncertain and may impact the global freight market.

The pressure on yields are further expected to follow into 2025, despite the expectation of continued good activity levels.

OUTLOOK 2025	GUIDANCE
EBITDA before special items	EUR 215m – EUR 235m

Our guidance includes the acquisition of ITN, and the assumption of an expected closing in Q1 2025. The guided EBITDA before special items range is provided based on constant exchange rates.

## FORWARD-LOOKING STATEMENTS

The Interim Report contains forward-looking statements concerning SGL Group ApS' financial position, results of operations and potential exposure to risks and statements expressing Management's expectations and assumptions. Such statements are subject to risks and uncertainties as several factors, many of which are beyond SGL Group ApS' control, may cause the actual development and results to differ materially from expectations contained in the Interim Financial Report.

# INCOME STATEMENT

EURm	Note	Q4 2024	Q4 2023	2024	2023	Pro forma 2023
Revenue	1	687	490	2,383	1,162	2,022
Cost of operation	1	(547)	(390)	(1,867)	(893)	(1,553)
<b>Gross profit</b>		<b>140</b>	<b>100</b>	<b>516</b>	<b>269</b>	<b>469</b>
Other external expenses		(18)	(18)	(85)	(40)	(65)
Staff costs		(61)	(52)	(236)	(127)	(211)
<b>Earnings before Interest, Tax, Depreciation, Amortisation (EBITDA) and special items</b>	<b>1</b>	<b>61</b>	<b>30</b>	<b>195</b>	<b>102</b>	<b>193</b>
Depreciation and amortisation		(28)	(17)	(83)	(42)	(64)
<b>Operating profit (EBIT) before special items</b>		<b>33</b>	<b>13</b>	<b>112</b>	<b>60</b>	<b>129</b>
Special items, net	2	(17)	(9)	(41)	(32)	(34)
<b>Operating profit (EBIT)</b>		<b>16</b>	<b>4</b>	<b>71</b>	<b>28</b>	<b>95</b>
Financial income	3	9	1	11	16	9
Financial expenses	3	(1)	(30)	(119)	(81)	(107)
<b>Result before tax</b>		<b>24</b>	<b>(25)</b>	<b>(37)</b>	<b>(37)</b>	<b>(3)</b>
Income tax for the period		(1)	(2)	(17)	(14)	(30)
<b>Result for the period</b>		<b>23</b>	<b>(27)</b>	<b>(54)</b>	<b>(51)</b>	<b>(33)</b>
Total income for the period attributable to owners of the parent company		21	(26)	(57)	(53)	(35)
Non-controlling interests		2	(1)	3	2	2
<b>Total</b>		<b>23</b>	<b>(27)</b>	<b>(54)</b>	<b>(51)</b>	<b>(33)</b>

# STATEMENT OF OTHER COMPREHENSIVE INCOME

EURm	Note	Q4 2024	Q4 2023	2024	2023
<b>Result for the period</b>		<b>23</b>	<b>(27)</b>	<b>(54)</b>	<b>(51)</b>
Items that will be reclassified to income statement when certain conditions are met:					
Exchange rate adjustment related to foreign entities		13	(8)	16	(9)
<b>Other comprehensive income, net of tax</b>		<b>13</b>	<b>(8)</b>	<b>16</b>	<b>(9)</b>
<b>Total comprehensive income for the period</b>		<b>36</b>	<b>(35)</b>	<b>(38)</b>	<b>(60)</b>
Total comprehensive income for the period attributable to					
Owners of the Parent Company		34	(31)	(41)	(58)
Non-controlling interests		2	(4)	3	(2)
<b>Total</b>		<b>36</b>	<b>(35)</b>	<b>(38)</b>	<b>(60)</b>

