

# FY 2021 Roadshow

NTG Nordic Transport Group

March 2022

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## Today's presenters

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**MICHAEL LARSEN**

Group CEO



**CHRISTIAN D. JAKOBSEN**

Group CFO

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Outlook and mid-term target

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# 2021 highlights

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CAPACITY SHORTAGES  
AND MARKET  
VOLATILITY



2021 FINANCIAL  
RESULTS IN LINE WITH  
OUTLOOK



INTEGRATIONS ON  
TRACK FOR ALL  
ACQUISITIONS



2022 OUTLOOK AND  
UPDATED MEDIUM-  
TERM TARGET



PUBLICATION OF  
SUSTAINABILITY  
REPORT

## Financial review: Group (I/II)

DKKkm	Q4			Full year		
	2021	2020	Δ	2021	2020	Δ
Net revenue	2,171.7	1,425.4	52.4%	7,301.9	5,332.2	36.9%
Gross profit	489.6	349.9	39.9%	1,592.1	1,238.4	28.6%
Adjusted EBIT	160.5	82.1	95.5%	542.0	260.7	107.9%
Gross margin	22.5%	24.5%	(2.0) p.p.	21.8%	23.2%	(1.4) p.p.
Operating margin	7.4%	5.8%	1.6 p.p.	7.4%	4.9%	2.5 p.p.
Conversion ratio	32.8%	23.5%	9.3 p.p.	34.0%	21.1%	12.9 p.p.

### Net revenue growth components (year-on-year)

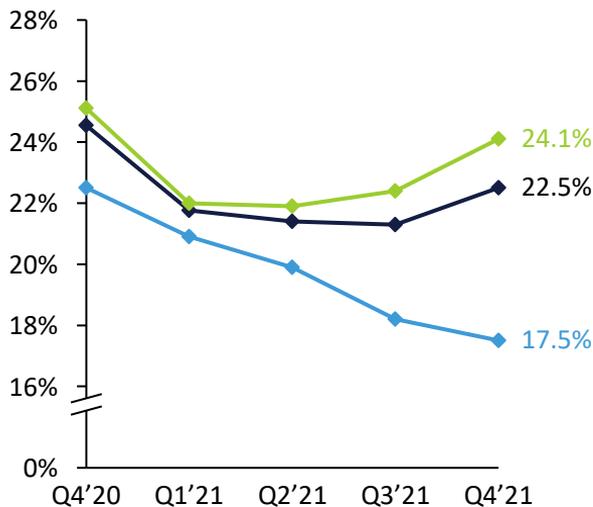
	Discont'd	Start-ups	Existing	Organic	M&A	FX	Total
Q4 2021	(2.6)%	0.0%	34.8%	<b>32.2%</b>	19.6%	0.6%	<b>52.4%</b>
FY 2021	(2.2)%	0.5%	26.5%	<b>24.8%</b>	12.2%	(0.1)%	<b>36.9%</b>

### COMMENTS

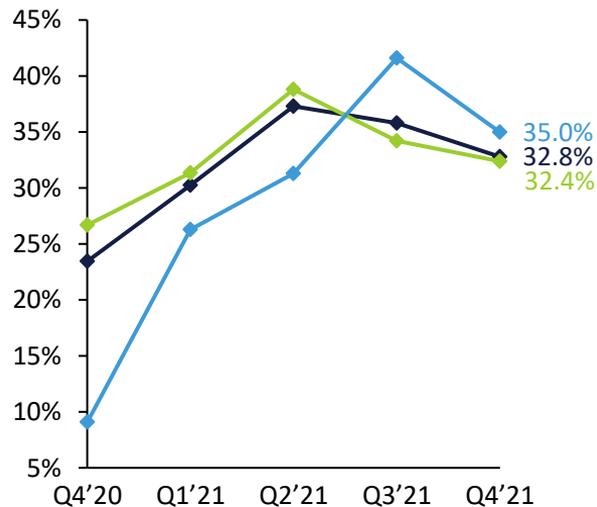
- Gross profit increased 28.6% in 2021.
- Gross margin development driven by market volatility, capacity shortages, and increasing input factor prices.
- Adjusted EBIT increased 107.9% in 2021.
- Operating margin development driven by increased efficiency.

