



# **INTERIM FINANCIAL REPORT FIRST THREE MONTHS OF 2024 Q1 2024**

**SGL Group ApS**

**24 May 2024**

**UNCOMPLICATE YOUR WORLD »**

**SCAN GLOBAL  
LOGISTICS**

# CONTENT

**03 INTERIM FINANCIAL RESULTS**

**04** Financial highlights

**05** Financial performance & Outlook 2024

**06** Consolidated income statement

**07** Consolidated comprehensive income statement

**08** Consolidated balance sheet

**09** Consolidated statement of changes in equity

**10** Consolidated cash flow statement

**11** Notes

**16** Management statement

## “ 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 March, 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 March 2023, showing like-for-like performance of the Group, including financial position.

# FINANCIAL HIGHLIGHTS

EURm	Q1 2024	Q1 2023	Pro forma Q1 2023
<b>Income statement</b>			
Revenue	490	-	588
Gross profit	116	-	120
EBITDA before special items	40	0	51
EBIT before special items	22	0	37
Special items, net	(6)	-	(2)
Operating profit (EBIT)	16	0	35
Financial items, net	(21)	(3)	(21)
Result for the period	(9)	(3)	6
<b>Cash flow</b>			
Cash flows from operating activities	(58)	-	42
Cash flows from investing activities	(7)	-	(3)
Free cash flow	(65)	-	39
Cash flows from financing activities	6	372	367
Cash flow for the period	(59)	372	406

EURm	Q1 2024	Q1 2023	Pro forma Q1 2023
<b>Financial position end of period</b>			
Total equity	864	(3)	230
Net working capital	170	-	65
Net interest-bearing debt (NIBD)	750	14	272
Net interest-bearing debt (NIBD) according to bond terms	702	N/A <sup>1)</sup>	206
Total assets	2,016	738	1,586
<b>Financial ratios in %</b>			
Gross margin	23.7	-	20.4
EBITDA margin before special items	8.2	-	8.7
EBIT margin before special items	4.5	-	6.3
Conversion ratio	34.5	-	42.5
Equity ratio	42.9	(0.4)	14.5
Net leverage ratio according to bond terms	4.6	N/A <sup>1)</sup>	1.2
<b>Other</b>			
Number of full-time employees at the end of the period	3,727	-	3,398

<sup>1)</sup> Bond terms was subject to completion of the acquisition of Scan Global Logistics by CVC Funds 23 May 2023.

# FINANCIAL PERFORMANCE

**Goodbye, supply & demand.  
Welcome, supply & volatility.**

**Q1 results are in line with expectations and  
SGL Group maintain full-year outlook**

For decades, ocean and airfreight rates have, by and large, been determined by supply and demand. However, this seems no longer to be the case.

We entered 2024, expecting an increase in air freight with elevated rates compared to pre-pandemic levels, combined with the expectation that supply of ocean freight would continue to outweigh its demand. Yes, Q1 2024 is another quarter which states the obvious that the ever-present geopolitical turmoil has a profound impact on global supply chains, as the geopolitical and infrastructural volatility has a significantly larger impact than capacity demand.

In Q1 2024 we have seen ocean freight rates increasing, volatility remains a constant, and increase demand in air freight; all yet again proving that our resilient business model work in favor for our customers.