# BALANCE SHEET

EURm	Note	31 December 2024	31 December 2023
<b>ASSETS</b>			
Intangible assets		1,571	1,424
Property, plant and equipment		91	83
Other receivables		11	9
Deferred tax assets		12	7
Investments in joint ventures		3	-
<b>Total non-current assets</b>		<b>1,688</b>	<b>1,523</b>
Trade receivables		432	265
Contract assets		55	42
Receivables from related parties		1	3
Income tax receivables		4	4
Other receivables		17	12
Prepayments		29	32
Cash and cash equivalents	4	75	142
<b>Total current assets</b>		<b>613</b>	<b>500</b>
<b>Total assets</b>		<b>2,301</b>	<b>2,023</b>

EURm	Note	31 December 2024	31 December 2023
<b>EQUITY AND LIABILITIES</b>			
Share capital		0	0
Currency translation reserve		11	(5)
Retained earnings		821	880
<b>Equity attributable to Parent Company</b>		<b>832</b>	<b>875</b>
Non-controlling interests		(0)	(0)
<b>Total equity</b>		<b>832</b>	<b>875</b>
Borrowings	5	892	726
Lease liabilities	5	22	41
Deferred tax liability		41	45
Other payables		47	12
<b>Total non-current liabilities</b>		<b>1,002</b>	<b>824</b>
Bank overdraft	4	-	6
Trade payables		182	139
Accrued trade expenses		81	84
Current tax liabilities		30	18
Lease liabilities	5	48	22
Deferred income		4	2
Other payables		122	53
<b>Total current liabilities</b>		<b>467</b>	<b>324</b>
<b>Total liabilities</b>		<b>1,469</b>	<b>1,148</b>
<b>Total equity and liabilities</b>		<b>2,301</b>	<b>2,023</b>



# STATEMENT OF CASH FLOW

EURm	Note	Q4 2024	Q4 2023	2024	2023	Pro forma 2023
Result for the period		23	(27)	(54)	(51)	(33)
<i>Adjustment of non-cash items:</i>						
Income taxes in the income statement		1	2	17	14	30
Depreciation and amortisation		28	17	83	42	64
Financial items, net		(8)	29	108	65	98
Change in net working capital		16	17	(125)	5	(21)
Interest received		-	8	-	10	5
Interest paid		(24)	(27)	(86)	(64)	(79)
Tax paid		(8)	(17)	(33)	(19)	(36)
<b>Cash flows from operating activities</b>		<b>28</b>	<b>2</b>	<b>(90)</b>	<b>2</b>	<b>28</b>
Purchase of software and other intangible assets		(6)	(4)	(17)	(6)	(9)
Purchase of property, plant and equipment		(3)	(4)	(12)	(8)	(13)
Earn out paid		-	4	-	-	-
Investments in Group entities	6	-	(1)	(71)	(78)	(382)
Other investments		-	-	(3)	-	-
<b>Cash flows from investing activities</b>		<b>(9)</b>	<b>(5)</b>	<b>(103)</b>	<b>(92)</b>	<b>(404)</b>
<b>Free cash flow</b>		<b>19</b>	<b>(3)</b>	<b>(193)</b>	<b>(90)</b>	<b>(376)</b>

EURm	Note	Q4 2024	Q4 2023	2024	2023	Pro forma 2023
Capital increase		0	(2)	0	79	79
Loan to group entities		-	(5)	-	-	-
Purchase of non-controlling interest		-	-	(2)	-	-
Dividend paid to non-controlling interest		(1)	(1)	(3)	(1)	(4)
Deposits		1	2	-	2	-
Proceeds from issuing bonds		(13)	-	587	722	359
Bonds acquired		-	-	-	(363)	-
Redemption of bond loan		13	-	(494)	(193)	(193)
Long-term loans		(19)	2	68	-	-
Credit facilities, financing fees		(1)	-	(3)	-	-
Redemption of lease liabilities		(7)	(4)	(22)	(13)	(21)
<b>Cash flows from financing activities</b>		<b>(27)</b>	<b>(8)</b>	<b>131</b>	<b>233</b>	<b>220</b>
<b>Change in cash and cash equivalents</b>		<b>(8)</b>	<b>(11)</b>	<b>(62)</b>	<b>143</b>	<b>(156)</b>
Cash and cash equivalents						
Cash and cash equivalents beginning of period		81	158	136	-	299
Exchange rate adjustment of cash and cash equivalents		2	(11)	1	(7)	(7)
Change in cash and cash equivalents		(8)	(11)	(62)	143	(156)
<b>Cash and cash equivalents end of period</b>	4	<b>75</b>	<b>136</b>	<b>75</b>	<b>136</b>	<b>136</b>