# Financial review: Group (II/II)

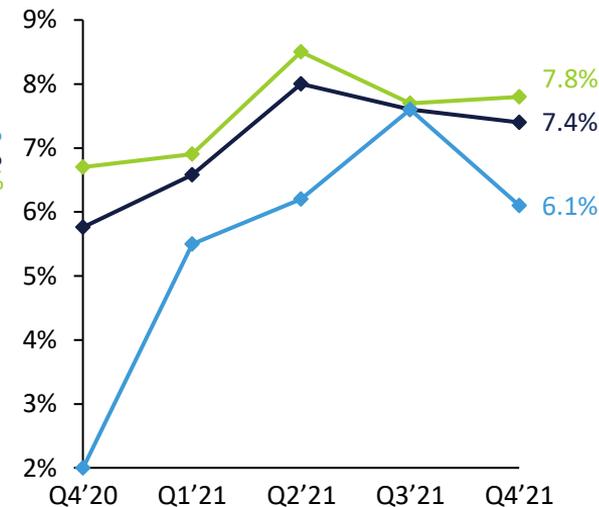
## Gross margin



## Conversion ratio



## Operating margin



◆ Group    ◆ Road & Logistics    ◆ Air & Ocean

# Financial review: Road & Logistics

DKKkm	Q4			Full year		
	2021	2020	Δ	2021	2020	Δ
Net revenue	1,651.7	1,106.1	49.3%	5,547.7	4,274.7	29.8%
Gross profit	398.5	277.8	43.4%	1,259.9	979.3	28.7%
Adjusted EBIT	129.2	74.2	74.1%	429.8	247.0	74.0%
Gross margin	24.1%	25.1%	(1.0) p.p.	22.7%	22.9%	(0.2) p.p.
Operating margin	7.8%	6.7%	1.1 p.p.	7.7%	5.8%	1.9 p.p.
Conversion ratio	32.4%	26.7%	5.7 p.p.	34.1%	25.2%	8.9 p.p.

## Net revenue growth components (year-on-year)

	Discont'd	Start-ups	Existing	Organic	M&A	FX	Total
Q4 2021	(1.3)%	0.0%	25.3%	<b>24.0%</b>	25.3%	0.0%	<b>49.3%</b>
FY 2021	(1.2)%	0.2%	15.5%	<b>14.5%</b>	15.2%	0.1%	<b>29.8%</b>

## COMMENTS

- Gross profit increased 28.7% in 2021.
- Gross margin effect of increasing input prices partially offset by surcharges.
- Adjusted EBIT increased 74.0% in 2021.
- Operating margin driven by activity levels, restructurings in 2020, acquisitions, and positive one-off effect of DKK 20 million in Q2 2021.

## Financial review: Air & Ocean

DKKkm	Q4			Full year		
	2021	2020	Δ	2021	2020	Δ
Net revenue	520.0	319.3	62.9%	1,753.5	1,057.0	65.9%
Gross profit	90.9	71.8	26.6%	331.9	259.0	28.1%
Adjusted EBIT	31.8	6.5	389.2%	112.3	12.1	828.1%
Gross margin	17.5%	22.5%	(5.0) p.p.	18.9%	24.5%	(5.6) p.p.
Operating margin	6.1%	2.0%	4.1 p.p.	6.4%	1.1%	5.3 p.p.
Conversion ratio	35.0%	9.1%	25.9 p.p.	33.8%	4.7%	29.1 p.p.

