

Jetpak Top Holding AB (publ): Interim report 1 January – 30 September 2024

Third quarter: 1 July – 30 September June 2024

- Net revenue increased by 11,7 % to 308 858 (276 583) TSEK
- Organic growth amounted to 1,7 % (-13,5 %)
- Gross margin amounted to 28,8 % (29,4 %)
- Adjusted EBITA amounted to 28 049 (22 460) TSEK
- Operating profit amounted to 26 018 (20 876) TSEK
- Net income amounted to 19 013 (15 265) TSEK
- Earnings per share, before and after dilution, amounted to 1,56 (1,25) SEK
- Cash flow from operations amounted to 24 999 (66 631) TSEK
- Cash and cash equivalents amounted to 198 192 (221 956) TSEK
- Net debt in relation to adjusted EBITDA R12: 0,07 (-0,1)

Events during the quarter and since the end of the quarter

- The board of directors have during the quarter through press releases recommended the shareholders of Jetpak to accept the increased mandatory and voluntary public offers amounting to 104,50 SEK in cash per share coming from Pak Logistik Intressenter AB and Notalp Logistik AB, respectively.
- On the 22nd of November 2024, Jetpak applied for delisting from Nasdaq First North Premier Growth market in Stockholm and notified minority shareholders about compulsory redemption, based on a request from Notalp Logistik AB and backed by a current shareholder register with more that 90 % ownership level by Notalp Logistik AB.
- Jetpak's shares are expected to be delisted from trading at Nasdaq First North Premier Growth market in Stockholm before the year end 2024.

Interim period: 1 January – 30 September 2024

- Net revenue increased by 6,0 % to 928 269 (875 839) TSEK

- Organic growth amounted to -5,2 % (-5,2 %)
- Gross margin amounted to 30,7 % (30,7 %)
- Adjusted EBITA amounted to 84 320 (88 516) TSEK
- Operating profit amounted to 78 488 (32 762) TSEK
- Net income amounted to 55 191 (14 499) TSEK
- Earnings per share, before and after dilution, amounted to 4,53 (1,19) SEK
- Cash flow from operations amounted to 32 252 (92 880) TSEK

The comparison figures within parentheses refer to the corresponding period last year, unless otherwise stated.

CEO comments

During the third quarter Jetpak's main markets remained challenged by a continued low demand on freight volumes. The development was in line with many players in our logistic industry, as supply chains continued to be negatively impacted by overcapacity and reduced production. The price pressure continued within some industry segments. Despite those challenges Jetpak managed to improve our revenue, result and margins compared with previous quarter.

Jetpak's total revenue for the quarter amounted to 311 391 (279 863) TSEK, corresponding to a growth of 11,3 % (-9,2 %), which was mainly driven by our latest acquisitions as well from the Air segment development in Norway.

The underlying organic growth improved to 1,7 % (-13,5 %).

The operating profit amounted to 26 018 (20 876) TSEK, equal to an operating margin of 8,4 % (7,5 %). Jetpak's cash flow from operations amounted to 24 999 (66 631) TSEK, and we expect continued cash flow improvements for the coming periods.

The Express Air segment had net sales of 140 937 (138 134) TSEK, which corresponded to an increase of 2,0 % (-12,5 %), while the gross margin amounted to 37,9 % (37,6 %).

The European business continued to be negatively affected by lower revenues from the spare parts logistics market due to increasing price competition.

Sweden experienced decreasing revenue due to market conditions and demand for standardized solutions, while Norway, Denmark and Finland reported higher revenues within their air segments.

The Air Segment did not experience any significant change competition wise, as we are focusing on high quality and broad service offering in combination with a strong network and quality.

The Express Road segment had net sales of 167 921 (138 449) TSEK, corresponding to a revenue increase of 21,3 % (-5,3 %). The segment's gross margin rose to 20,9 % (19,7 %). The segment's revenue increases related mainly to the acquisition of Kvalitetstransport and BudAB, which contributed to the revenue development in Norway and Sweden, respectively. In addition, Denmark also contributed positively with increasing revenue from new contracts. The margin improvement continued to be affected by a more favorable customer mix as well as a previously conducted profitability review and optimization program.

