

Jetpak Top Holding AB (publ)

1 January – 30 June 2023

Total revenue for the quarter, TSEK: Adjusted EBITA for the quarter, TSEK: Cash flow from operations, TSEK:

293 607

33 817

28 958

Second quarter: 1 April – 30 June 2023

- Total revenue decreased by -9,6 % to 293 607 (324 891) TSEK
- Organic growth amounted to -12,6 % (17,4 %)
- Gross margin amounted to 31,9 % (31,8 %)
- Adjusted EBITA amounted to 33 817 (33 118) TSEK
- Impairment loss amounted to - 51 705 (-) TSEK
- Operating profit amounted to -18 792 (32 136) TSEK
- Net income amounted to -25 475 (22 572) TSEK
- Basic earnings per share amounted to -2,09 (1,88) SEK
- Diluted earnings per share amounted to -2,09. (1,87) SEK
- Cash flow from operations amounted to 28 958 (32 953) TSEK
- Cash and cash equivalents amounted to 166 673 (132 004) TSEK
- Net debt in relation to adjusted EBITDA R12: 0,3 (0,7)
- Cost accrual for the long-term incentive program amounted to -2 264 (-2 153) TSEK

Half-year: 1 January – 30 June 2023

- Total revenue decreased by -2,8 % to 606 730 (623 998) TSEK
- Organic growth amounted to -5,2 % (13,8 %)
- Gross margin amounted to 31,2 % (31,5 %)
- Adjusted EBITA amounted to 65 379 (64 058) TSEK
- Impairment loss amounted to -51 705 (-) TSEK
- Operating profit amounted to 11 884 (62 368) TSEK
- Net income amounted to -766 (44 155) TSEK
- Basic earnings per share amounted to -0,06 (3,68) SEK
- Diluted earnings per share amounted to -0,06 (3,65) SEK
- Cash flow from operations amounted to 26 251 (46 091) TSEK

Financial Key Performance Indicators

(Amounts in TSEK unless otherwise stated)	Q2		Jan-Jun		Jan-Dec
	2023	2022	2023	2022	2022
Total revenue	293 607	324 891	606 730	623 998	1 253 147
Total growth %	-9,6	26,7	-2,8	23,1	21,4
Net revenue	286 467	315 825	592 493	607 513	1 219 264
Net revenue growth %	-9,3	27,0	-2,5	23,8	21,9
Gross profit	93 803	103 402	189 588	196 740	392 803
Gross margin %	31,9	31,8	31,2	31,5	31,3
Operating profit	-18 792	32 136	11 885	62 368	122 215
Operating margin %	-6,4	9,9	2,0	10,0	9,8
Net income	-25 475	22 572	-766	44 155	86 922
Basic earnings per share, SEK	-2,09	1,88	-0,06	3,68	7,13
Diluted earnings per share, SEK	-2,09	1,87	-0,06	3,65	7,13
Allocation per segment					
Net revenue Express Air	143 931	169 722	308 646	324 536	643 943
Net revenue Express Road	142 536	146 102	283 847	282 978	575 321
Sales growth Express Air %	-15,2	46,2	-4,9	41,6	36,2
Sales growth Express Road %	-2,4	10,3	0,3	8,2	9,0
Gross margin Express Air %	40,4	40,1	39,2	40,1	39,4
Gross margin Express Road %	21,9	20,1	21,1	19,8	19,8
Key figures related to financial goals*					
Adjusted EBITA**	33 817	33 118	65 379	64 058	125 602
Adjusted EBITA margin %**	11,5	10,2	10,8	10,3	10,0
Equity ratio %	65,7	61,7	65,7	61,7	65,5
Net debt	45 327	114 442	45 327	114 442	33 028
Net debt i relation to adjusted EBITDA R12	0,3	0,7	0,3	0,7	0,2
Organic growth %	-12,6	17,4	-5,2	13,8	11,4

Comparison figures presented in this report refer to the corresponding period last year, unless otherwise stated. Rounding differences may occur.

* For Alternative Performance Measures, see <https://jetpakgroup.com/en/investors/alternative-performance-measures/> for definitions and reconciliations.

** Compared to previous periods, adjusted EBITA, including its comp. figures, has in this table been adjusted with depreciation on acquired customer relationships.

CEO Comments

On a total group basis, the revenue for the quarter amounted to 293 607 TSEK, which was a negative growth of -9,6 %.

The adjusted EBITA amounted to 33 817 (33 118) TSEK, corresponding to an adjusted EBITA margin of 11,5 (10,2) %.

This quarter's operating profit was impacted by a non-cash flow goodwill impairment loss of -51 705 TSEK, due to a weaker road business in Denmark and increased WACC for group companies.

The reported operating profit, including the write-down on goodwill, hence amounted to -18 792 (32 136) TSEK for the quarter.

The cash flow from operations amounted to 29 MSEK. Despite a weaker macroeconomic outlook, we expect to be able to uphold a good cash conversion rate.

Current market conditions had a negative revenue impact during this quarter, affecting both our segments.

