



# **QUARTERLY REPORT**

## **January – March 2022**

**21 April 2022**

# Elanders today



- Approx. 7,500 employees in some 20 countries.
- Annual net sales EUR >1.3 billion.
- More than 100 locations.

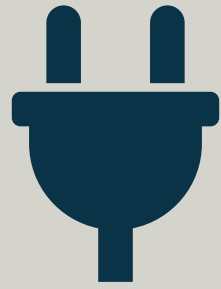
# Elanders' major customer segments

Our major customer segments' approximate share of total net sales



**15%**

**Automotive**



**30%**

**Electronics**



**30%**

**Fashion & Lifestyle**



**<5%**

**Health Care &  
Life Science**

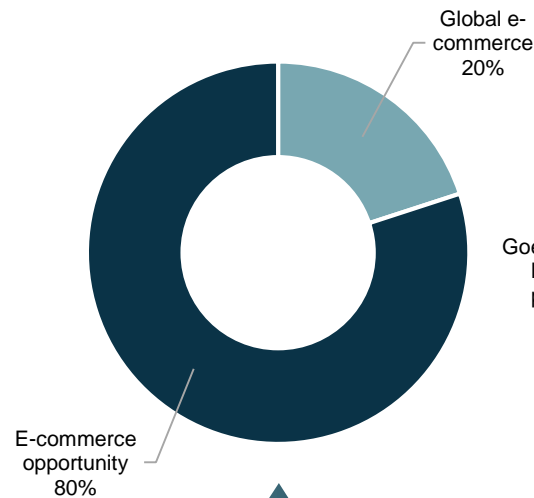


**10%**

**Industrial**

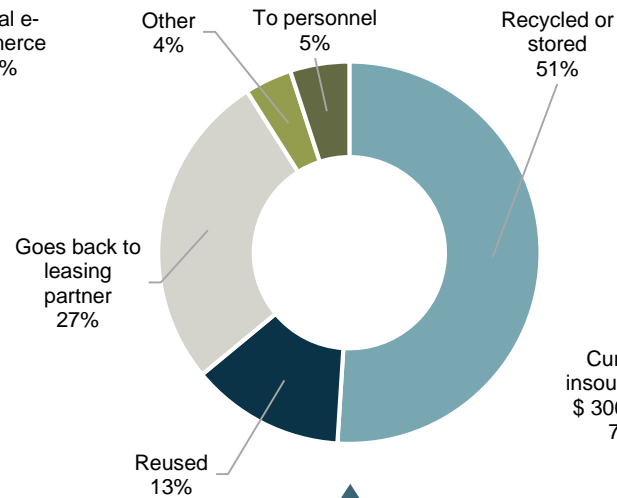
# Elanders' major growth opportunities

<p><b>E-COMMERCE</b> E-commerce penetration <sup>1)</sup></p>	<p><b>LIFE CYCLE MANAGEMENT</b> Renewed Tech <sup>2)</sup></p>	<p><b>OUTSOURCING</b> % of logistics services that is outsourced <sup>3)</sup></p>	<p><b>ONLINE PRINT</b> Print via e-commerce <sup>4)</sup></p>
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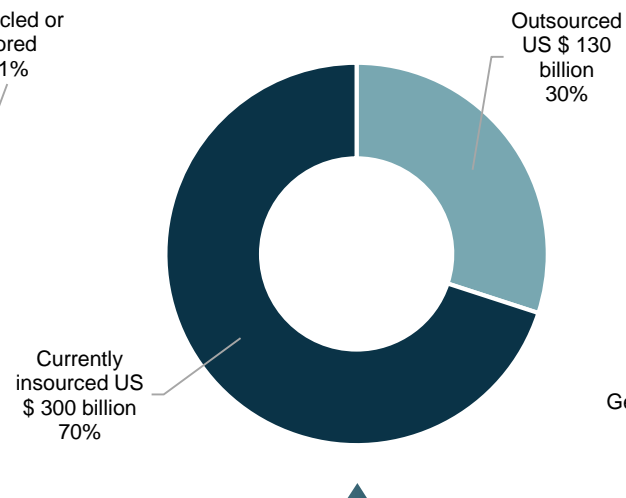
**Strong growth opportunities in both Fashion & Lifestyle and Electronics**

<sup>1)</sup> Represents global e-commerce market. Source: Third-party industry research.



