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SGLT Holding II LP

Summary of the interim report for Q2 2019

Disclaimer and cautionary statement

This document contains forward-looking statements concerning SGLT Holding II LP's financial condition, results of operations and business. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those expressed or implied in these statements.

Forward-looking statements include, among other things, statements concerning SGLT Holding II LP's potential exposure to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions. A number of factors that affect SGLT Holding II LP's future operations and could cause SGLT Holding II LP's results to differ materially from those expressed in the forward-looking statements included in this document, include (without limitation): (a) changes in demand for SGLT Holding II LP's services; (b) currency and interest rate fluctuations; (c) loss of market share and industry competition; (d) legislative, fiscal, and regulatory developments, including changes in tax or accounting policies; (e) economic and financial market conditions in various countries and regions; (f) customer credit risks; (g) revenue-recognition factors.

All forward-looking statements contained in this document are expressly qualified by the cautionary statements contained or referenced to in this statement. Undue reliance should not be placed on forward-looking statements. Additional factors that may affect future results are contained in SGLT Holding II LP's annual report for the year ended 31 December 2018 (available at on <https://www.scangl.com/investor/investor-holding/>) and these factors also should be considered. Each forward-looking statement speaks only as of the date of this document. SGLT Holding II LP does not undertake any obligation to publicly update or revise any forward-looking statement as a result of new information or future events other than as required by Swedish law. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this document.

Key market developments

Key market drivers

Macroeconomic activity

- Global trade has historically grown at a multiple of GDP
- Global GDP growth is projected to expand by 2.6% in 2019, which is expected to result in continued trade growth

Risks

- Trade tensions between USA and China
- UK Brexit

Change of trade flows

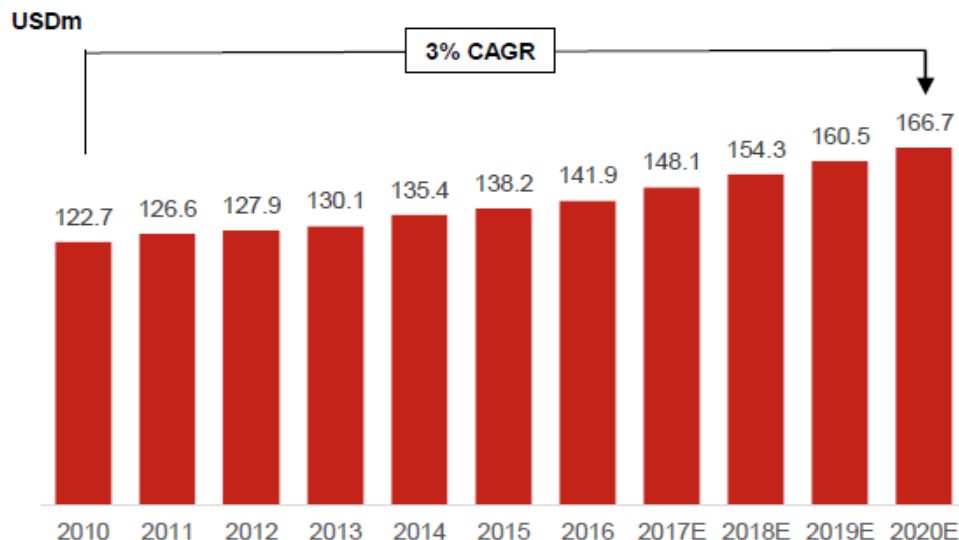
- Rising manufacturing costs in China shift production of consumer goods to markets like Myanmar, Cambodia, Laos, Vietnam, Bangladesh and Ethiopia
- Growth of China's economy and consumer market balances trade flows in and out of China
- Reorientation of trade flows drives need for logistics industry to expand global footprint

Propensity to use Freight forwarders

- Shippers' propensity to use freight forwarders for their logistics needs continues to rise
- Key drivers are focus on core business, cost optimisation, product risks and delivery time focus