The Express Air segment had a revenue of 143,9 MSEK, which equalled a revenue decrease of -15,2 %, while the gross margin remained flat on 40,4 (40,1) %. The biggest revenue decrease within the segment came from Jetpak Europe (consisting of the combined operations in the Netherlands and Belgium), with a 42 % revenue drop. Jetpak Europe was affected by decreasing revenue from the spare part logistic market, where our customers have initiated cost saving programs including deferred logistic solutions. We still have them as important customers, even though revenue has significantly decreased compared with last year.

Norway and Finland also reported revenue drops while Sweden was flat and with Denmark as the only geography with increasing revenue.

The Express Road segment had a revenue of 142,5 MSEK, corresponding to a revenue decrease of -2,4 %, while the gross margin increased to 21,9 (20,1) %, affected by changed customer mix.

The drop within the road segment came from Denmark, which dropped by 13 % due to lost customer contracts, changing market conditions and increasing price competition.

Sweden, Norway and Finland were more or less flat between the years, with Europe, albeit with small numbers, reported growing revenue.

Specific revenue and profit enhancement programs have been launched in both Denmark and Europe, but due to current market situation we expect the remainder of 2023 to be challenging, as these programs will not have full impact before early 2024.

Based on the challenging market situation during the quarter, Jetpak Management has also initiated a general groupwide cost efficiency program focusing on reducing overhead costs based on staff reductions and revised incentive schemes as well as further enhancing Jetpak's operational cost structure and level.

Jetpak's ESG strategy is based on our long-term commitment to environment responsibility as well as commitment to our customers, employees, and other stakeholders. We have launched our ESG strategy to further integrate sustainability in all our business processes.

As part of the ESG work - as well as new technology - is the future drone delivery opportunity, and new opportunities provided by enhanced AI solutions.

Jetpak has during the quarter continued to explore to what extent the drone technology can support Jetpak's future supply chain. We have had a continued positive cooperation with a Swedish drone project resulting in a letter of Intent. The parties have a mutual ambition of launching drones in specific areas in Sweden. Commercial startup date is not yet defined but awaits authority approval as well as commercial commitment from customers.

New projects are also initiated focusing on identifying process and cost enhancements by introducing AI solutions for some customer and supplier interfaces. This is still in an initial phase but is expected to potentially automate manual repetitive processes and improve our delivery quality.

M&A remains an important part of our growth strategy and during the second quarter we announced the acquisition of Budakuten in Malmö. We continue to explore interesting new M&A targets with good fit during coming periods, as we still deem the market to be favorable for acquisitions. We are currently in deeper discussions with some targets with the ambition of deciding on further potential acquisition within the coming quarters.

During recent months we have had ongoing discussion with our largest air capacity supplier (SAS), due to, among other things, their lack of network stability, which are negatively impacting our product quality and operational costs. During this quarter we reached an agreement ensuring a more balanced cooperation with enhanced quality and cost level.

Additionally, we expect their Chapter 11 situation to be finalized in a relative near future.

In general, we have experienced a continued market and revenue volatility. Interim reports from big multinational logistic companies seem to support this trend, as reports mostly show decreasing volumes and profitability within both air and road segments.

Nordic and European GDP growth is furthermore expected to remain weak during coming quarters, which potentially may lead to increasing price pressure and a lower demand for logistic solutions.

Based on the current market conditions and uncertainty we conservatively expect a continued weak organic growth in coming quarter, with possibly a slightly improved growth during the fourth quarter.

We therefore continue to carefully monitor the development, and we will continually try to minimize any potential negative impacts by further ramping up on our strategic initiatives, namely:

- Realizing M&A opportunities to strengthen our market position and offering as well as obtaining operational and commercial scale benefits.
- Introduce new services to ensure organic growth as well as strengthening our offering and margins.
- Optimize cost efficiency by enhanced and automated technology driven solutions as well as through improved capacity utilization.

Despite the above-described challenges, we maintain our long-term targets for organic growth and a continuously improved adjusted EBITA.

Best regards,

Kenneth Marx,
Chief Executive Officer

General Information on 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 in our 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 exclusively solved by a land-based courier transport solution.

Jetpak Top Holding AB (publ), with organizational number 559081-5337, is the parent company of the Jetpak group. The parent company is a limited company with registered office and head office in Stockholm. The address of the head office is Tornvägen 17A, 190 60 Stockholm, Sweden. Jetpak Top Holding AB's shares has since December 5, 2018, been listed for public trading on Nasdaq First North Premier Growth Market in Stockholm, Sweden. The share is traded with the ISIN code SE0012012508 and under the short name JETPAK.

Second quarter

1 April 2023 – 30 June 2023

Events during the quarter

The company "Budakuten i Malmö AB", hereafter also called "Budakuten", was during the second quarter acquired for initially 10 MSEK. An additional 15 MSEK may be paid as an additional purchase price. The total purchase price is dependent on the future EBITDA results for the Express Road segment in the south of Sweden during the 2023-2025 period. Budakuten was included in Jetpak's consolidated figures from May 2023.

During the latter part of the quarter an impairment test was carried out which showed that the Danish cash generating unit had a write-down on the group's recorded goodwill, which totally amounted to -51 705 TSEK. This write-down mainly affected the goodwill created in connection with the acquisition of the Danish company 3D Logistik A/S, carried out just before the outbreak of the covid pandemic in early 2020. Reasons for the impairment write down were a weakened business performance and outlook for the Danish Express Road segment in combination with an increased WACC. There is no cash flow effect from this impairment loss.