# STATEMENT OF CHANGES IN EQUITY

EURm	Share capital	Currency translation reserve	Retained earnings	Equity attributable to parent	Non-controlling interests	Total equity
<b>Equity at 1 January 2024</b>	<b>0</b>	<b>(5)</b>	<b>880</b>	<b>875</b>	<b>(0)</b>	<b>875</b>
Other movements	-	-	0	0	0	0
Result for the period	-	-	(57)	(57)	3	(54)
Other comprehensive income, net of tax	-	16	-	16	-	16
<b>Total comprehensive income, net of tax</b>	<b>-</b>	<b>16</b>	<b>(57)</b>	<b>(41)</b>	<b>3</b>	<b>(38)</b>
Purchase of non-controlling interests	-	-	(2)	(2)	-	(2)
Dividend distributed, non-controlling interests	-	-	-	-	(3)	(3)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>(2)</b>	<b>(2)</b>	<b>(3)</b>	<b>(5)</b>
<b>Equity at 31 December 2024</b>	<b>0</b>	<b>11</b>	<b>821</b>	<b>832</b>	<b>(0)</b>	<b>832</b>
EURm	Share capital	Currency translation reserve	Retained earnings	Equity attributable to parent	Non-controlling interests	Total equity
<b>Equity at 1 January 2023</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Result for the period	-	-	(53)	(53)	2	(51)
Other comprehensive income, net of tax	-	(5)	-	(5)	(4)	(9)
<b>Total comprehensive income, net of tax</b>	<b>-</b>	<b>(5)</b>	<b>(53)</b>	<b>(58)</b>	<b>(2)</b>	<b>(60)</b>
Dividend distributed, non-controlling interests	-	-	-	-	(1)	(1)
Capital contribution	-	-	933	933	-	933
Acquisition of non-controlling interests	-	-	-	-	3	3
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>933</b>	<b>933</b>	<b>2</b>	<b>935</b>
<b>Equity at 31 December 2023</b>	<b>0</b>	<b>(5)</b>	<b>880</b>	<b>875</b>	<b>(0)</b>	<b>875</b>



# NOTES

## NOTE 1 – SEGMENT INFORMATION

EURm	Q4 2024				Q4 2023			
	Air & Ocean	Road	Solutions	Total	Air & Ocean	Road	Solutions	Total
Revenue	635	46	6	687	390	92	8	490
Cost of operation	(506)	(37)	(4)	(547)	(307)	(78)	(5)	(390)
<b>Gross profit</b>	<b>129</b>	<b>9</b>	<b>2</b>	<b>140</b>	<b>83</b>	<b>14</b>	<b>3</b>	<b>100</b>
Other external expenses and staff costs	(69)	(9)	(1)	(79)	(55)	(12)	(3)	(70)
<b>Earnings before Interest, Tax, Depreciation, Amortisation (EBITDA) and special items</b>	<b>60</b>	<b>0</b>	<b>1</b>	<b>61</b>	<b>28</b>	<b>2</b>	<b>-</b>	<b>30</b>
Depreciation and amortisation				(28)				(17)
<b>Operating profit (EBIT) before special items</b>				<b>33</b>				<b>13</b>
Special items, net				(17)				(9)
Financial items, net				8				(29)
<b>Result before tax</b>				<b>24</b>				<b>(25)</b>