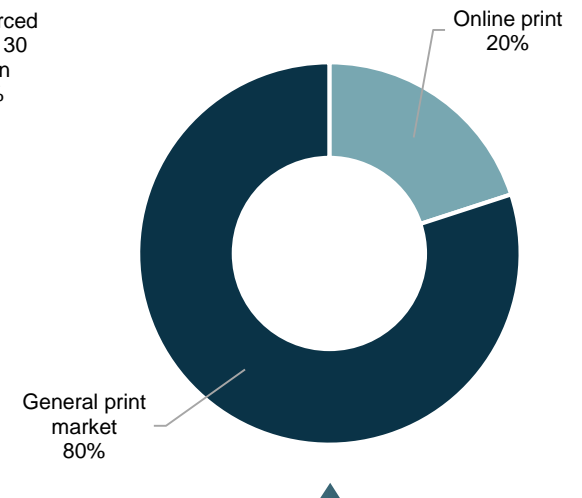
**Estimated global market value 2026 – US \$ 15 billion**

<sup>2)</sup> Reuse of IT equipment in Sweden.



**Growth opportunities in all our customer segments**

<sup>3)</sup> Represents North America and Europe. Source: Third-party industry research.



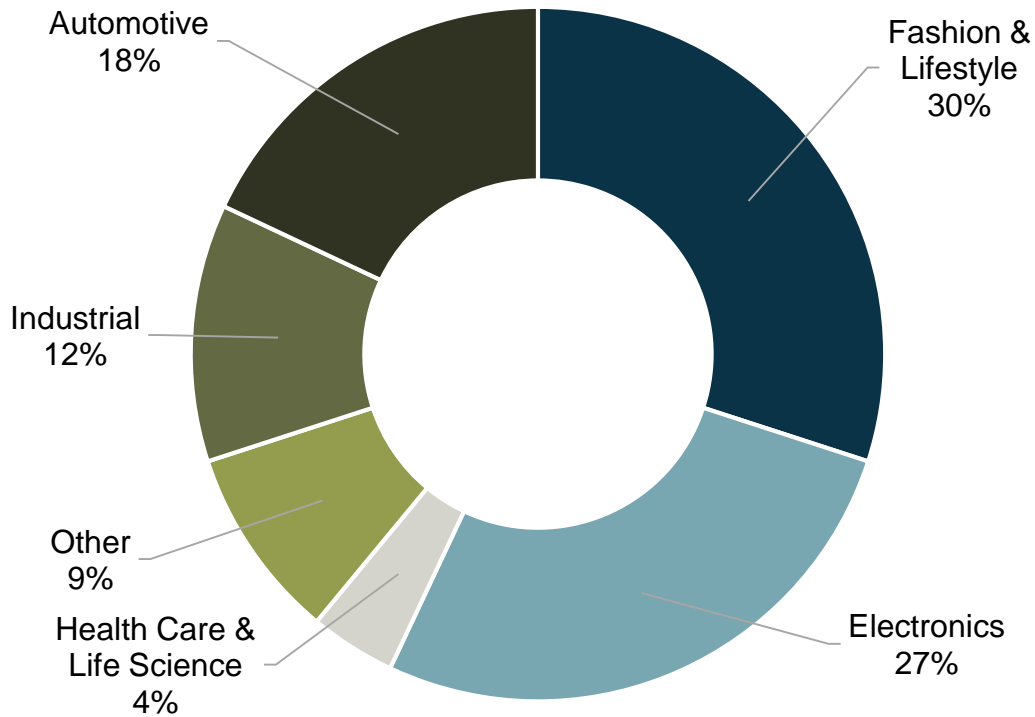
**Online print has a yearly growth of 10%**

<sup>4)</sup> Represents North America and Europe. Source: zipcon consulting and management estimates.

# Balanced mix of high-growth and durable customer segments

**~65%**  
Non-cyclical customers

## ELANDERS' CUSTOMER SEGMENTS <sup>1)</sup>



## KEY HIGHLIGHTS

Customer segment	Growth opportunity	Cyclicity
Fashion & Lifestyle	High	Low
Electronics	High	Medium
Automotive	Medium	High
Industrial	Medium	High
Health Care & Life Science	High	Low
Other	High	Low

<sup>1)</sup> Pro forma; includes Bergen Logistics.