### Net revenue growth components (year-on-year)

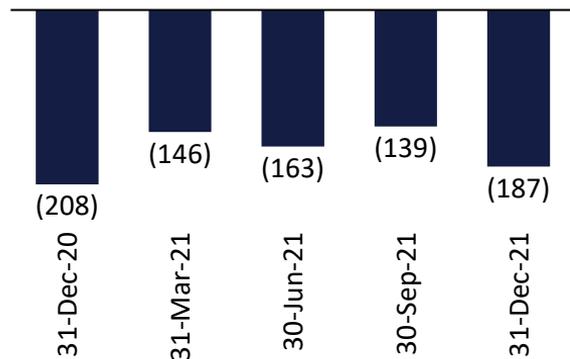
	Discont'd	Start-ups	Existing	Organic	M&A	FX	Total
Q4 2021	(7.1)%	0.0%	67.8%	<b>60.7%</b>	0.0%	2.1%	<b>62.8%</b>
FY 2021	(6.5)%	1.5%	71.5%	<b>66.5%</b>	0.0%	(0.6)%	<b>65.9%</b>

### COMMENTS

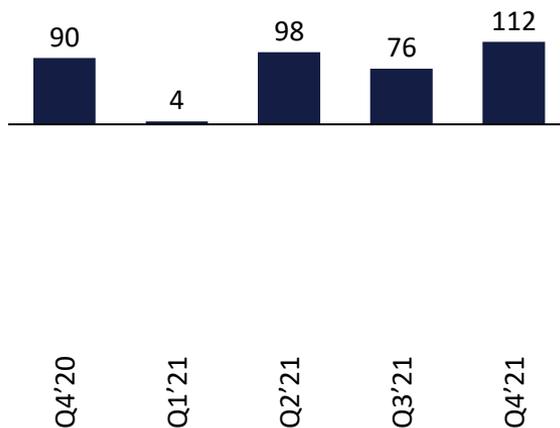
- Gross profit increased 28.1% in 2021.
- Gross margin development driven by increasing pass-through revenue.
- Adjusted EBIT increased 828.1% in 2021.
- Operating margin driven by higher activity levels, scalability, and restructurings in 2020.

# Other key figures

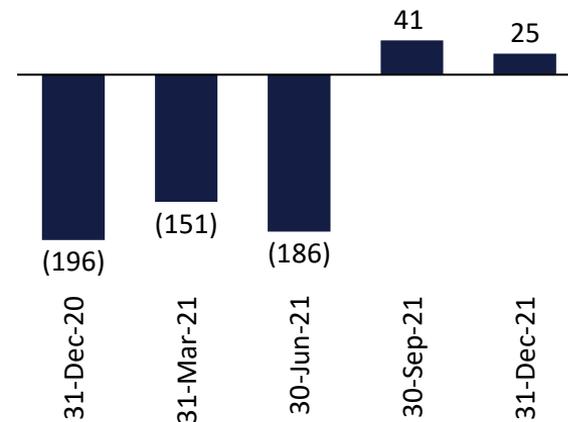
## Net working capital (DKKk)



## Adjusted free cash flow<sup>1</sup> (DKKk)



## Net interest-bearing debt<sup>2</sup> (DKKk)



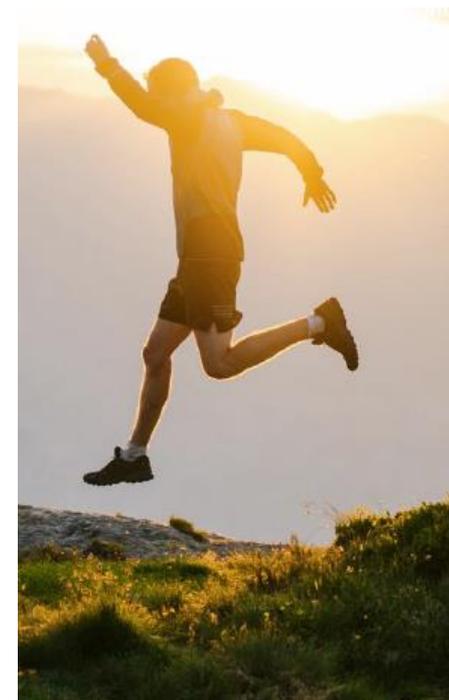
1) Cash flow from operating activities + cash flow from investing activities + special items (addback) – repayment of lease liabilities + acquisition of business activities (addback). 2) Excluding IFRS 16.