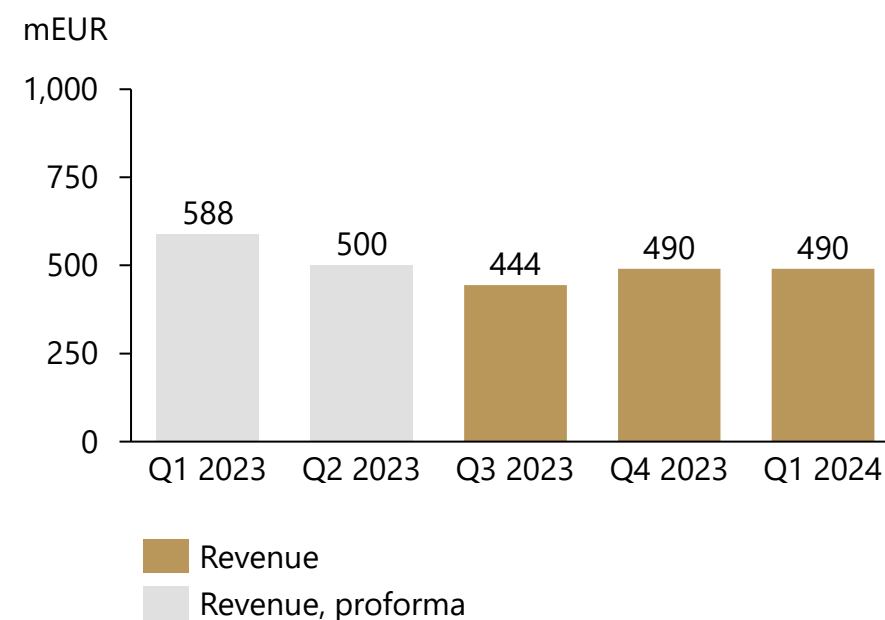
SGL Group delivered a solid performance in Q1 2024; driven by continuing solid ocean freight activity levels, despite macroeconomic events, and increased air freight activity levels, combined with continuing execution on complex logistic solutions across various industries.

During Q1, the Group acquired and onboarded ENK Logistics in South Korea.

## REVENUE

**Q1 2024** Revenue amounted to EUR 490m, an anticipated decrease of 17% compared to pro forma EUR 588m in Q1 2023 (Reported: EUR 0m). The revenue remains at the same level when comparing to Q4 2023 which to some extent showcases the current market normalisation in a highly competitive market environment continuing from 2023, where the expected recovery has yet to materialise.

Generally, we are still encountering competitive market conditions, decreased activity levels and freight rates demonstrated compared to pro forma Q1 2023, explaining the decreased revenue, but despite this we maintained our current market share and even saw an upturn in activity during Q1 2024. The upturn in activity is coming from onboarding new customers, onboarding new business and handling additional activity with existing customers; however, to some extent this is offset by high pressure on freight rates and margins.

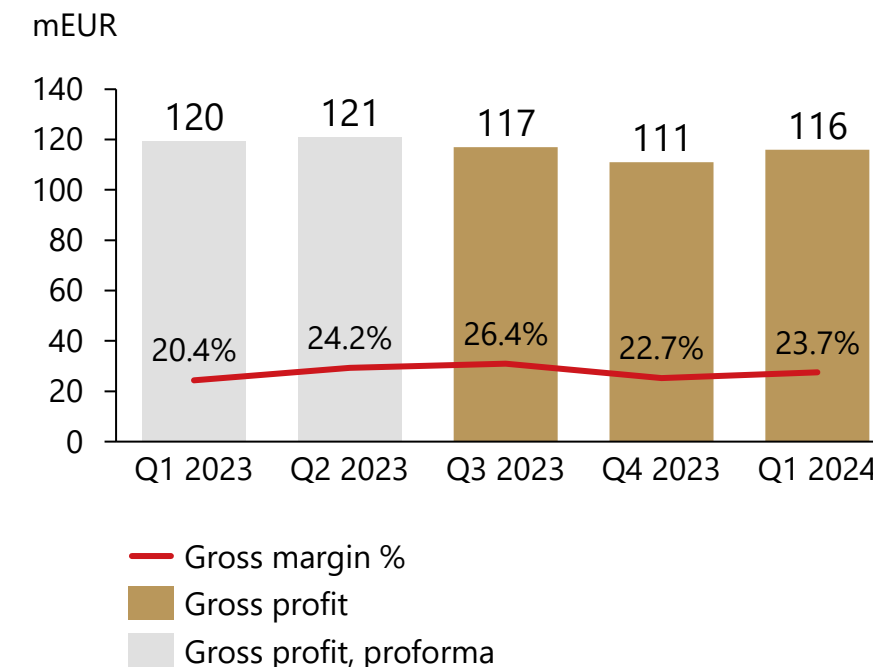


## GROSS PROFIT

**Q1 2024** Gross profit amounted to EUR 116m compared to pro forma EUR 120m in Q1 2023; decrease of 3% (Reported: EUR 0m), including negative FX impact of approximately EUR 1m. However, when comparing gross profit to Q4 2023, we see an increase of 5%.