# Operational highlights and financials Q1, 2022



# First quarter 2022

	First quarter		Last 12 months	Full year 2021
	2022	2021		
Net sales, MSEK	3,371	2,734	12,370	11,733
EBITDA, MSEK	430	341	1,557	1,468
EBITA, MSEK <sup>1)</sup>	187	142	686	641
EBITA-margin, %	5.5	5.2	5.5	5.5
Result before tax, MSEK	129	104	507	482
Result after tax, MSEK	88	69	351	331
Earnings per share, SEK	2.42	1.91	9.62	9.12
Operating cash flow, MSEK	300	107	88	-105
Net debt, MSEK	5,377	3,099	5,377	5,249
Net debt/EBITDA ratio, times <sup>2)</sup>	3.1	2.3	3.5	3.6
Net debt/EBITDA ratio excl. IFRS 16, times <sup>2)</sup>	2.9	1.8	3.1	3.3

<sup>1)</sup> EBITA equals the operating profit plus amortization of assets identified in conjunction with acquisitions.

<sup>2)</sup> The key ratios have been annualised

## Actual

- The first quarter was challenging with high sick-rates and a negative impact from the war in Ukraine.
- Continued strong performance by business area Supply Chain Solutions. The weaker demand in Europe was compensated by growth in North America and stable demand in Asia.
- Business area Print & Packaging Solutions was negatively impacted by increasing material and freight prices and lower demand of photobooks, calendars and other similar products.
- Despite the difficult situation in Europe, Elanders managed to increase EBITA with 32 % and showed an organic growth of 2 %.
- The improved result shows that Elanders' strategy, with a diversified customer base and a wider global footprint, works.
- Operating cash flow improved and reached MSEK 300 (107).
- The ratio for net debt / adjusted EBITDA, excluding IFRS 16 effects and one-off items, but including proforma result from acquisitions, amounted to 2.7.

# Our business areas

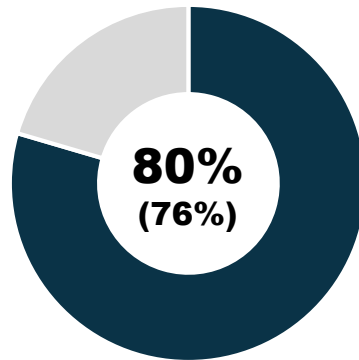
## Supply Chain Solutions

Key figures	Jan-Mar 2022	Jan-Mar 2021
Net sales, SEK million	2,769	2,060
EBITA, SEK million	175	111
EBITA margin, %	6.3	5.4

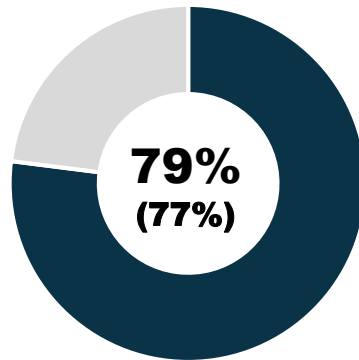
## Print & Packaging Solutions

Key figures	Jan-Mar 2022	Jan-Mar 2021
Net sales, SEK million	637	694
EBITA, SEK million	25	40
EBITA margin, %	3.9	5.7

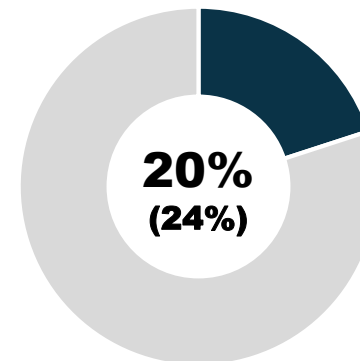
Share of total net sales  
(rolling 12m)



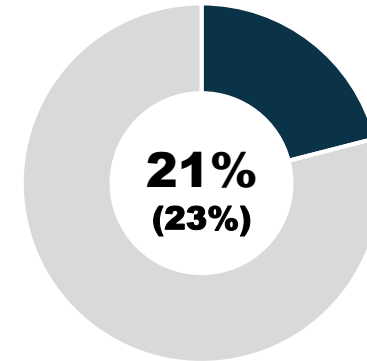
Share of EBITA  
(rolling 12m)



Share of total net sales  
(rolling 12m)