SAS, being an important air capacity supplier to Jetpak, remained during this quarter in their reconstruction process under the US Chapter 11 legislation framework. Jetpak has elaborated a contingency plan if SAS' network suddenly or substantially would be diluted, but to what extent the outcome of SAS' Chapter 11 process may affect Jetpak's future performance, was as per reporting date unknown.

Russia's war against Ukraine has not had any direct business impact on Jetpak, since Jetpak has no market presence either in Russia, Belarus or in Ukraine.

Indirect effects from this war, not least in the form of increased and volatile fuel- and energy prices, have however continued to affect the company, something which Jetpak in many cases have been able to offset thanks to specific fuel surcharges.

Jetpak's management will continue to carefully monitor the effects from both the SAS Chapter-11 process, Russia's war in Ukraine and the continued highly uncertain market and macroeconomic factors such as cost inflation and potential continued interest rate increases.

Jetpak intend to continuously take necessary measures in order to counteract and minimize any negative effects on Jetpak's business and performance.

Operating Revenue

The consolidated total revenue for the quarter amounted to 293 606 (324 891) TSEK, a decrease by -31 284 TSEK and equal to a total revenue decrease of -9,6 %, compared to the same quarter last year.

Jetpak's revenue was during the quarter affected by positive foreign currency effects amounting to 4 793 (6 550) TSEK, mainly an effect from a stronger Euro and Danish Krona, while a weakened Norwegian Krone partly offset the overall currency tail wind for the period.

It is worthwhile noticing that the individual Jetpak countries have a high degree of "natural currency hedging" since most of each country's revenue is matched by operating costs in the same currency. During this quarter there were also two months of acquired growth effect from Budakuten, who contributed with 4 832 TSEK of revenue.

Jetpaks underlying organic growth for the quarter amounted to -12,6 % (17,4 %), adjusted for foreign exchange rate and acquisition effects.

The Express Air segment revenue amounted to 143 931 (169 722) TSEK, which equaled a negative growth of -15,2 % (46,2 %). After adjustment for foreign currency effects, the underlying organic revenue growth for the segment amounted to -16,0 % (28,7 %).

The main effect came from Jetpak's European based business out of Belgium and the Netherlands, with a revenue drop of - 42,3 % between the years. This was due to a wind turbine manufacturer who has scaled down its spare parts business with Jetpak. They are still a significant customer to Jetpak, but not on the same scale as was the case last year. Norway also experienced a revenue drop, which amounted to - 12,1 % between the years. This was mainly due to a lower covid-19 vaccine distribution than last year.

The Express Road segment revenue amounted to 142 536 (146 102) TSEK, a decrease by -2,4 % (10,3 %). After adjustment for foreign currency and acquisition effects from Budakuten, the underlying organic growth for the segment amounted to -8,0 % (7,8 %).

The drop within the segment came from Denmark with a 13 % revenue decrease, due to some lost customer contracts. As a consequence, an improvement plan is in effect in Denmark.

Sweden, Norway and Finland were more or less flat between the years. Europe was the only geography which reported growing road revenue figures, albeit from very low levels.

Profit/Loss and Margins

The gross margin for the quarter amounted to 31,9 % (31,8 %), corresponding to a gross profit amounting to 93 803 (103 402) TSEK.

The gross margin for Express Air amounted to 40,4 % (40,1 %), an increase by 0,3 percentage points.

Express Road segment had a gross margin of 21,9 % (20,1 %), an increase by 1,8 percentage points, thanks to changed customer mix and price increases.

The drop in gross profit in absolute numbers is fully due to a lower revenue between the years.

Other external costs, not re-allocated to direct costs, amounted to -7 021 (-10 892) TSEK.

Personnel costs, not allocated to direct costs, amounted to -43 911 (-50 686) TSEK.

Jetpak Management has during the year initiated a groupwide cost efficiency program focusing on reducing overhead costs based on staff reductions and revised incentive schemes, as well as further enhancing operational cost structure and levels.

This quarter's cost accrual for the long-term incentive program amounted to -2 264 (-2 153) TSEK. Jetpak review the fair value of its LTIP2021/2023 program regularly and adjusts the accrual level in line with the current valuation.

Depreciation amounted to -9 960 (-9 869) TSEK. Out of this total, -7 416 (-6 556) TSEK related to right of use depreciations in accordance with IFRS 16 "Leasing". In the quarter's depreciation cost an additional -904 (-982) TSEK was included, which related to depreciation of acquired customer relations. The remainder of the depreciation item consisted of depreciation of tangible and intangible fixed assets, including the company's business system JENA.

During the latter part of the quarter an impairment test was carried out on group level, which revealed that the Danish cash generating unit required a write-down on the goodwill, which amounted to - 51 705 TSEK. This write-down mainly affects the goodwill created in connection with the acquisition of the Danish company 3D Logistik A/S, carried out just before the outbreak of the covid pandemic in early 2020. An impairment loss does not have any effect on the cash flow.

The operating profit for the quarter hence amounted to -18 792 (32 136) TSEK.

The operating margin for the quarter was -6,4 % (9,9 %).

