

Company announcement from SGL Group ApS

28 February 2025

Company announcement no. 28

Interim Financial Report – Full Year 2024, including Q4 2024

Performance in line with the market and double-digit growth in gross profit and organic Air & Ocean volumes

Today, SGL Group ApS has published its Interim Financial Report for the full year of 2024, including Q4 2024.

In 2024, SGL performed in line with the market amidst the perpetual challenging and unpredictable conditions and ended with another improved quarter. 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 pro forma for 2023 year-over-year. However, the intense market dynamics and significant pressure on standard air and ocean logistics continue to impact gross margins negatively. 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 in North America; however, the impact is expected to gradually materialise during 2025.

- For SGL Group, the Q4 2024 revenue amounted to EUR 687m compared to EUR 490m in Q4 2023. For the full year 2024 revenue amounted to EUR 2,383m, an increase of 18% compared to EUR 2,022m for the full year pro forma (2023 Reported: EUR 1,162),
- The Q4 2024 gross profit amounted to EUR 140m compared to EUR 100m in Q4 2023. For the full year 2024 gross profit amounted to EUR 516m, an increase of 10% compared to EUR 469m in 2023 (2023 Reported: EUR 269m).
- Despite increased activity in Air & Ocean, gross margins have been challenged in 2024 and were 21.7% for 2024 compared to 23.2% in 2023 (2023 Reported: 23.1%).
- EBITDA before special items amounted to EUR 61m for Q4 2024 compared to EUR 30m in Q4 2023. For the full year EBITDA before special items amounted ended at EUR 195m, an increase of 1% compared to EUR 193m in 2023 (2023 Reported: EUR 102m).
- The conversion rate, which describes the ratio of EBITDA before special items to SGL's gross profit, was improved by 13.6%-points in Q4 2024 compared to Q4 2023 and on par year-over-year.
- Cash flow from operating activities improved with EUR 26m in Q4 2024 compared to Q4 2023. For the full year cash flow from operating activities ended at EUR (90)m and saw a decrease of EUR 118m compared to last year (2023 Reported: A decrease of EUR 92m). The decrease year-over-year was driven by increased volumes and higher average freight rates.
- 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 is further expected to follow into 2025, despite the expectation of continued good activity levels

Therefore, SGL Group is expected to deliver an EBITDA before special items in the range of EUR 215m to EUR 235m, including 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.

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This information is information that SGL Group ApS is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication by the above-mentioned persons at 18:00 CET on 28 February 2025.