Share of EBITA  
(rolling 12m)





# Sales by customer segments

*Net sales per quarter*

MSEK	2022	2021			2020	
	First quarter	Fourth quarter	Third quarter	Second quarter	First quarter	Fourth quarter
<b>Customer segment</b>						
Automotive	677	570	507	559	584	563
Electronics	835	943	917	809	729	817
Fashion & Lifestyle	964	916	629	624	673	670
Health Care & Life Science	149	136	127	138	101	99
Industrial	429	402	379	367	383	440
Other	317	397	306	273	264	298
<b>Net sales</b>	<b>3,371</b>	<b>3,364</b>	<b>2,865</b>	<b>2,769</b>	<b>2,734</b>	<b>2,886</b>

## Automotive

- Underlying demand continues to be strong, but productivity was negatively affected by high sick-rates and lack of components.

## Electronics

- Stable demand, but deliveries from Asia to Europe was delayed. This should improve in the second quarter.

# Sales by customer segments (cont.)

*Net sales per quarter*

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## Fashion & Lifestyle

- The newly acquired company Bergen Logistics was the driver behind the growth in sales. Bergen Logistics showed a good double-digit growth in the first quarter. Growth in Europe slowed down as an effect of the war in Ukraine.

## Health Care & Life Science

- Good growth. We see an increasing demand from our customers.
- The new MedTech site in Germany is now up and running.

# Sales by customer segments (cont.)

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## Industrial

- Stable demand in the first quarter, despite some negative impact from the war in Ukraine.

## Other

- Lower sales than expected because of decreasing print sales.

# Going forward

- The war in Ukraine is a humanitarian disaster. It has been important for Elanders to help our Ukrainian employees and to support the Ukrainian people. We have been helping our employees' families with living quarters in Poland, Hungary and Germany. We also have trucks that are dedicated to transporting necessities to the Ukrainian border.
- If the war continues, the cost for material, energy and fuel will continue to be on a high level. We need to transfer that cost to our customers. There is also an obvious risk that the war will have a negative effect on general consumption, at least in Europe.
- Positive is that we see much less negative effect from COVID-19 and that our sick rates in Europe are now almost back on normal levels. Negative is China's zero tolerance policy, which puts pressure on the global supply chain of components and products.
- Despite all challenges, Elanders are in a strong position and we can balance the challenging European market with strong growth in North America and stable demand in Asia.
- Our growth plan continues and in the second quarter we will open a new facility in Atlanta to support our growth in Fashion & Lifestyle. We are also investigating the possibility to expand our new facility in Oberhausen, Germany, to be able to take in more Fashion & Lifestyle customers.