This quarter's impairment loss of -51 705 TSEK was reversed in the company's alternative performance measurement, "adjusted EBITA", which during the quarter amounted to 33 817 (33 118) TSEK, flat with last year, despite 31 284 TSEK of lower total revenue between the years. Depreciation on acquired customer relationships of -904 (-982) TSEK is also added back in this alternative performance measure. Note that Jetpak regards the cost accruals for the "Long-term incentive program 2021/2023" as a normal operating expense item.

Financial income amounted to 46 (112) TSEK. The quarter's amount included interest income on Jetpak's bank balances, which amounted to 1 030 (112) TSEK, mainly thanks to an improved cash position and increased interest rates. This year's item also includes exchange rate effects from internal loans in accordance with IAS 21, item 45.

Financial costs amounted to -172 (-3 509) TSEK. This quarter's amount included interest expenses which amounted to - 2 520 (- 3 087) TSEK. The item also included bank fees, interest rate impact from IFRS 16, the exchange rate effects from the operation's short-term receivables and liabilities plus the discount effect on future conditional purchase price.

The profit after financial items for the period amounted to -18 918 (28 739) TSEK.

The currency tail wind affecting the profit amounted to 103 (1 115) TSEK.

Profit/loss after tax for the period amounted to -25 475 (22 252) TSEK.

The effective tax rate affecting the consolidated figures amounted to 20,0 % (21,5 %).

Note that an impairment loss does not affect the calculated tax in the operating entities.

In the past losses carried forward have been utilized in Sweden, Belgium and in the Netherlands. This has affected the consolidated group tax level. In Belgium and in the Netherlands, no deferred tax asset has previously been booked, out of conservative reasons.

Basic earnings per share amounted to -2,09 (1,88) SEK, calculated on the basis of 12 187 675 (11 999 781) ordinary shares.

Diluted earnings per share amounted to -2,09 (1,87) SEK, calculated on the basis of 12 187 675 (12 098 264) ordinary shares.

The previous year's comparative figure was affected by the then outstanding warrant program which ran up until June 2022. This year's increase in the number of shares, 187 894, to a total of 12 187 675 shares, is due to the new shares from that warrant program.

Liquidity and Cash Flow

By the end of the period the consolidated cash balance amounted to 166 672 (132 004) TSEK.

Cash flow from operating activities during the quarter amounted to 28 958 (32 953) TSEK.

The decrease between the years amounted to -3 995 TSEK and was net wise driven by generally decreased short term liabilities, not least driven by Jetpak's decreasing European business.

Positive effects came from decreased receivables thanks to received payments from European accounts.

There are internal routines and specific activities in place with the target to uphold a good cash flow from operations, also during an expected economic down-turn.

Cash flow from investment activities during the period amounted to -12 158 (-2 679) TSEK.

This period's item included the initial payment for the acquisition of Budakuten amounting to -10 000 TSEK, plus the inclusion of Budakuten's net working capital.

Investments in regular tangible and intangible assets amounted to -2 627 (-2 679) TSEK.

Cash flow from financing activities amounted to -7 282 (-16 236) TSEK.

This quarter's item was generated by amortizations of leasing items.

During the second quarter 2022, there was an amortization of external loan which amounted to -9 719 TSEK.

Half Year

1 January - 30 June 2023

Operating Revenue

Total revenue for the period amounted to 606 730 (623 998) TSEK, a revenue decrease by -2,8 % (23,1 %), compared with the corresponding period last year.

The currency effect for the period, mainly an effect from a stronger Euro and Danish Krona, while a weakened Norwegian Krone partly offset the overall currency tail wind, which totally amounted to 10 285 (15 473) TSEK for the period.

The acquired Budakuten business contributed from May with an additional 4 832 TSEK.

The underlying organic growth amounted to -5,2 % (13,8 %), after adjustments for foreign currency and M&A effects.

The Express Air segment revenue amounted to 308 646 (324 536) TSEK, equivalent to a revenue decrease of -4,9 % (41,6 %) for the period. After adjustment for the foreign currency effect, the organic growth for the Express Air segment amounted -6,5 % (24,6 %) for the period.

Norway plus Europe, in the form of Belgium and the Netherlands, accounted for the largest geographical drops between the years, with revenue decreases amounting to -8 818 TSEK and -8 446 TSEK, respectively.

The Express Road segment revenue amounted to 283 847 (282 978) TSEK, equivalent to a growth of 0,3 % (8,2 %) for the period. After adjustments for foreign currency and M&A effects from Budakuten, the underlying organic growth of the Road segment amounted to -3,1 % (5,4 %) for the period.

Profit/Loss and Margins

The gross margin amounted to 31,2 % (31,5 %).

The margin difference between the years was due to a changed product mix.

Other external costs amounted to -16 310 (-20 373) TSEK.

Personnel costs not allocated to direct costs amounted to -89 795 (-94 807) TSEK.

Adjusted EBITA for the period amounted to 65 379 (64 058) TSEK, corresponding to an adjusted EBITA margin of 10,8 % (10,3 %).

Depreciations amounted to -19 895 (-19 193) TSEK.

IFRS 16 related depreciations amounted to -14 786 (-13 170) TSEK. The remainder of the depreciation costs were mostly driven by previously made investments in the company's business management system JENA, as well as depreciation of acquired customer relations from the acquired Danish companies in 2020 and 2022.

The operating profit amounted to 11 885 (62 368) TSEK, which was a decrease of -50 483 TSEK, compared with the corresponding period previous year.