# Full-year outlook 2022

DKKm	2021 realised	2022 outlook
Net revenue	7,301.9	7,800 – 8,300
Adjusted EBIT	542.0	570 – 630

## Principal assumptions

- The outlook for 2022 assumes a stable macroeconomic environment with no additional material adverse events affecting regional and global cargo volumes and trade patterns.



# Medium-term financial target

## Previous targets

### Revenue:

- Target **organic revenue growth** above market growth
- Target **double digit total growth**

### Adjusted EBIT:

- Target **adjusted EBIT margin of 4-5%**

## New target

Target DKK **1 billion**  
in adjusted EBIT no later than 2027.

### Principal assumptions

- NTG will strive to achieve the medium-term target with organic growth and M&A, financed by the cash flow and credit facilities of the company.
- Assumes a leverage ratio of less than 3.0.
- No assumptions of capital raises in the equity capital markets, albeit NTG will continue to evaluate capital increases as a source of funding for larger acquisitions.
- Assumes a stable macroeconomic environment and NTG continuing to develop the business, establish start-ups, and execute its M&A agenda.



# Appendix



# Business model of NTG

— NTG core competencies



- ✓ **Asset-light business model**
- ✓ **Focus on road, air, and ocean freight**
- ✓ **Ability to offer end-to-end solutions**

# NTG at a glance

Founded



2011

Revenue<sup>1</sup> (DKK)



7.3bn

Employees<sup>2</sup>



1,893

Revenue CAGR 2016-2021



28%

Operational subsidiaries<sup>2</sup>



71

Active in 23 countries

Adj. EBIT<sup>1</sup> (DKK)