# Questions?



KEY FACTS

# This is Elanders

HQ GOTHENBURG, SWEDEN



NASDAQ OMX STOCKHOLM



TWO BUSINESS AREAS



**80%**

Supply Chain Solutions



**20%**

Print & Packaging Solutions

GLOBAL OPERATIONS



**>1.3**

Annual net sales, EUR billion



**~7,000**

Number of employees



**>100**

Locations, total



**~1,500,000**

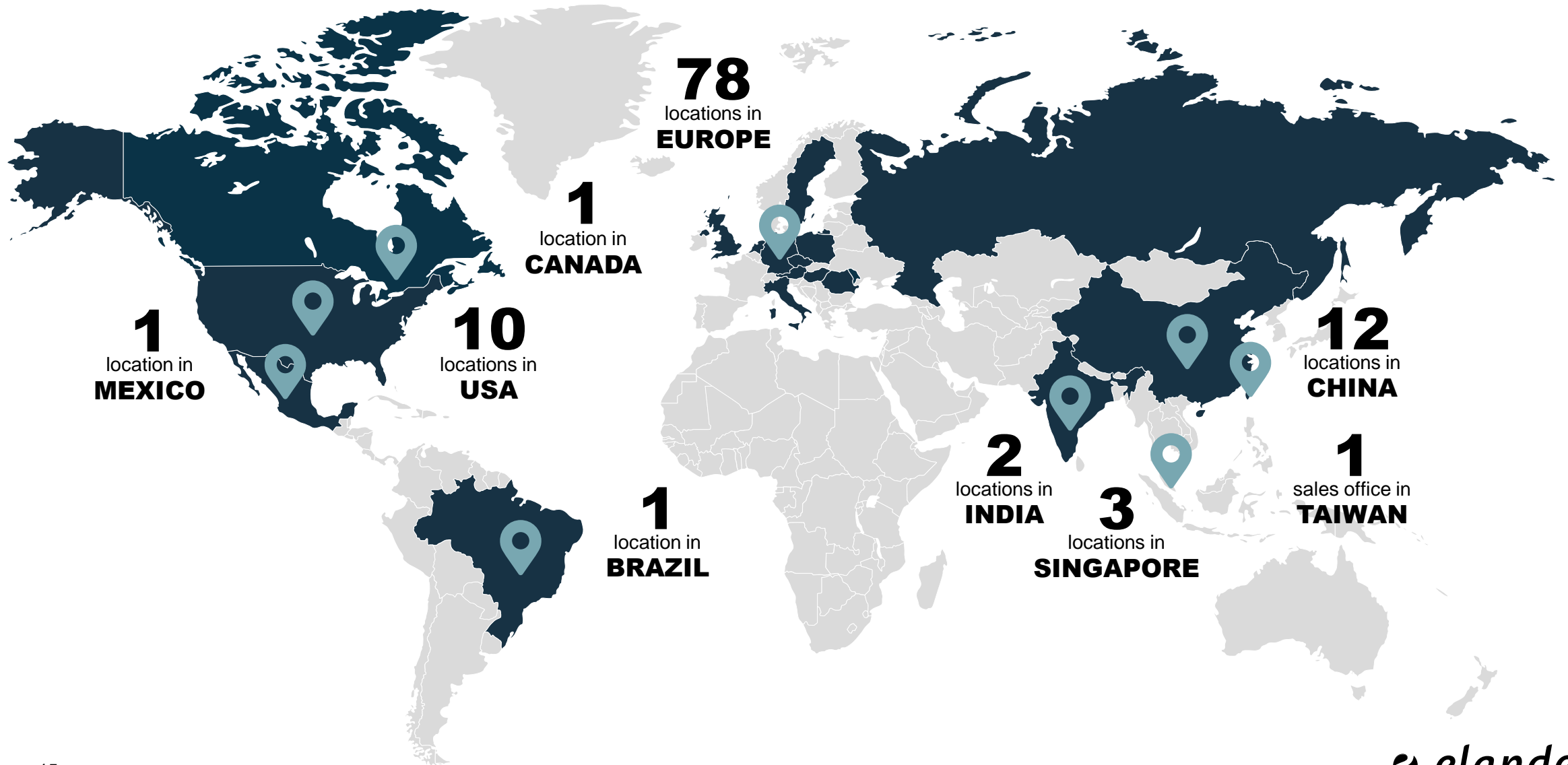
Total m<sup>2</sup> of production and warehouse space



**~20**

Number of countries, presence

# Elanders' footprint



# Elanders' business proposal

1

We develop **efficient end-to-end solutions** that makes life easier for our customers

2

With our global footprint we can offer both **local and global solutions** and also help local companies to act global

We have a very **entrepreneurial approach** to everything we do which makes it possible for us to deliver fast, flexible and bespoke solutions

3

Our deep integration into our clients processes makes us a **solid long time partner** and we have been serving the majority of our big clients for more than **20 years**