# NOTES

## NOTE 1 – SEGMENT INFORMATION

EURm	2024				2023				Pro forma 2023			
	Air & Ocean	Road	Solutions	Total	Air & Ocean	Road	Solutions	Total	Air & Ocean	Road	Solutions	Total
Revenue	2,133	230	20	2,383	967	175	20	1,162	1,707	278	37	2,022
Cost of operation	(1,675)	(180)	(12)	(1,867)	(741)	(141)	(11)	(893)	(1,313)	(219)	(21)	(1,553)
<b>Gross profit</b>	<b>458</b>	<b>50</b>	<b>8</b>	<b>516</b>	<b>226</b>	<b>34</b>	<b>9</b>	<b>269</b>	<b>394</b>	<b>59</b>	<b>16</b>	<b>469</b>
Other external expenses and staff costs	(268)	(47)	(6)	(321)	(133)	(27)	(7)	(167)	(218)	(46)	(12)	(276)
<b>Earnings before Interest, Tax, Depreciation, Amortisation (EBITDA) and special items</b>	<b>190</b>	<b>3</b>	<b>2</b>	<b>195</b>	<b>93</b>	<b>7</b>	<b>2</b>	<b>102</b>	<b>176</b>	<b>13</b>	<b>4</b>	<b>193</b>
Depreciation and amortisation				(83)				(42)				(64)
<b>Operating profit (EBIT) before special items</b>				<b>112</b>				<b>60</b>				<b>129</b>
Special items, net				(41)				(32)				(34)
Financial items, net				(108)				(65)				(98)
<b>Result before tax</b>				<b>(37)</b>				<b>(37)</b>				<b>(3)</b>



# NOTES

## NOTE 2 – SPECIAL ITEMS

EURm	Q4 2024	Q4 2023	2024	2023
M&A activities, greenfield activities and other transaction specific costs	(2)	(5)	(17)	(27)
Restructuring and other costs	(15)	(4)	(24)	(5)
<b>Total special items, net</b>	<b>(17)</b>	<b>(9)</b>	<b>(41)</b>	<b>(32)</b>

## NOTE 3 – FINANCIAL ITEMS

EURm	Q4 2024	Q4 2023	2024	2023
Interest income	2	(1)	4	4
Bond interest income	-	7	-	7
Other financial income	-	5	-	5
Net foreign exchange gains	7	(10)	7	-
<b>Total financial income</b>	<b>9</b>	<b>1</b>	<b>11</b>	<b>16</b>
Interest expenses	(2)	-	(5)	(1)
Lease interest expenses	(3)	(2)	(8)	(5)
Bond interest expenses	(20)	(21)	(83)	(64)
Amortisation of capitalised loan costs	4	(1)	(8)	(4)
Other financial expenses	12	(2)	(15)	(3)
Net foreign exchange losses	8	(4)	-	(4)
<b>Total financial expenses</b>	<b>(1)</b>	<b>(30)</b>	<b>(119)</b>	<b>(81)</b>
<b>Net financial items</b>	<b>8</b>	<b>(29)</b>	<b>(108)</b>	<b>(65)</b>

## NOTE 4 – CASH AND LIQUIDITY RESERVE

EURm	31 December 2024	31 December 2023
Cash and cash equivalents	75	142
Bank overdraft	-	(6)
<b>Net cash</b>	<b>75</b>	<b>136</b>
Undrawn credit facilities	74	138
<b>Liquidity reserve</b>	<b>149</b>	<b>274</b>

# NOTES

NOTE 5 – CHANGES TO FINANCIAL LIABILITIES			Carrying amount 1 January	Cash flow	Non-cash movements				31 December 2024	
EURm	Maturity	Effective interest rate			Business combinations	Foreign exchange effect	Additions	Disposals	Other movements	Carrying amount end of period
Bond debt										
Issued bonds, EUR 750m	2028	3-month EURIBOR + 6.75%	750	-	-	-	-	(166)	-	584
Hereof bonds held by SGL Group	2028	3-month EURIBOR + 6.75%	-	(494)	-	-	-	166	23	(305)
Issued bonds, EUR 600m	2030	3-month EURIBOR + 4.75%	-	600	-	-	-	-	-	600
Capitalised loan costs			(24)	(13)	-	-	-	-	(19)	(56)
<b>Net bond debt</b>			<b>726</b>	<b>93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>823</b>
Payable interests			6	(78)	-	-	84	-	-	12
Credit facilities			-	68	-	1	-	-	-	69
Lease liabilities			63	(22)	5	2	21	-	1	70
<b>Total</b>			<b>795</b>	<b>61</b>	<b>5</b>	<b>3</b>	<b>105</b>	<b>-</b>	<b>5</b>	<b>974</b>