The impairment loss recorded in June 2023 affected the year-to-date 2023 profit by -51 705 TSEK.

The operating margin for the period hence amounted to 2,0 % (10,0 %).

Financial Position

The equity/assets ratio by the end of the period increased to 65,7 % (61,7 %) and the equity amounted to 840 054 (771 902) TSEK. The change in equity was affected by consolidated profits since last year by 42 002 TSEK, translation differences of 17 039 TSEK and redemption of stock options by 9 111 TSEK.

Total assets at the end of the period amounted to 1 278 764 (1 250 703) TSEK.

Net debt on the balance sheet date amounted to 45 327 (114 442) TSEK.

Net debt, excluding leasing in accordance with IFRS 16, amounted to -51 672 (17 901) TSEK.

The year-on-year reduction of net debt is affected by the fact that the company has decreased its level of external loans as part of the refinancing process during the fall of 2022, in combination with an increased cash position, in turn an effect of an increased level of profit and withheld dividend.

The company's net debt in relation to the adjusted EBITDA on a rolling twelve-month basis (R12) decreased down to 0,3 (0,7).

Liquidity and Cash Flow

By the end of the period the consolidated cash and cash equivalents amounted to 166 673 (132 004) TSEK.

Cash flow from operating activities amounted to 26 251 (46 091) TSEK.

The net deviation between the years, -19 840 TSEK, was affected mainly by increased accounts receivables from larger accounts in Sweden and in Europe.

Cash flow from investment activities during the period amounted to -24 323 (-34 171) TSEK.

This year's item was affected by the final payment for the Danish company CTS Express plus the initial payment relating to the acquisition of Budakuten.

Cash flow from financing activities amounted to -14 537 (-14 937) TSEK, mainly driven by amortization of financial lease items.

Employees

The average number of full-time equivalents within the group amounted to 232 (231), of which 28 % (29 %) were women.

Risks and Uncertainty Factors

Exposure and risk management is a natural part of all business activities.

A risk is defined as an uncertainty about the occurrence of an event that may affect the company's ability to reach its established goals. Jetpak's risk focus lies on identifying, preventing and preparing mitigating action plans that will enable the company to withstand or limit any damage which risks may cause. Risks may, even if successfully prevented, still have a negative impact on the business. Jetpak has divided the identified risks into the sub-groups; market- and operational risks, financial and regulatory risks.

For a more detailed description and review of the company's identified risks, reference is made to the consolidated annual report for the financial year 2022.

Effects from the continued development of Russia's war against Ukraine, a reduced macro-economic activity, a substantially diluted SAS network that may have a potentially negative impact on Jetpak's results, as well as inflation and subsequent cost increases, are all included within the framework of market- and operational risks. Increased interest rates are part of the risk sub-group financial risks.

Considering the continued high degree of uncertainty that surrounds those events and potential further initiatives by different stakeholders, it is very difficult to predict the full future financial impact that the current situation may have on the company.

Therefore, contingency plans with focus on work efficiency and cost reducing activities have been prepared in order to minimize any potential negative impact on Jetpak's business and results.

As of the balance sheet date, the risks and uncertainty factors described above are deemed not to have any significant effect on any balance sheet item.

Events after the Balance Sheet Date

Nothing to report.

Segment Information

Jetpak's revenue, with reference to IFRS 8 "Operating segments", is divided into two segments, Express Air and Express Road.

Express Air segment

The Express Air segment consists of air-based courier and logistics services with mostly spontaneous and time-critical delivery needs with a greater price tolerance, thanks to the customers' stricter time requirements. This segment consists of the following service groups;

- **Jetpak Direct**
Jetpak's fastest solution for door-to-door deliveries, during the same day. Flexible door-to-door offer available 24/7 365 days a year within the Nordics and Europe, with money back guarantee - if the delivery is delayed.
- **Jetpak Next Day**
The solution for deliveries arriving the next day. Deliveries take place overnight and are delivered door-to-door, within time-defined delivery slots. The product is available in the Nordics, Europe and in selected parts of the rest of the world.
- **Customer Specific**
Tailormade air-solutions for more systematic logistic needs.
- **Linehaul**
Airport-to-airport transportation. Solution without courier transport where a large number of flight options are available. The product is designed for customers who send large volumes and who usually move heavier goods.

Express Road segment

Within the Express Road segment, the company's time-critical and fully flexible ground courier services are being provided;

- **Courier Express**
Ad-hoc deliveries via courier. Flexible door-to-door service which is available 24/7, 365 days a year in Sweden, Denmark and other Nordic metropolitan regions.
- **Courier Logistics**
Systematic local distribution of courier offers. Local courier deliveries on predetermined routes which are delivered during the same or next day.
- **Depot**
Short-term storage where Jetpak takes over the storage of important products, such as critical spare parts, with in- and out delivery of those products available 24/7, 365 days a year.

For a more extensive presentation and description of Jetpak's various services, please see Jetpak Group's Annual Report for 2022 and the home page: <https://jetpak.com/en/about-jetpak/express-deliveries/>.

Revenue and profit/loss in Segment structure

Below follows the consolidated revenue and profit/loss for each reporting segment.

Net sales consist exclusively of external revenue.