Forecast development of the global freight forwarding market

GLOBAL FREIGHT FORWARDING REVENUES, 2010-2020E



Financial highlights

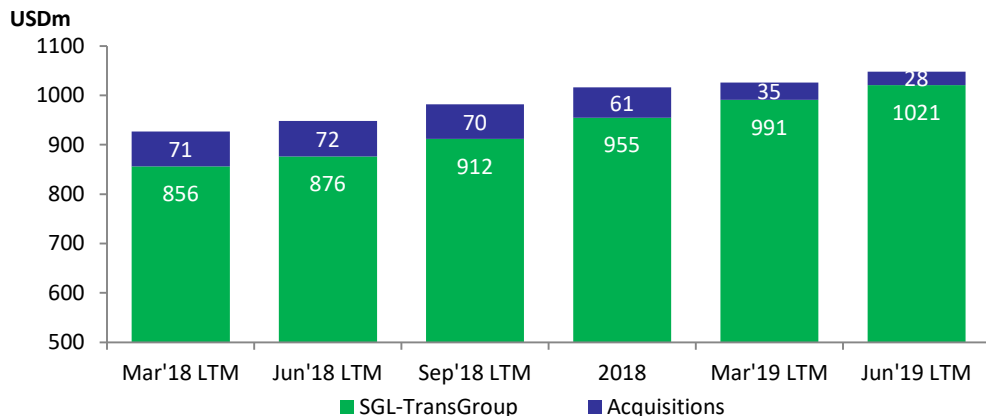
- Revenues amounted to USD 262.5 million Q2 2019, representing a 12.8% increase over Q2 2018
 - The acquisitions of Kestrel, Macca, IQS, and BK Spedition, all completed since Q2 2018, contributed USD 16m in revenue in Q2 2019
 - The Air, Sea and Road segments from Scan Bidco Group were all strong drivers of organic growth, mainly driven by the Nordics, Hong Kong, China and South East Asia; this was partly offset by underperformance in the Solution segment due to restructuring activities
 - In Q2 2019, organic revenue growth in Scan Bidco Group and TransGroup was 6% and 15%, respectively
- Compared to Q2 2018, gross margins expanded by 1.5 percentage points to 16.6% and overall gross profit grew by 24%
 - The gross margin expansion is driven by a 1.5 percentage point improvement in Scan Bidco Group and a 1.4 percentage point improvement in TransGroup
- Continued improvement in EBITDA before special items, which grew by 73% from USD 6.7m in Q2 2018 to USD 11.6m in Q2 2019; with IFRS impacting Q2 2019 EBITDA by USD 3m
 - Special items are mainly related to acquisition and restructuring costs
- Adjusted EBITDA excluding the impact of IFRS 16 *Leases* amounts to USD 10m and represents the underlying financial business performance of the Group in Q2 2019, as results are adjusted for extraordinary items which are not in line with the ordinary course of business and other non-recurring items
- As of 30 June 2019, the equity ratio stood at 28.0% and the consolidated NIBD amounted to USD 244m, resulting in an NIBD/EBITDA ratio of 5.2x (on an adjusted pro forma level excluding IFRS 16); down from 7.7x in Q2 2018
 - NIBD increased compared to last year, partly due to the financing of the acquisitions made and partly due to higher working capital needs driven by new customer contracts

Key financials

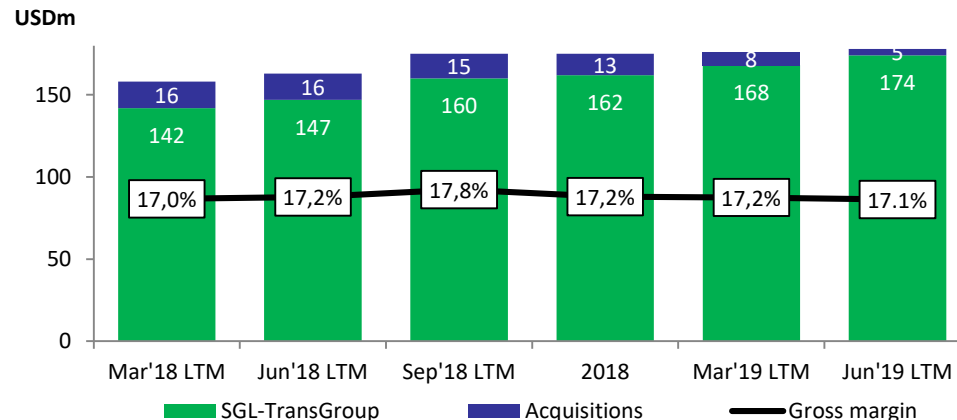
USD '000	Q2 2019	Q2 2018 (Not IFRS16 adjusted)
Revenue	262 538	232 673
Cost of operation	-218 928	-197 558
Gross profit	43 610	35 115
Other external expenses	-6 541	-7 409
Staff costs	-25 432	-20 962
EBITDA before special items	11 637	6 744
Depreciation of tangibles	-3 420	-466
Amortisation of intangibles	-2 366	-2 128
EBIT before special items	5 851	4 150
Special items	-433	-36
EBIT	5 418	4 114
Net financial items	-5 999	-4 188
Result before tax	-581	-74
Tax on profit	-96	-124
Result of the period	-677	-198
Gross margin*	16.6 %	15.1 %
EBITDA margin*	4.4 %	2.9 %
USD '000	30 June 2019	30 June 2018
Net interest bearing debt (excl. IFRS 16)	209 694	202 798
Net leverage (pro forma)	5.2x	7.7x

Pro forma development (rolling last twelve months)

Combined revenue development (pro forma LTM)