Overall SGL Group achieved a solid gross profit in Q1, with stable performances in EMEA, particularly driven by increased activities in the Nordics. We see increased activity on the Trans-Pacific trade lanes, particularly on the Asian side. However, North America still experiences a slowdown in activity levels.

Uncorrelated industries like Aid & Relief, Renewable Projects and Government & Defence combined with projects within complex industries have continued to deliver positive impact on the gross profit for Q1; however, to a lesser extent than previous, which has been offset by increase in Air & Ocean activities.

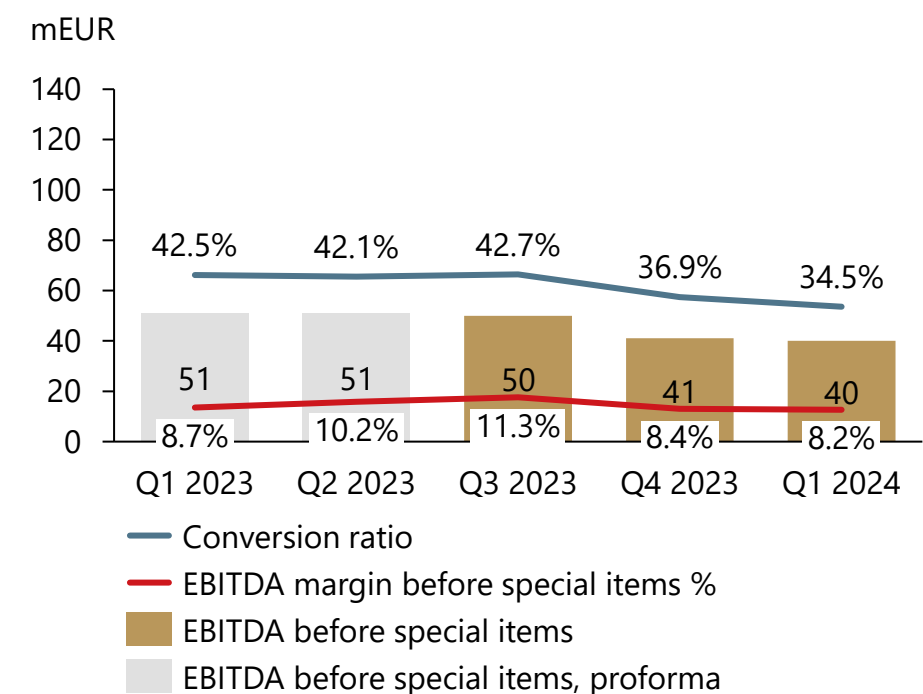


## EBITDA BEFORE SPECIAL ITEMS

**Q1 2024** EBITDA before special items amounted to EUR 40m; pro forma EUR 51m in Q1 2023, a decrease of 22% (Reported: EUR 0m). Compared to Q4, EBITDA before special items remain at a stable level, and the solid result is topping pre-pandemic levels.

To support its strategy, the Group continues to invest in greenfield activities and M&A which drives an increase in SG&A that offsets the achieved growth in gross profit compared to Q4 2023.

In line with our expectations, we saw a decline from Q1 2023 to Q1 2024, driven by an increase in SG&A cost, caused by the full-year effect of onboarding businesses acquired and greenfield openings from 2023.



# FINANCIAL PERFORMANCE

## DEPRECIATION AND AMORTISATION

In Q1 2024 Depreciation and amortisation amounted to EUR 18m compared to pro forma EUR 14m in the same period last year (Reported: EUR 0m); mainly driven by amortisations from acquisitions. Investments in IT projects to secure the infrastructure necessary for continued long-term growth and scalability also drives an increase in amortisations.

## SPECIAL ITEMS, NET

In Q1 2024 Special items, net, amounted to a cost of EUR 6m, compared to pro forma EUR 2m in the same period last year (Reported: EUR 0m), driven by M&A related costs and restructuring activities.