In addition, the tables below include reallocations to direct expenses for the company's own handling stations with employed Jetpak personnel.

Group wide or shared cost items for e.g. management, IT, sales and HR are not reallocated to reporting segments.

Second quarter 2023

1 April - 30 June 2023

Q2 2023	Express Air	Express Road	Group-wide	Total Group
Net revenue	143 931	142 536	-	286 467
Other operating income	-	-	7 140	7 140
Total revenue	143 931	142 536	7 140	293 607
Direct expenses	-85 850	-111 275	-2 679	-199 804
- of which reallocated personell and OH costs	-13 752	-4 990	-	-18 742
Gross profit	58 081	31 261	4 461	93 803
Other external expenses				-7 021
Employee benefits expenses				-43 911
Depreciation and amortization of tangible and intangible assets*				-61 663
Total operating expenses				-312 399
Operating profit				-18 792
Financial income				46
Financial expenses				-172
Profit before tax				-18 918

* The recognized impairment loss of -51 705 TSEK during Q2 2023 affected this cost item.

Second quarter 2022

1 April - 30 June 2022

Q2 2022	Express Air	Express Road	Group-wide	Total Group
Net revenue	169 722	146 102		315 824
Other operating income			9 067	9 067
Total revenue	169 722	146 102	9 067	324 891
Direct expenses	-101 695	-116 678	-3 115	-221 488
- of which reallocated personell and OH costs	-14 508	-1 315	-	-15 823
Gross profit	68 027	29 424	5 952	103 402
Other external expenses				-10 892
Employee benefits expenses				-50 686
Depreciation and amortization of tangible and intangible assets				-9 689
Total operating expenses				-292 755
Operating profit				32 136
Financial income				112
Financial expenses				-3 509
Profit before tax				28 739

Half Year 2023

1 January - 30 June 2023

Jan-Jun 2023	Express Air	Express Road	Group-wide	Total Group
Net revenue	308 646	283 847		592 493
Other operating income			14 237	14 237
Total revenue	308 646	283 847	14 237	606 730
Direct costs	-187 594	-223 872	-5 675	-417 141
- of which reallocated personell and OH costs	-27 973	-9 586	-	-37 559
Gross profit	121 052	59 975	8 562	189 588
Other external expenses				-16 310
Employee benefits expenses				-89 795
Depreciation and amortization of tangible and intangible assets*				-71 598
Total operating expenses				-594 845
Operating profit				11 885
Financial income				3 909
Financial expenses				-3 826
Profit before tax				11 968

* The recognized impairment loss of -51 705 TSEK in Q2 2023 affected this cost item.

Half Year 2022

1 January - 30 June 2022

Jan-Jun 2022	Express Air	Express Road	Group-wide	Total Group
Net revenue	324 536	282 978	-	607 514
Other operating income			16 484	16 484
Total revenue	324 536	282 978	16 484	623 998
Direct expenses	-194 418	-226 945	-5 895	-427 258
- of which reallocated personell and OH costs	-24 432	-3 035	-	-27 467
Gross profit	130 118	56 033	10 589	196 740
Other external expenses				-20 373
Employee benefits expenses				-94 807
Depreciation and amortization of tangible and intangible assets				-19 193
Total operating expenses				-561 631
Operating profit				62 368
Financial income				195
Financial expenses				-6 316
Profit before tax				56 246

Financial Overview

Consolidated income statement in summary

(Amounts in TSEK)	Q2		Jan-Jun		Jan-Dec
	2023	2022	2023	2022	2022
Net revenue	286 467	315 824	592 493	607 514	1 219 264
Other operating income	7 140	9 067	14 237	16 484	33 883
Total revenue	293 607	324 891	606 730	623 998	1 253 147
Other external expenses	-194 744	-223 169	-409 679	-430 317	-862 835
Employee benefits expenses	-55 991	-59 897	-113 568	-112 121	-231 387
Depreciation and amortization of tangible and intangible assets	-61 663	-9 689	-71 598	-19 193	-36 710
Total operating expenses	-312 399	-292 755	-594 845	-561 631	-1 130 932
Operating profit	-18 792	32 136	11 885	62 368	122 215
Financial income	46	112	3 909	195	2 556
Financial expenses	-172	-3 509	-3 826	-6 316	-16 759
Profit before tax	-18 918	28 739	11 968	56 246	108 012
Income tax	-6 556	-6 167	-12 734	-12 091	-21 090
Profit/loss for the period	-25 475	22 572	-766	44 155	86 922
Attributable to:					
Owners of the parent	-25 475	22 572	-766	44 155	86 922
Profit/loss per share					
Profit/loss for the period TSEK	-25 475	22 572	-766	44 155	86 922
Average number of ordinary shares before dilution	12 187 675	11 999 781	12 187 675	11 999 781	12 187 675
Average number of ordinary shares after dilution	12 187 675	12 098 264	12 187 675	12 095 552	12 187 675
Basic earnings per share, SEK	-2,09	1,88	-0,06	3,68	7,13
Diluted earnings per share, SEK	-2,09	1,87	-0,06	3,65	7,13