			Carrying amount 1 January	Cash flow	Non-cash movements				31 December 2023	
EURm	Maturity	Effective interest rate			Business combinations	Foreign exchange effect	Additions	Other movements	Carrying amount end of period	
Bond debt										
Issued bonds, EUR 750m	2028	3-month EURIBOR + 6.75%	-	750	-	-	-	-	-	750
Redeemed bonds, EUR 538m			-	(193)	193	-	-	-	-	-
Capitalised loan costs			-	(28)	-	-	-	-	4	(24)
<b>Net bond debt</b>			<b>-</b>	<b>529</b>	<b>193</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>726</b>
Payable bond interest			-	(58)	-	-	64	-	-	6
Credit facilities			-	-	4	-	-	-	(4)	-
Lease liabilities			-	(13)	74	0	2	-	-	63
<b>Total</b>			<b>-</b>	<b>458</b>	<b>271</b>	<b>0</b>	<b>66</b>	<b>-</b>	<b>-</b>	<b>795</b>



# NOTES

## NOTE 6 - BUSINESS COMBINATIONS

EURm				2024	2023
	Foppiani	Blu	Other	Total	Total
<b>ASSETS</b>					
Other intangible assets	0	0	-	0	12
Property, plant and equipment	5	1	0	6	92
Deferred tax assets	0	1	-	1	8
Trade receivables and contract assets	35	35	-	70	278
Corporation tax	0	-	-	0	11
Loans to previous group companies	-	-	-	-	28
Other receivables and prepaid costs	1	0	-	1	40
Cash and cash equivalents	34	4	0	38	316
<b>Total assets</b>	<b>75</b>	<b>41</b>	<b>0</b>	<b>116</b>	<b>785</b>
<b>LIABILITIES</b>					
Provisions	2	17	-	19	3
Deferred tax	-	-	-	-	4
Credit facilities	-	-	-	-	4
Bond debt	-	-	-	-	193
Lease liability	4	1	-	5	74
Loans from previous group companies	-	-	-	-	42
Trade payables and accrued trade expenses	24	31	-	55	179
Corporation tax payables	1	13	-	14	19
Deferred income	0	-	-	0	5
Other payables	3	1	-	4	55
<b>Total liabilities</b>	<b>34</b>	<b>63</b>	<b>-</b>	<b>97</b>	<b>578</b>

## NOTE 6 - BUSINESS COMBINATIONS

EURm				2024	2023
	Foppiani	Blu	Other	Total	Total
<b>Acquired net assets</b>	<b>41</b>	<b>(22)</b>	<b>0</b>	<b>19</b>	<b>207</b>
Non-controlling interest	-	-	-	-	(3)
Goodwill	51	90	-	141	1,229
Customer relations	9	5	2	16	198
Trademarks	-	-	-	-	18
Deferred tax	(2)	(2)	(0)	(4)	(51)
<b>Fair value of total net assets acquired</b>	<b>99</b>	<b>71</b>	<b>2</b>	<b>172</b>	<b>1,598</b>
Contingent consideration assumed	-	(49)	-	(49)	(3)
Deferred purchase price assumed	(23)	-	-	(23)	(1)
Contingent consideration paid*	-	-	8	8	4
Deferred purchase price paid*	-	-	1	1	1
Cash and bank balances assumed	(34)	(4)	-	(38)	(316)
Extinguish of a pre-existing relationship	-	-	-	-	(359)
Contribution from parent	-	-	-	-	(854)
<b>Cash flow utilised for acquisitions</b>	<b>42</b>	<b>18</b>	<b>11</b>	<b>71</b>	<b>70</b>

\* Relates to previous years acquisitions.