## OPERATING PROFIT (EBIT)

In Q1 2024 Operating profit (EBIT) amounted to EUR 16m compared to pro forma EUR 35m same period last year (Reported: EUR 0m). The decrease was mainly due to decrease in EBITDA and increase in special items and amortisation from acquisitions and IT costs (see sections above).

## FINANCIAL ITEMS

In Q1 2024 Financial items amounted to net expenses of EUR 21m; on par with pro forma period last year (Reported: EUR (3)m). The net expense was mainly driven by interest expenses from issued bonds.

## TAX

In Q1 2024 Tax expense amounted to EUR 4m, compared to pro forma EUR 8m in the same period last year (Reported: EUR 0m). The development is mainly driven by less non-deductible M&A transaction costs.

## CASH FLOW

In Q1 2024 the cash flow from operating activities was negative with EUR 58m driven by solid EBITDA, thus partly offset by negative impact from net working capital mainly driven by increased activity levels resulting in higher receivables position, and pressure on payment terms from customers.

Negative cash flow from investing activities of EUR 7m is mainly driven by the acquisition of EKN as part of Investments in Group entities combined with investments in IT projects enabling scalability.

Positive cash flow from financing activities of EUR 6m is mainly driven by long-term loans.

## CAPITAL STRUCTURE

Equity attributable to the parent company was EUR 865m. The total equity ratio was 42.9% as per 31 March 2023. Compared to 31 December 2023 the equity ratio decreased 0.4% point driven by result for the period.

We actively and continuously manage our liquidity and indebtedness profile, thus SGL Group issued and placed new senior secured bonds in an amount of EUR 600m on 22 March 2024.

The new bonds are raised for acquisition purposes as part of our M&A strategy and general corporate purposes. Further, as announced on 25 March 2024, SGL Group has completed partial buy-backs of existing bonds in a total nominal amount of EUR 392m on 22 April 2024 funded by the new bond issue.

## NET INTEREST-BEARING DEBT (NIBD)

Net interest-bearing debt (NIBD) was EUR 750m as of 31 March 2024 and mainly comprise bond debt and the company's net cash position of EUR 76m deriving from a negative development in the Group's net working capital position. The total liquidity reserve was EUR 204m end of March 2024 (December 2023: EUR 274m).

## NET WORKING CAPITAL

The net working capital position amounted to an asset of EUR 170m on 31 March 2024. This was an increase of EUR 72m compared to the level on 31 December 2023 which amounted to an asset of EUR 94m. The increase in net working capital was primarily driven by an increase in receivables caused by increased activity levels and increasing freight rates, especially within the Air & Ocean segment as well as pressure on payment terms from customers. This was combined with a decrease in trade payables following high levels on 31 December 2023.

## OUTLOOK 2024 - SGL Group delivers according to plan and maintain outlook for 2024

Full year outlook ranges for the Group remains unchanged, as we remain positive on the expected continuing increase in activity levels for air freight throughout 2024 and for the uncorrelated industries to deliver solid performance alongside a more balanced ocean freight market considering the infrastructural and geopolitical impacting factors. Further, a continuing materialisation of new business and new market shares, combined with both continuing and new projects of complex logistic solutions, adds to the positive outlook in the remainder of 2024. We do note that the current economic and the geopolitical environment continues to create uncertainty in freight rate levels and activity levels on certain trade lanes, but we stay committed to our strategy and continue to invest in the network to position the Group well for future opportunities.

OUTLOOK 2024	
EBITDA before special items	EUR 195m – EUR 215m

**i 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	Q1 2024	Q1 2023	Pro forma Q1 2023
Revenue	1	490	-	588
Cost of operation	1	(374)	-	(468)
<b>Gross profit</b>		<b>116</b>	<b>-</b>	<b>120</b>
Other external expenses		(21)	0	(16)
Staff costs		(55)	-	(53)
<b>Earnings before Interest, Tax, Depreciation, Amortisation (EBITDA) and special items</b>	<b>1</b>	<b>40</b>	<b>0</b>	<b>51</b>
Depreciation and amortisation		(18)	-	(14)
<b>Operating profit (EBIT) before special items</b>		<b>22</b>	<b>0</b>	<b>37</b>
Special items, net	2	(6)	-	(2)
<b>Operating profit (EBIT)</b>		<b>16</b>	<b>0</b>	<b>35</b>
Financial income	3	9	3	0
Financial expenses	3	(30)	(6)	(21)
<b>Result before tax</b>		<b>(5)</b>	<b>(3)</b>	<b>14</b>
Income tax for the period		(4)	-	(8)
<b>Result for the period</b>		<b>(9)</b>	<b>(3)</b>	<b>6</b>
Total income for the period attributable to owners of the parent company		(9)	(3)	6
Non-controlling interests		0	-	0
<b>Total</b>		<b>(9)</b>	<b>(3)</b>	<b>6</b>