542m

Operating margin of 7.4%

ROIC before tax<sup>1</sup>



50.8%

Conversion ratio<sup>1</sup>



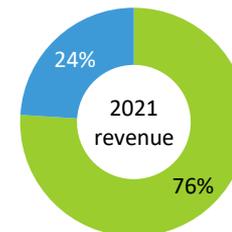
34.0%

## Business segments

Road & Logistics

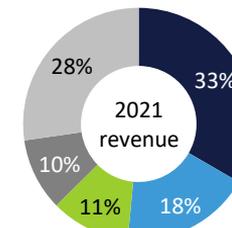


Air & Ocean



 Road & Logistics  Air & Ocean

## Geographical footprint

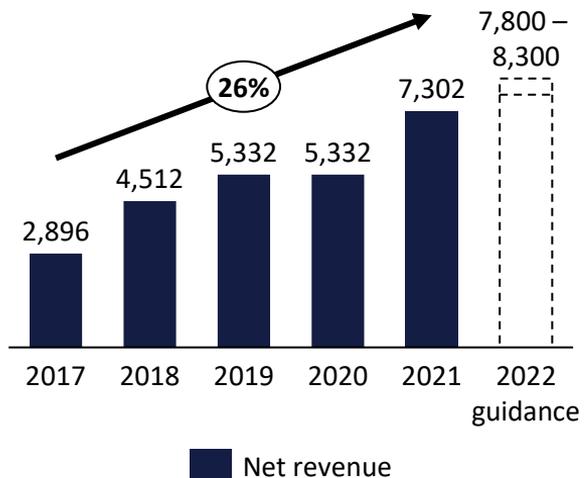


 Denmark  Germany  Other  
 Sweden  Finland

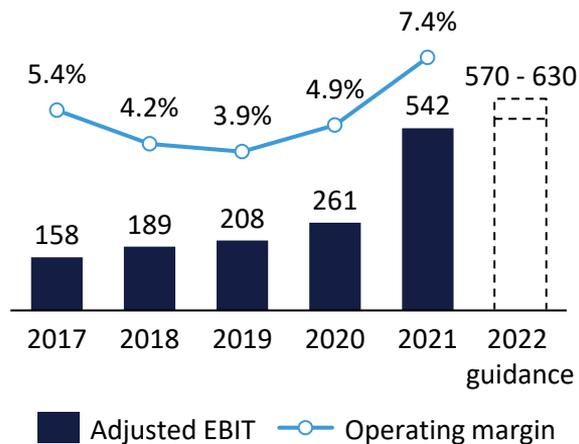
1) 2021 figures. 2) As per end of 2021.

# Five-year overview

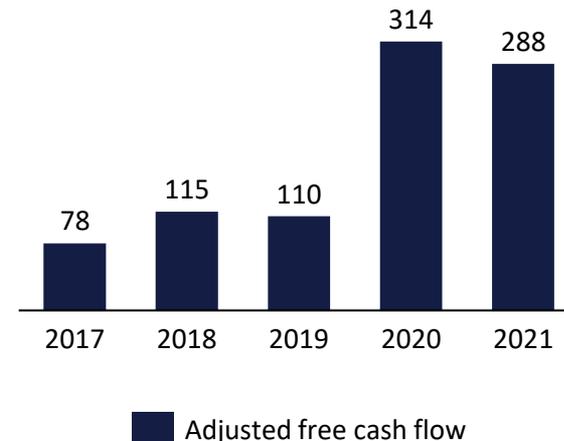
Net revenue (DKKm)



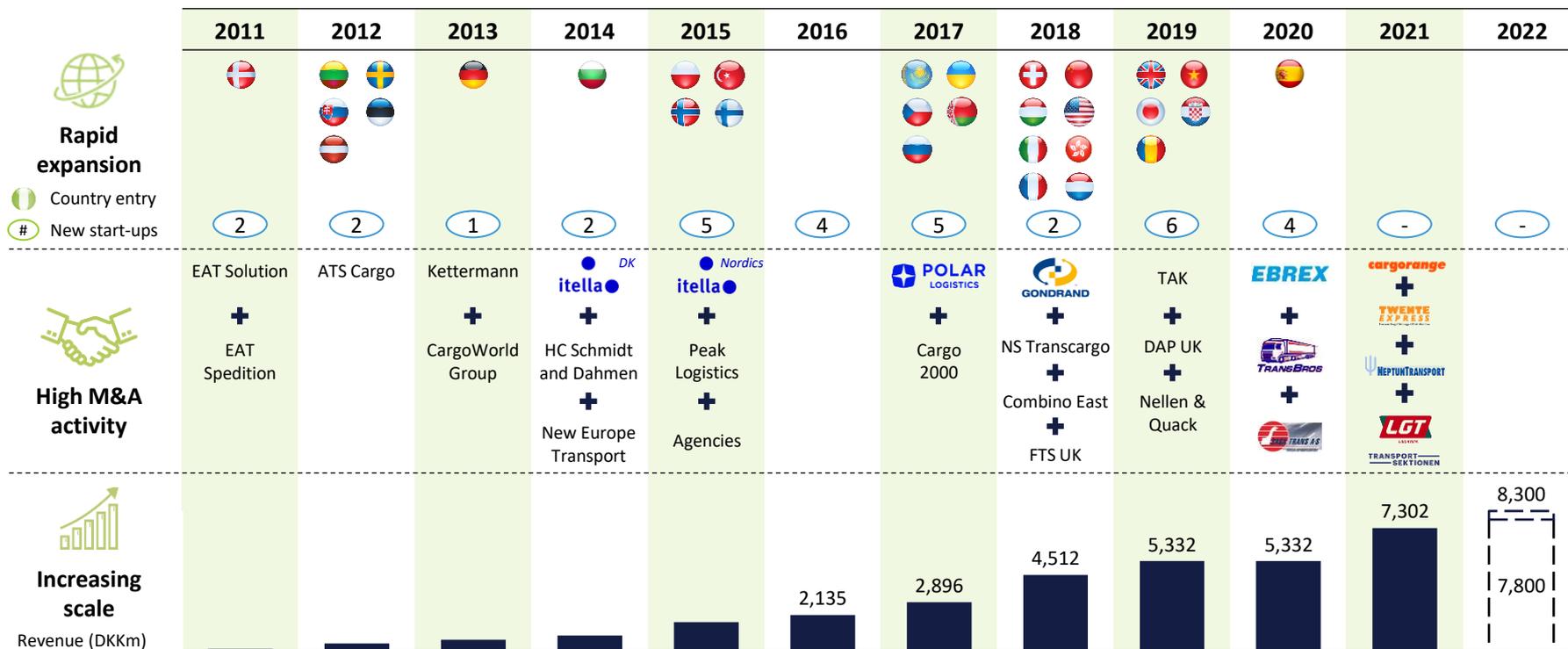
Adjusted EBIT (DKKm)