# NOTES

## NOTE 6 – BUSINESS COMBINATIONS (CONTINUED)

### ***Acquisition of ENK Logistics Co., Ltd.***

On 19 October 2023 SGL Group signed the acquisition of 100% of the shares in the South Korea based freight forwarding company ENK Logistics Co., Ltd. through the wholly owned subsidiary Scan Global Logistics Korea Co., Ltd. With the acquisition, SGL Group strengthens its position within the Asian region. Closing of the transaction was 12 January 2024. The acquisition price for the activities was EUR 2m, financed through the cash position.

### ***Acquisition of Foppiani Shipping & Logistics Group***

On 24 April 2024, SGL Group ApS has through its wholly-owned subsidiary Scan Global Logistics A/S signed an agreement to acquire 100% of the shares in Foppiani Shipping & Logistics. Foppiani Shipping & Logistics is a leading Italian freight forwarder headquartered in Prato, specialising in air and ocean freight services for fashion, furniture, high-end Italian products and automotive sectors. Foppiani Shipping & Logistics generates yearly revenue of EUR 115m.

The acquisition of Foppiani Shipping & Logistics provides SGL Group with an operational platform in Italy which enables SGL Group to establish its strategic presence in Italy and gives SGL Group a strategic platform to scale the business and expand its global presence to the benefit of customers. Most importantly, Foppiani Shipping & Logistics will bring additional human capital with comprehensive industry knowledge and niche experience; people with a perfect match to SGL Group's DNA and culture.

Closing of the transaction was 3 June 2024. The acquisition price for the activities was EUR 99m, financed through the issue of new senior secured bonds. Fees and expenses linked to the acquisition were EUR 1m and recognised as special items in the income statement.

### *Fair value of acquired net assets and recognised goodwill*

Fair value of acquired net assets has been identified and goodwill recognised. Net assets and contingent liabilities recognised at the reporting date are to some extent still provisional. Adjustments may be applied to these amounts for a period of up to twelve months from the acquisition date in accordance with IFRS 3.

### *Goodwill*

Goodwill primarily relates to synergy effects from integration with SGL Group and over time to leverage from the business model's strength and utilising the network effect including synergies through the scale of operations and M&A. Goodwill is non-deductible for tax purposes. Goodwill amounts to EUR 51m.

### *Earnings impact*

During the seven months after the acquisition date, Foppiani Group contributed with EUR 103m to the Group's revenue and EUR 6m to the Group's result after tax. If the acquisition had occurred on 1 January 2024, the Group's consolidated pro forma revenue and profit after tax would have amounted to approx. EUR 2,435m and EUR (78)m, respectively.

### *Fair value measurement*

Material net assets acquired for which significant estimates have been applied in the fair value assessment have been recognised using the following valuation techniques:

# NOTES

## NOTE 6 – BUSINESS COMBINATIONS (CONTINUED)

### *Customer relationships*

Customer relationships have been measured using a multi-period excess earnings model (MEEM), by which the present value of future cash flows from recurring contract customers expected to be retained after the date of acquisition has been valued using an WACC of 15.97% as discount rate. In total, customer relationships amounting to EUR 9m have been included in the opening balance.

The main input value drivers in the MEEM model used are the estimated future retention rate and net cash flow of the acquired contract customer base. These inputs have been estimated based on Management's professional judgement from analysis of the acquired customer base, historical data, and general business insight.

### *Trade receivables and payables*

Fair value of trade receivables and trade payables has been measured at the contractual amount expected to be received or paid. In addition, collectability has been taken into consideration on trade receivables. The amounts have not been discounted, as maturity on trade receivables- and payables are generally very short and the discounted effect therefore immaterial.

### *Financial liabilities*

Financial liabilities have been measured at the present value of the repayable amounts discounted using a representative SGL Group borrowing rate unless the discount effect is insignificant. An SGL Group borrowing rate has been applied as SGL vouches for the acquired debt, hence the credit enhancement of the Group has been applied in the valuation.

### ***Acquisition of Blu Logistics Brazil Transportes Internacionais LTDA.***

On 11 July 2024, SGL Group ApS has through its wholly-owned subsidiary Scan Global Logistics A/S signed an agreement to acquire 100% of the shares in Blu Logistics Brazil Transportes Internacionais LTDA.