4

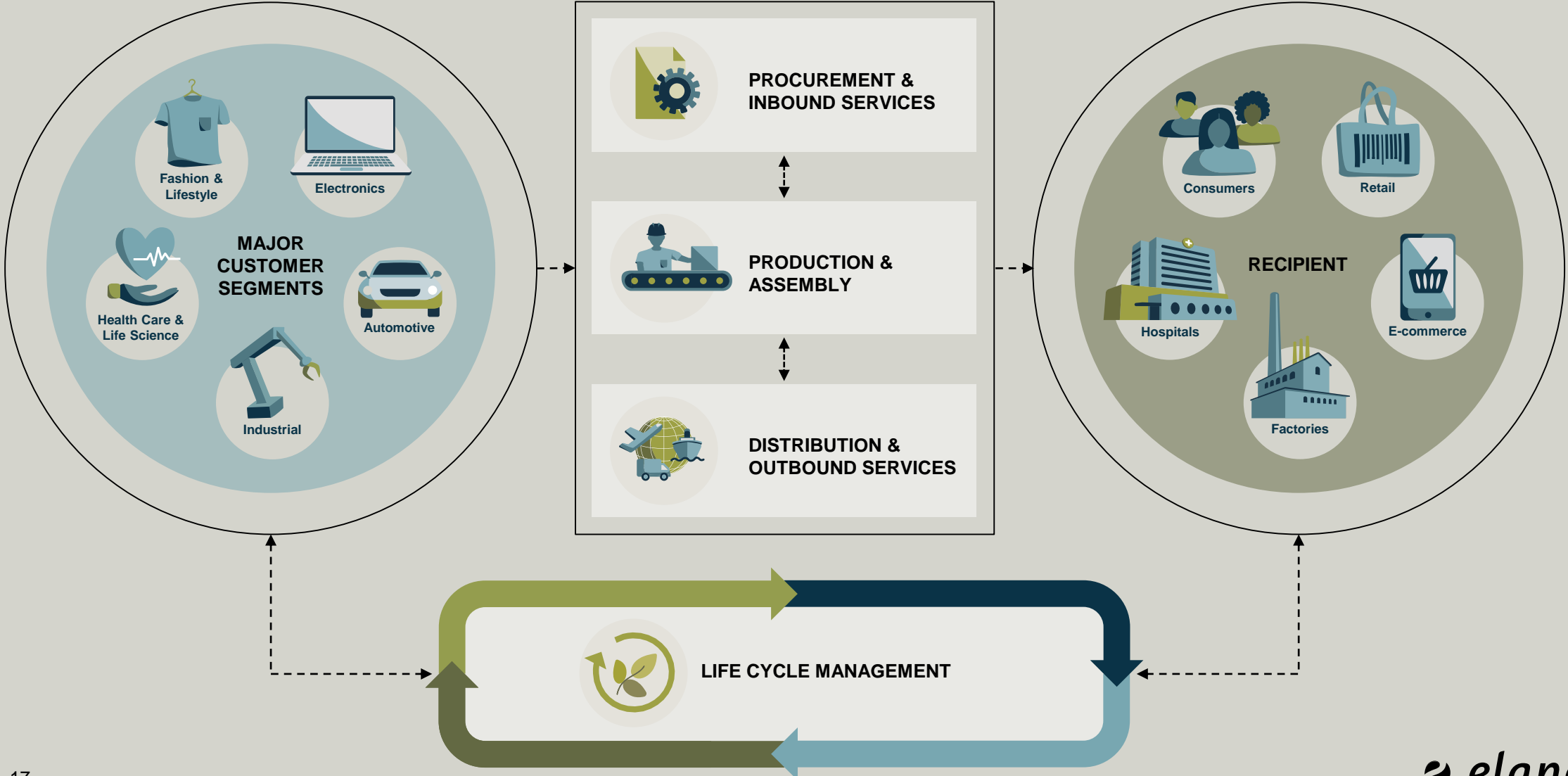
When it comes to **sustainability** we always try to deliver the best solution for our clients and also to develop unique solutions when it comes to **life cycle management.**

5



# Our end-to-end solution

*Diversified customer base channelled into unified processes creates opportunities for multi-sites and knowledge sharing which benefits our clients.*



# Some of our peers / major competitors in this industry



**Kuehne + Nagel**

**ID Logistics**

**GXO Logistics**

**DSV**

**Clipper Logistics**

<i>Country:</i>	Switzerland	France	USA	Denmark	United Kingdom
<i>Turnover in equiv. MEUR (2020):</i>	38,000	1,911	9,000	25,000	600
<i>No of employees (2020):</i>	78,000	25,000	96,000	78,000	9,000
<i>Description:</i>	A logistics player that is very strong in Air & Sea freight. 15% of the turnover is in contract logistics.	An international contract logistics group with a client portfolio balanced between retail, industry, detail-picking, healthcare and e-commerce sectors	GXO Logistics was spun off from XPO Logistics in mid 2021 and is now a pure contract logistics provider.	A logistics company focusing on Air & Sea (56%), Road transportation (32%) and Solutions (12%).	A provider of value-added logistics solutions, e-fulfilment and returns management services.
<i>Type of company:</i>	Public	Public	Public	Public	Public



**FROM  
END  
TO  
END  
AND  
BEYOND**