# STATEMENT OF OTHER COMPREHENSIVE INCOME

EURm	Note	Q1 2024	Q1 2023
<b>Result for the period</b>		<b>(9)</b>	<b>(3)</b>
Items that will be reclassified to income statement when certain conditions are met:			
Exchange rate adjustment related to foreign entities		(1)	-
<b>Other comprehensive income, net of tax</b>		<b>(1)</b>	-
<b>Total comprehensive income for the period</b>		<b>(10)</b>	-
Total comprehensive income for the period attributable to			
Owners of the Parent Company		(10)	(3)
Non-controlling interests		0	-
<b>Total</b>		<b>(10)</b>	<b>(3)</b>

# BALANCE SHEET

EURm	Note	31 March 2024	31 March 2023	Pro forma 31 March 2023	31 December 2023
<b>ASSETS</b>					
Intangible assets		1,420	-	386	1,424
Property, plant and equipment		82	-	83	83
Other receivables		11	365	7	9
Deferred tax assets		6	-	7	7
<b>Total non-current assets</b>		<b>1,519</b>	<b>365</b>	<b>483</b>	<b>1,523</b>
Trade receivables		319	-	284	265
Contract assets		43	-	49	42
Receivables from related parties		2	-	28	3
Income tax receivables		8	-	10	4
Other receivables		18	-	7	12
Prepayments		31	-	20	32
Cash and cash equivalents	4	76	373	705 <sup>1)</sup>	142
<b>Total current assets</b>		<b>497</b>	<b>373</b>	<b>1,103</b>	<b>500</b>
<b>Total assets</b>		<b>2,016</b>	<b>738</b>	<b>1,586</b>	<b>2,023</b>

<sup>1)</sup> Cash and cash equivalent includes cash in escrow of EUR 373m held by SGL Group ApS.

<sup>2)</sup> Borrowings includes bonds issued by SGL International A/S and SGL Group ApS; excluding bonds held by SGL Group ApS.

EURm	Note	31 March 2024	31 March 2023	Pro forma 31 March 2023	31 December 2023
<b>EQUITY AND LIABILITIES</b>					
Share capital		0	0	225	0
Currency translation reserve		(6)	-	(10)	(5)
Retained earnings		871	(3)	11	880
<b>Equity attributable to Parent Company</b>		<b>865</b>	<b>(3)</b>	<b>226</b>	<b>875</b>
Non-controlling interests		(1)	-	4	(0)
<b>Total equity</b>		<b>864</b>	<b>(3)</b>	<b>230</b>	<b>875</b>
Borrowings	5	743	735	905 <sup>2)</sup>	726
Lease liabilities	5	18	-	52	41
Deferred tax liability		43	-	18	45
Other payables		10	-	13	12
<b>Total non-current liabilities</b>		<b>814</b>	<b>735</b>	<b>988</b>	<b>824</b>
Bank overdraft	4	-	-	2	6
Trade payables		120	-	128	139
Accrued trade expenses		80	-	109	84
Current tax liabilities		29	-	20	18
Lease liabilities	5	43	-	21	22
Loans to related parties		-	-	11	-
Deferred income		2	-	7	2
Other payables		64	6	70	53
<b>Total current liabilities</b>		<b>338</b>	<b>6</b>	<b>368</b>	<b>324</b>
<b>Total liabilities</b>		<b>1,152</b>	<b>741</b>	<b>1,356</b>	<b>1,148</b>
<b>Total equity and liabilities</b>		<b>2,016</b>	<b>738</b>	<b>1,586</b>	<b>2,023</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>
Result for the period	-	-	(9)	(9)	0	(9)
Other comprehensive income, net of tax	-	(1)	-	(1)	(0)	(1)
<b>Total comprehensive income, net of tax</b>	<b>-</b>	<b>(1)</b>	<b>(9)</b>	<b>(10)</b>	<b>0</b>	<b>(10)</b>
Dividend distributed, non-controlling interests	-	-	-	-	(1)	(1)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>
<b>Equity at 31 March 2024</b>	<b>0</b>	<b>(6)</b>	<b>871</b>	<b>865</b>	<b>(1)</b>	<b>864</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>-</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>
Result for the period	-	-	(3)	(3)	-	(3)
Other comprehensive income, net of tax	-	-	-	-	-	-
<b>Total comprehensive income, net of tax</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>(3)</b>	<b>-</b>	<b>(3)</b>
<b>Equity at 31 March 2023</b>	<b>0</b>	<b>-</b>	<b>(3)</b>	<b>(3)</b>	<b>-</b>	<b>(3)</b>