Consolidated statement of total profit/loss in summary

(Amounts in TSEK)	Q2		Jan-Jun		Jan-Dec
	2023	2022	2023	2022	2022
Profit/loss for the period	-25 475	22 572	-766	44 155	86 922
Items that may be reclassified in the income statement					
Translation differences	11 933	-10 366	-2 855	12 216	32 111
Sum of items that may be reclassified in the income statement	11 933	-10 366	-2 855	12 216	32 111
Total comprehensive income for the period	-13 542	12 206	-3 621	56 371	119 033
Attributable to:					
Owners of the parent	-13 542	12 206	-3 621	56 371	119 033

Consolidated balance sheet in summary

(Amounts in TSEK)	30 Jun 2023	30 Jun 2022	31 dec 2022
ASSETS			
Non-current assets			
Proprietary software	25 719	20 002	22 918
Customer relationships	6 561	9 378	7 961
Trademark	194 799	194 800	194 800
Goodwill	564 123	582 243	593 016
Access rights assets	94 389	94 301	94 313
Tangible non-current assets	6 257	7 634	6 594
Other non-current assets	735	-	527
Total non-current assets	892 583	908 358	920 129
Current assets			
Inventory	18	26	21
Receivables	161 400	170 264	145 751
Tax receivables	3 638	3 346	2 628
Other receivables	10 291	3 163	3 407
Prepaid expenses and accrued income	44 162	33 543	37 138
Cash and cash equivalents	166 673	132 004	178 646
Total current assets	386 182	342 346	367 591
Total assets	1 278 764	1 250 703	1 287 719
Equity and liabilities			
Equity			
Share capital	12 188	12 000	12 188
Other contributed capital	493 570	484 647	493 570
Translation reserve	8 665	-8 375	11 521
Retained earnings including profit/loss for the period	325 631	283 629	326 398
Equity attributable to owners of the parent	840 054	771 901	843 676
Total equity	840 054	771 901	843 676
Non-current liabilities			
Borrowing from credit institutions	115 000	8 648	115 000
Lease liabilities	70 639	74 111	70 967
Provision for deferred taxes	20 972	16 678	15 032
Other non-current liabilities	10 098	-	17 742
Total non-current liabilities	216 709	99 437	218 741
Current liabilities			
Borrowing from credit institutions	-	149 905	-
Lease liabilities	26 360	22 430	25 707
Accounts payable	67 698	73 319	71 881
Tax liabilities	10 989	16 398	21 773
Other current liabilities	43 118	25 659	21 095
Accrued expenses and prepaid income	73 839	91 656	84 849
Total current liabilities	222 004	379 367	225 305
Total equity and liabilities	1 278 764	1 250 703	1 287 719

Consolidated statement of changes in equity in summary

(Amounts in TSEK)	Share capital	Other contributed capital	Translation reserve	Retained earnings including profit/loss for the period	Equity attributable to owners of the parent	Total equity
Opening balance						
2022-01-01	12 000	484 647	-20 591	239 338	715 395	715 304
Profit/loss for the period	-	-	-	44 153	44 153	44 153
Other comprehensive income or loss:						
Translations differences	-	-	12 216	-	12 216	12 216
Total other comprehensive income or loss	-	-	12 216	-	56 369	56 369
Net profit	-	-	12 216	44 153	56 369	56 369
Closing balance						
2022-06-30	12 000	484 647	-8 375	283 629	771 902	771 902

(Amounts in TSEK)	Share capital	Other contributed capital	Translation reserve	Retained earnings including profit/loss for the period	Equity attributable to owners of the parent	Total equity
Opening balance						
2023-01-01	12 188	493 570	11 520	326 399	843 676	843 676
Profit/loss for the period	-	-	-	-766	-766	-766
Other comprehensive income or loss:						
Translation differences	-	-	-2 855	-	-2 855	-2 855
Total other comprehensive income or loss	-	-	-2 855	-	-2 855	-2 855
Net profit	-	-	-2 855	-766	-3 621	-3 621
Closing balance						
2023-06-30	12 188	493 570	8 665	325 631	840 054	840 054

Consolidated report of cash flow in summary

(Amounts in TSEK)	Q2		Jan-Jun		Jan-Dec
	2023	2022	2023	2022	2022
Cash flow from operating activities					
Operating profit	-18 792	32 136	11 885	62 368	122 215
Adjustments for items not included in cash flow					
- Reversal of deprecation	9 960	9 689	19 895	19 193	36 710
- Reversal impairment losses	51 705	-	51 705	-	-
- Capital gain/loss and other non-cash items	4 073	2 153	6 284	4 323	12 747
- Exchange rate effects	-408	861	-550	443	-741
Interest received	1 030	112	1 896	195	2 386
Interest expenses	-2 520	-3 087	-5 451	-6 051	-11 774
Paid income tax	-6 543	-8 784	-18 661	-14 079	-19 804
Cash flow from operating activities before changes in working capital	38 505	33 078	67 002	66 391	141 740
Change in receivables	13 282	-9 933	-12 450	-25 090	-921
Change in other current receivables	-3 033	-6 487	-13 837	-8 875	-12 610
Change in accounts payable	1 585	15 802	-6 654	7 947	6 732
Change in other current liabilities	-21 381	493	-7 810	5 718	-7 908
Cash flow from operating activities	28 958	32 953	26 251	46 091	127 033
Cash flow from investing activities					
Acquisition of subsidiaries	-9 576	-	-18 766	-29 288	-29 288
Investments in intangible non-current assets	-2 395	-1 867	-4 395	-3 034	-6 483
Investments in tangible non-current assets	-232	-812	-1 207	-1 849	-2 079
Sale of tangible non-current assets	45	-	45	-	670
Cash flow from investing activities	-12 158	-2 679	-24 323	-34 171	-37 180
Cash flow from financing activities					
Borrowings	-	-	-	7 835	122 835
Amortization of loans	-	-9 719	-	-9 719	-159 119
Amortization of leasing	-7 282	-6 517	-14 537	-13 053	-26 023
Cash flow from financing activities	-7 282	-16 236	-14 537	-14 937	-53 196
Cash flow for the period	9 518	14 038	-12 609	-3 017	36 657
Cash and cash equivalents at the beginning of the period	153 079	127 184	178 646	131 666	131 666
Exchange rate differences in cash and cash equivalents	4 077	-9 217	636	3 356	10 323
Cash and cash equivalents at the end of the period	166 673	132 004	166 673	132 004	178 646