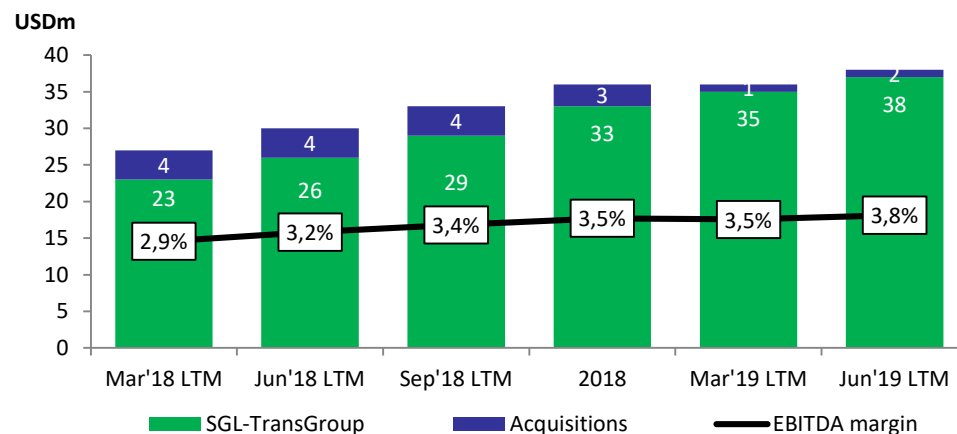


Combined gross profit development (pro forma LTM)



- The graph "Acquisitions " includes activities in CommFirst, acquired in Q2 2018 (now TransGroup Canada Logistics, Inc.), Macca Logistics SA (now Scan Global Logistics SA), Mali, acquired in Q3 2018, IQS Group and New Bison LLC acquired in Q1 2019 as well as IC Group A/S and BK-International Speditions GmbH, both of which were acquired in Q2 2019
- The pro forma graphs exclude the positive impact of IFRS 16
- On a pro forma basis, the combined group has experienced a positive development in revenue and gross profit over the last quarters
- The company generated revenues of USD 1,049m in the LTM Q2 2019, equal to a 10.7% organic growth over LTM Q2 2018
- Gross profit amounted to USD 179m in the LTM Q2 2019, equal to a 9.8% organic growth over LTM Q2 2018
- Adjusted EBITDA (pro forma) amounted to USD 40m in LTM Q2 2019, equal to a margin of 3.8%

Combined Adjusted EBITDA development (pro forma LTM)



Outlook for FY2019

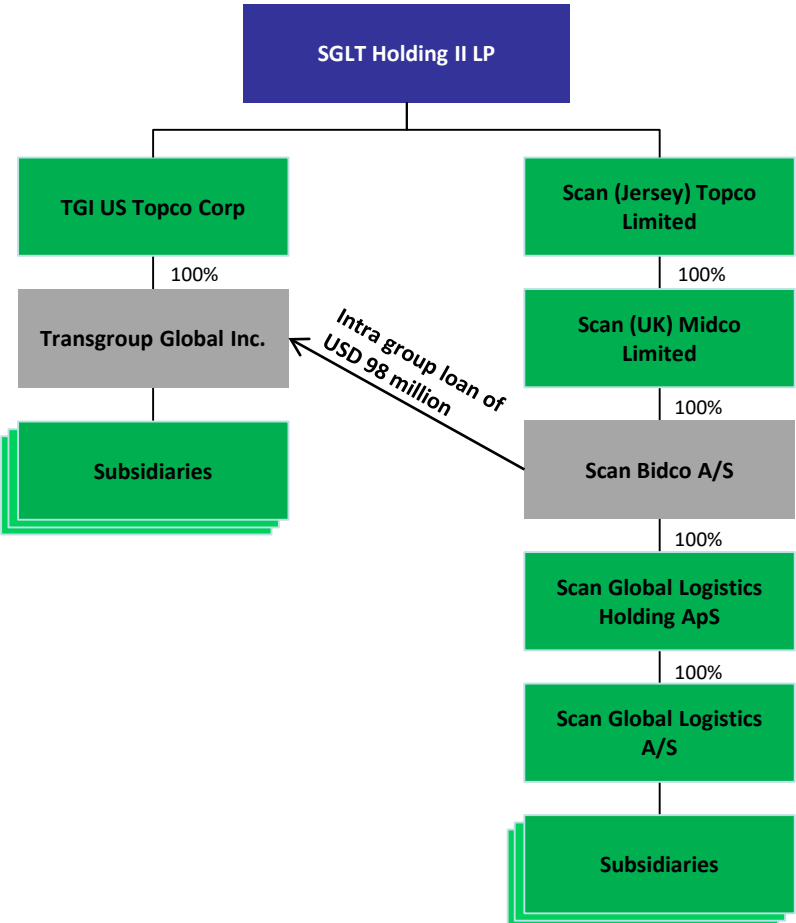
	Outlook
Revenue (mUSD)	1,000 – 1,200
Adjusted EBITDA (mUSD)*	41 - 44

*Before non-recurring, non-operational and special items, excluding the impact of IFRS 16 leases

The 2019 outlook is based on foreign exchange rates 30 June 2019

- Scan Bidco A/S has issued bonds, ISIN NO0010768062 and NO0010768070, in an aggregate amount of approximately USD 193 million and with final redemption date on 27 June 2022
- The Group is currently reviewing the possibility to refinance these bonds by way of new senior secured bond issue, and has for this purpose mandated Pareto Securities AB to act as lead manager and sole bookrunner for the potential bond issue
- The refinancing process is currently under review and a final decision is expected to be made in the coming months

Group structure – SGLT Holding II LP



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

- ISIN: NO 0010768062
- ISIN: NO 0010768070