# STATEMENT OF CASH FLOW

EURm	Note	Q1 2024	Q1 2023	Pro forma Q1 2023
Result for the period		(9)	(3)	6
<i>Adjustment of non-cash items:</i>				
Income taxes in the income statement		4	-	8
Depreciation and amortization		18	-	14
Financial items, net		21	3	21
Change in net working capital		(70)	-	20
Interest received		-	-	1
Interest paid		(20)	-	(13)
Tax paid		(2)	-	(15)
<b>Cash flows from operating activities</b>		<b>(58)</b>	<b>-</b>	<b>42</b>
Purchase of software and other intangible assets		(3)	-	(2)
Purchase of property, plant and equipment		(2)	-	(1)
Investments in Group entities	6	(2)	-	-
<b>Cash flows from investing activities</b>		<b>(7)</b>	<b>-</b>	<b>(3)</b>
<b>Free cash flow</b>		<b>(65)</b>	<b>-</b>	<b>39</b>

EURm	Note	Q1 2024	Q1 2023	Pro forma Q1 2023
Purchase of non-controlling interest		(2)	-	-
Dividend paid to non-controlling interest		(1)	-	(1)
Proceeds from issuing bonds		-	735	372
Bonds acquired		-	(363)	-
Long-term loans		14	-	1
Redemption of lease liabilities		(5)	-	(5)
<b>Cash flows from financing activities</b>		<b>6</b>	<b>372</b>	<b>367</b>
<b>Change in cash and cash equivalents</b>		<b>(59)</b>	<b>372</b>	<b>406</b>
Cash and cash equivalents				
Cash and cash equivalents beginning of period		136	-	299
Exchange rate adjustment of cash and cash equivalents		(1)	1	0
Change in cash and cash equivalents		(59)	372	406
<b>Cash and cash equivalents end of period</b>	4	<b>76</b>	<b>373</b>	<b>705</b>

# NOTES

## NOTE 1 – SEGMENT INFORMATION

EURm	Q1 2024				Q1 2023				Proforma Q1 2023			
	Air & Ocean	Road	Solutions	Total	Air & Ocean	Road	Solutions	Total	Air & Ocean	Road	Solutions	Total
Revenue	417	65	8	490	-	-	-	-	508	69	11	588
Cost of operation	(317)	(53)	(4)	(374)	-	-	-	-	(406)	(54)	(8)	(468)
<b>Gross profit</b>	<b>100</b>	<b>12</b>	<b>4</b>	<b>116</b>	-	-	-	-	<b>102</b>	<b>15</b>	<b>3</b>	<b>120</b>
Other external expenses and staff costs	(62)	(11)	(3)	(76)	-	-	-	0	(56)	(11)	(2)	(69)
<b>Earnings before Interest, Tax, Depreciation, Amortisation (EBITDA) and special items</b>	<b>38</b>	<b>1</b>	<b>1</b>	<b>40</b>	-	-	-	<b>0</b>	<b>46</b>	<b>4</b>	<b>1</b>	<b>51</b>
Depreciation and amortisation				(18)				0				(14)
<b>Operating profit (EBIT) before special items</b>				<b>22</b>				<b>0</b>				<b>37</b>
Special items, net				(6)				-				(2)
Financial items, net				(21)				(3)				(21)
<b>Result before tax</b>				<b>(5)</b>				<b>(3)</b>				<b>14</b>