Blu Logistics Brazil is a leading Brazilian freight forwarder headquartered in Sao Paulo, specialising in air and ocean freight services with adjacent offerings including custom clearance, truckload and cabotage. Blu Logistics Brazil generated yearly revenue of approximately BRL 570m in 2023, equivalent to EUR 106m.

The acquisition provides SGL Group with a significant operational platform in Brazil enabling strategic presence establishment and scalability. This platform supports global expansion and enhances customer service capabilities. Most importantly, Blu Logistics Brazil will bring additional human capital with comprehensive industry knowledge and niche experience; people with a perfect match to SGL Group's DNA and culture.

Closing of the transaction was on 2 September 2024. The acquisition price for the activities was EUR 71m, including the fair value of contingent consideration of EUR 49m (discounted using the DCF method), contingent upon Blu Logistics Brazil's future financial performance and other uncertain positions. The contingent consideration has a maximum payment value of EUR 94m. The acquisition was financed through the cash position.

Fees and expenses linked to the acquisition were EUR 1m and recognised as special items in the income statement.



# NOTES

## NOTE 6 – BUSINESS COMBINATIONS (CONTINUED)

### *Fair value of acquired net assets and recognised goodwill*

Fair value of acquired net assets has been identified and goodwill recognised. Net assets and contingent liabilities recognised at the reporting date are to some extent still provisional. Adjustments may be applied to these amounts for a period of up to twelve months from the acquisition date in accordance with IFRS 3.

### *Goodwill*

Goodwill primarily relates to synergy effects from integration with SGL Group and over time to leverage from the business model's strength and utilising the network effect including synergies through the scale of operations and M&A. Goodwill is non-deductible for tax purposes. Goodwill amounts to EUR 90m.

### *Earnings impact*

During the four months after the acquisition date, Blu Logistics contributed with EUR 73m to the Group's revenue and EUR 4m to the Group's result after tax. If the acquisition had occurred on 1 January 2024, the Group's consolidated pro forma revenue and profit after tax would have amounted to approx. EUR 2,502m and EUR (78)m, respectively.

### *Fair value measurement*

Material net assets acquired for which significant estimates have been applied in the fair value assessment have been recognised using the following valuation techniques:

### *Customer relationships*

Customer relationships have been measured using a multi-period excess earnings model (MEEM), by which the present value of future cash flows from recurring contract customers expected to be retained after the date of acquisition has been valued using an WACC of 25.3% as discount rate. In total, customer relationships amounting to EUR 5m have been included in the opening balance.

The main input value drivers in the MEEM model used are the estimated future retention rate and net cash flow of the acquired contract customer base. These inputs have been estimated based on Management's professional judgement from analysis of the acquired customer base, historical data, and general business insight.

### *Trade receivables and payables*

Fair value of trade receivables and trade payables has been measured at the contractual amount expected to be received or paid. In addition, collectability has been taken into consideration on trade receivables. The amounts have not been discounted, as maturity on trade receivables- and payables are generally very short and the discounted effect therefore immaterial.

### *Financial liabilities*

Financial liabilities have been measured at the present value of the repayable amounts discounted using a representative SGL Group borrowing rate unless the discount effect is insignificant. An SGL Group borrowing rate has been applied as SGL Group vouches for the acquired debt, hence the credit enhancement of the Group has been applied in the valuation.

# NOTES

## NOTE 7 – SUBSEQUENT EVENTS

### **Acquisition of ITN Logistics Group**

On 19 December 2024, SGL Group ApS has, through its wholly-owned subsidiary Scan Global Logistics A/S, signed an agreement to acquire 100% of the shares in ITN Logistics Group ("ITN").

ITN is a leading privately owned Canadian freight forwarder offering a full suite of global logistics solutions across transport modes. The acquisition of ITN will strengthen SGL's Canadian operations by bringing additional scale, locations and increased market share. ITN generated a yearly revenue of approximately CAD 170m in 2023. Most importantly, ITN will bring additional human capital of more than 250 employees with comprehensive industry knowledge: people with a perfect match to SGL Group's DNA and culture.