Adjusted free cash flow (DKKm)

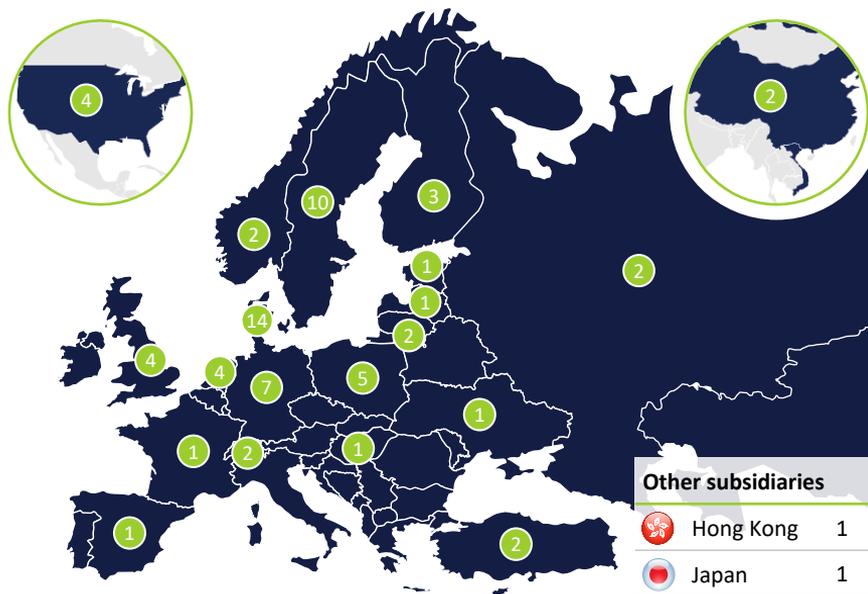


# The history of NTG



# Global network of 71 subsidiaries in 23 countries

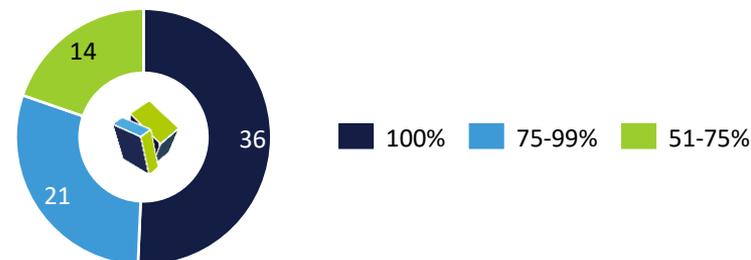
## Overview of operational subsidiaries



## Operational subsidiaries by region



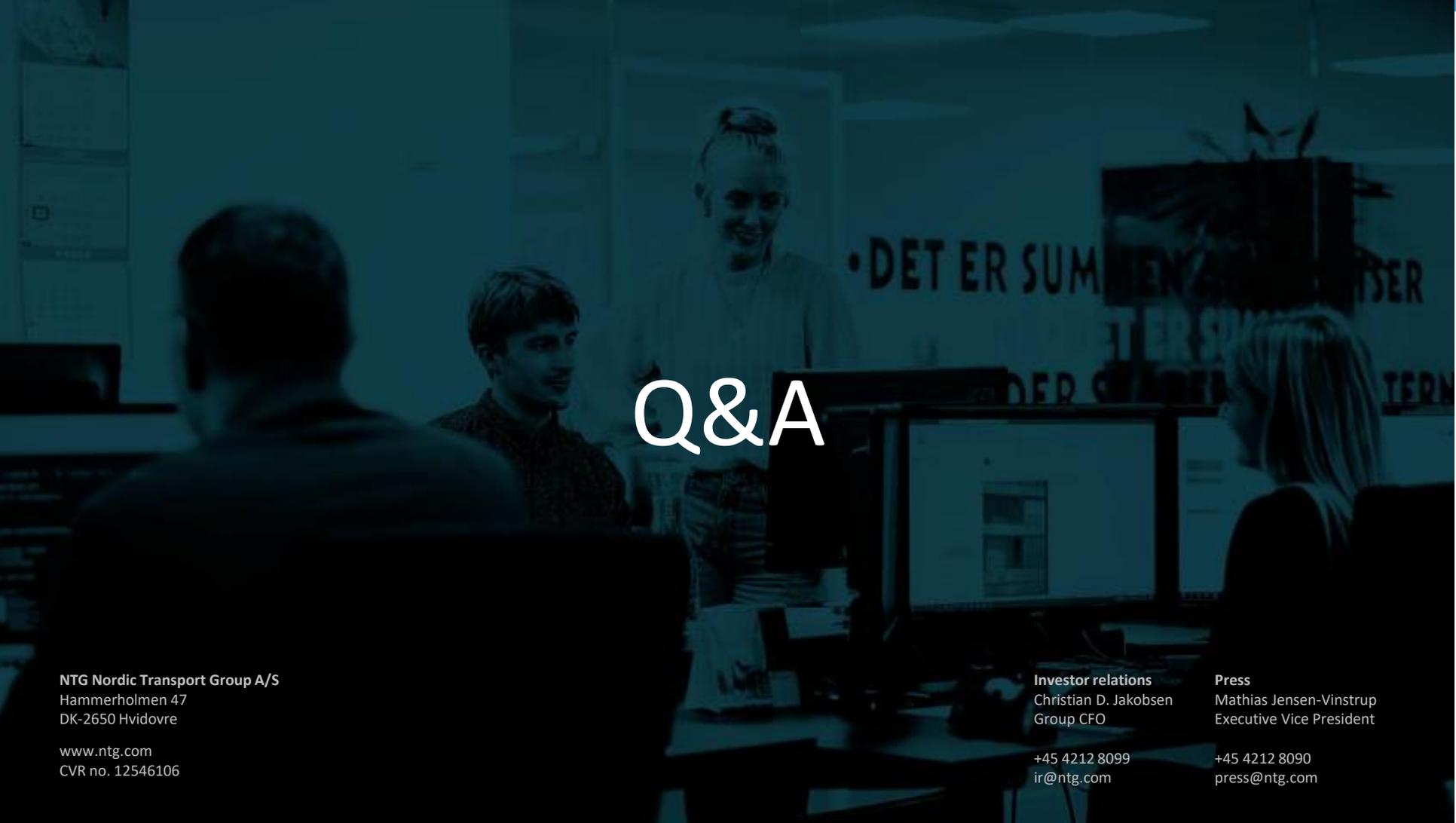
## Operational subsidiaries by ownership



# Multiple avenues for future growth



1) Operational.



# Q&A

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