During the quarter there was a continued stable competition within our Road Segment, where we traditionally have experienced a higher exposure to price competition.

With our small but positive organic growth and acquisition of lower margin road companies we have managed to maintain a stable overall gross margin by 28,8 % (29,4 %), based on elimination of unprofitable contracts and improved traffic management process as well as increasing air business in Norway.

The consolidated operating profit margin increased to 8,4 % (7,5 %), achieved by a combination of M&A synergies and more efficient resource utilization.

After a challenging 2023 we have successfully conducted an improvement program, based on increasing sales activities and strong cost control.

Our European business is still challenged by decreasing revenues related to partly loss of some larger contracts. An aggressive overhead cost reduction program has been conducted and the pipeline is now growing significantly with new customers onboarding in coming months.

Our latest acquired companies, BudAB and Kvalitetstransport, are developing in accordance with our plans. Kvalitetstransport is now organizationally fully integrated within the Norwegian Road segment.

A harmonized transport management system will be launched during fourth quarter.

Jetpak will continue to pursue profitable M&A growth with focus on time-critical logistics, as the M&A multiples remains on attractive levels.

We have continued our efforts to counteract the current demand volatility and soft volume development.

Our strategic focus areas remain on organic growth as well as on an improved cost efficiency. Temperature controlled and special services are among our priorities. In addition, we are working intensively on expanding our sales channels by business partner concepts and launching digitalized marketing campaigns. Continuously Improved cost efficiency is a high priority, which especially focus on supplier concepts and enhanced capacity utilization.

Reducing the risks of cyberattacks is a continuous improvement area. During the last quarters we have continued enforcing new and stricter IT policies as well as conducted cyber risk training programs for employees.

We are currently harmonizing our ERP systems across our companies, which will result in more efficient processes and scale benefits in combination with improved transparency and controlling.

We are working intensively with our ESG strategy, and we have been member of the UN Global Compact since 2021 and follow the 10 principles connected to the main focus areas human rights, labor, environment, and anti-corruption.

Environmental issues are an integrated part of our business strategy and strategic focus areas, which also includes the CSRD framework with measurement from 2025 and reporting from 2026.

One part of the ESG strategy is to pursue new, more environmentally friendly technologies.

We are exploring new technologies such as AI, drone transports and CO2 neutral road transport solutions, which will also benefit our cost efficiency program.

We expect a modest market recovery from the end of 2024, and we maintain our long-term goals for organic growth and a continuously improved adjusted EBITA.

Jetpak's shares are expected to be delisted from trading at Nasdaq First North Premier Growth market in Stockholm before the year end 2024.

Kenneth Marx,
Chief Executive Officer

The company's certified advisor is FNCA Sweden AB.

This information was submitted for publication, through the contact person mentioned below, on 28 November 2024 at 06:30 CET.

This constitutes information that Jetpak Top Holding AB (publ) is required to publish under the EU Market Abuse Regulation.

The full report is attached here below and also available at:

<https://jetpakgroup.com/en/investors/financial-reports/>

For further information

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About Jetpak

Jetpak is a logistic group represented in more than 170 locations around the Nordic region and in Europe. Jetpak has a unique and flexible customer offering based on having access to normally approximately 4,000 daily flight departures, in combination with a comprehensive distribution network with more than 950 delivery vehicles. This is something that makes it possible for Jetpak to deliver the fastest and most comprehensive 24/7/365 same-day logistic service to the market.

This can be further supplemented by a unique customized next-day service for systemized transports.

Segment wise, Jetpak has its business divided into one Express Air segment, where the

customers' fast logistic needs have been solved by an air-based solution, and into one Express Road segment, where the customers' logistic needs have been solved by a land-based courier transport solution.

The group's parent company, Jetpak Top Holding AB (publ), is since 5 December 2018 listed on Nasdaq First North Premier Growth Market in Stockholm, Sweden.

The Jetpak share is traded under the short name JETPAK and with the ISIN code SE0012012508.

Please visit: <https://jetpakgroup.com>