The transaction is subject to anti-trust approval from the Canadian authorities, and closing is expected in March 2025.

The acquisition of ITN is financed partly through the cash position and the issue of new senior secured bonds.

### **SGL Group ApS successfully places EUR 375,000,000 of new senior secured bonds**

On 31 January 2025, SGL Group ApS announced that it had successfully placed new senior secured bonds in an amount of EUR 375,000,000 under a framework of a total aggregate nominal amount of EUR 600,000,000. The new bonds will carry a tenor of 6 years and a floating rate interest of 3 months EURIBOR plus 4.25% per annum and were placed at a price of 99% of par. The bond issue was met with strong demand from primarily Nordic and international institutional investors and was significantly oversubscribed.

Proceeds from the new bonds will be used to:

- Fully redeem the Company's outstanding senior secured callable floating rate bonds (ISIN: NO0012826033) maturing in 2028 by way of a voluntary redemption
- Partly finance the acquisition of ITN Logistics Group.
- Paying transaction costs and general corporate purposes.

Settlement of the new bonds was on 24 February 2025, and the Company intends to list the New Bonds on the Corporate Bond List of Nasdaq Stockholm.

# **NOTES – ACCOUNTING POLICY**

## **NOTE 8 – GENERAL ACCOUNTING POLICIES**

The interim financial report of SGL Group comprises a summary of the consolidated financial statements of SGL Group ApS and its subsidiaries.

The interim financial report comprise the consolidated financial statement and has been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the European Union and Nasdaq Stockholm disclosure requirements for interim reports of listed companies.

The accounting policies remain unchanged compared to the annual report for 2023, to which reference is made.

This interim financial report includes selected notes. Accordingly, this report should be read in conjunction with the annual report for 2023 and any public announcements made during the interim reporting period.

### **New accounting regulation adopted in 2024**

SGL Group has implemented the latest International Financial Reporting Standards (IFRS) and amendments effective as of 1 January 2024 as adopted by the European Union.

All amendments to the International Financial Reporting Standards (IFRS) effective for the financial period have been implemented as basis for preparing the consolidated financial statements and notes to the statements.

None of the implementations have had any material impact on the statements or notes presented.

### **New accounting regulation not yet adopted**

The IASB has issued a number of new standards and amendments not yet in effect or endorsed by the EU and therefore not relevant for the preparation of the Interim Financial Report. None of these are currently expected to carry any significant impact on the financial statements of the SGL Group when implemented.

### **Material accounting estimates**

In connection with the preparation of the interim report, Management makes material accounting estimates, assessments and assumptions which form the basis of the presentation, recognition and measurement of SGL Group's assets and liabilities for accounting purposes. There are no significant changes in the material estimates from the assessments presented in SGL Group ApS' Annual Report 2023.



# MANAGEMENT STATEMENT

The Board of Directors and Executive Management have today considered and approved the interim financial report of SGL Group ApS (page 2 to 20) for the period 1 January 2024 to 31 December 2024.

The interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union and Swedish disclosure requirements for interim financial reports of listed companies. The interim financial report has not been reviewed or audited by the company auditor.

In our opinion, the interim financial report gives a true and fair view of the SGL Group’s assets and liabilities and financial position on 31 December 2024 and operations and cash flow for the period 1 January 2024 to 31 December 2024.

Further, in our opinion, we find that the management commentary contains a true and fair statement of the development in the Group's activities and financial situation, the result for the period and financial position and that the Management's commentary describes the significant risks and uncertainties faced by the SGL Group.

Copenhagen, 28 February 2025

## Executive Management

Allan Dyrgaard Melgaard  
*Global CEO*

Mads Drejer  
*Global COO & CCO*

Clara Nygaard Holst  
*Global CFO*

## Board of Directors

Nils Smedegaard Andersen  
*Chairman*

Christoffer Helsengreen Sjøqvist

Thomas Nieszner

Søren Vestergaard-Poulsen

Philip Bendorff Røpcke

John Francis Cozzi

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