# NOTES

## NOTE 2 – SPECIAL ITEMS

EURm	Q1 2024	Q1 2023
M&A activities, greenfield activities and other transaction specific costs	3	-
Gain on sale of subsidiaries	1	-
Restructuring and other costs	2	-
<b>Total special items, net</b>	<b>6</b>	<b>-</b>

## NOTE 3 – FINANCIAL ITEMS

EURm	Q1 2024	Q1 2023
Interest income	2	1
Interest income bonds	-	2
Other financial income	3	-
Net foreign exchange gains	4	-
<b>Total financial income</b>	<b>9</b>	<b>3</b>
Interest expenses	(0)	(0)
Lease interest expenses	(2)	-
Bond interest expenses	(20)	(6)
Amortisation of capitalised loan costs	(2)	-
Other financial expenses	(6)	-
Net foreign exchange losses	-	-
<b>Total financial expenses</b>	<b>(30)</b>	<b>(6)</b>
<b>Net financial items</b>	<b>(21)</b>	<b>(3)</b>

## NOTE 4 – CASH AND LIQUIDITY RESERVE

EURm	Q1 2024	Q1 2023
Cash and cash equivalents	76	373 <sup>1)</sup>
Bank debt	-	-
<b>Net cash</b>	<b>76</b>	<b>373</b>
Credit facilities	128	-
<b>Liquidity reserve</b>	<b>204</b>	<b>373</b>

<sup>1)</sup> Cash in escrow

# NOTES

## NOTE 5 – CHANGES TO FINANCIAL LIABILITIES

EURm	Maturity	Effective interest rate	Carrying amount 1 January	Cash flow	Non-cash movements			Carrying amount end of period
					Foreign exchange effect	Additions	Other movements	
<b>31 March 2024</b>								
Bond debt								
Issued bonds, EUR 750m	2028	3-month EURIBOR + 6.75%	750	-	0	-	-	750
Capitalised loan costs			(24)	-	-	-	2	(22)
<b>Net bond debt</b>			<b>726</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>728</b>
Payable bond interest			6	(20)	-	20	-	6
Credit facilities			-	15	-	-	-	15
Lease liabilities			63	(5)	1	2	-	61
<b>Total</b>			<b>795</b>	<b>(10)</b>	<b>1</b>	<b>22</b>	<b>2</b>	<b>810</b>

EURm	Maturity	Effective interest rate	Carrying amount 1 January	Cash flow	Non-cash movements			Carrying amount end of period
					Foreign exchange effect	Additions	Other movements	
<b>31 March 2023</b>								
Bond debt								
Issued bonds, EUR 750m	2028	3-month EURIBOR + 6.75%	-	750	-	-	-	750
Capitalised loan costs			-	(15)	-	-	-	(15)
<b>Net bond debt</b>			<b>-</b>	<b>735</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>735</b>
Payable bond interest			-	-	-	6	-	6
<b>Total</b>			<b>-</b>	<b>735</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>741</b>

# 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. SGL Group is still assessing assets acquired and liabilities assumed. As a result, it is not possible to include the disclosures required under IFRS 3.

## NOTE 7 – SUBSEQUENT EVENTS

### *Acquisition of Foppiani Shipping & Logistics*

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.

The transaction is subject to anti-trust approval from Italian authorities, and closing is expected during Q2 2024.

The acquisition of Foppiani Shipping & Logistics is financed through the issue of new senior secured bonds.

# 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 15) for the period 1 January 2024 to 31 March 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 March 2024 and operations and cash flow for the period 1 January 2024 to 31 March 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, 24 May 2024

## 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 Helsingreen Sjøqvist

Thomas Nieszner

Søren Vestergaard-Poulsen

Philip Bendorff Røpcke

John Francis Cozzi



**UNCOMPLICATE YOUR WORLD »»**