Parent company income statement in summary

(Amounts in TSEK)	Q2		Jan-Jun		Jan-Dec
	2023	2022	2023	2022	2022
Revenue					
Other operating income	2 618	2 280	5 221	3 584	7 630
Total revenue	2 618	2 280	5 221	3 584	7 630
Operating expenses					
Other operating expenses	-1 223	-1 018	-2 320	-2 160	-4 258
Employee benefits exepenses	-3 091	-4 619	-7 400	-7 135	-20 449
Total operating expenses	-4 314	-5 637	-9 720	-9 295	-24 707
Operating profit, EBIT	-1 696	-3 357	-4 499	-5 711	-17 077
Financial income	-	-	-	1	1
Financial expenses	-2 060	-822	-3 854	-1 654	-4 206
Net financials	-2 060	-822	-3 854	-1 653	-4 205
Apropiation:					
Group contribution received	-	-	-	-	14 350
Apropiation	-	-	-	-	14 350
EBT	-3 756	-4 179	-8 353	-7 364	-6 932
Income tax	-	-	-	-	631
Profit/loss for the period*	-3 756	-4 179	-8 353	-7 364	-6 301

*The report on the parent company's results also constitutes its comprehensive income statement.

Parent company balance sheet in summary

(Amounts in TSEK)	30 Jun 2023	30 Jun 2022	31 dec 2022
Assets			
Non-current assets			
Shares in group companies	475 482	475 482	475 482
Long term receivables on group companies	-	-	14 448
Deferred taxes	21 378	20 747	21 378
Other non-current assets	419	478	998
Total non-current assets	497 279	496 707	512 306
Current assets			
Other receivables	2 420	-	-
Prepaid expenses and accrued income	14 350	959	944
Total current assets	16 770	959	944
Total assets	514 049	497 666	513 250
Equity and liabilities			
Equity			
Restricted equity			
Share capital	12 188	12 000	12 188
Total restricted equity	12 188	12 000	12 188
Unrestricted equity			
Other contributed capital	515 928	515 928	515 928
Retained earnings including profit/loss for the period	-274 765	-276 397	-266 412
Total equity	253 351	251 531	261 704
Non-current liabilities			
Non-current liabilities	-	1 968	7 293
Borrowing from credit institutions	115 000	-	115 000
Total non-current liabilities	115 000	1 968	122 293
Current liabilities			
Borrowing from credit institutions	-	149 905	-
Accounts payable	691	472	653
Liabilities to group companies	134 156	91 360	123 208
Other debts	9 057	760	731
Accrued expenses and prepaid income	1 794	1 670	4 661
Total current liabilities	145 698	244 167	129 253
Total equity and liabilities	514 049	497 666	513 250

Notes to the Financial Report

1. Accounting Principles

This interim report has been prepared in accordance with IAS 34 "Interim Reporting" as well as the applicable provisions in the Annual Accounts Act. The Group applies International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU. Moreover, the Group applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1 "Supplementary Accounting Rules for Groups".

The parent company applies RFR 2 "Accounting for Legal Entities" and the Annual Accounts Act.

2. Future Changes of Accounting Principles

No changed or new standards or interpretations that have come into force have affected the Group's financial reports. Changed or new standards or interpretations that have not entered into force are not expected to have any significant effects in the Group's financial reports.

3. Estimates and Assumptions

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are deemed to be reasonable in the present circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that involve a major risk of material adjustments in the reported values of assets and liabilities during the next financial year are outlined here below;

Testing of impairment requirements for goodwill and brand

Jetpak annually conducts at least one impairment test of the group's goodwill values. For Jetpak, this examination normally takes place during the November/December period - or whenever there is an indication of a decrease in value. By the end of this reporting period, Jetpak did not note any need to write down any trademark values.

Goodwill relating to the group's Danish cash generating unit was written down by -51 705 TSEK by the end of the period.

Long-term Incentive program

In connection with each reporting period, Jetpak calculates the fair value of its long-term incentive program and adjusts the accrual level in line with the current valuation.

By the end of this period, the accrued cost for this program amounted to 22 158 (8 648) TSEK.

For a more extensive presentation and description of Jetpak's long-term incentive program, please see Jetpak Group's Annual Report for 2022 and the home page: <https://jetpakgroup.com/bolagsstyrning/bolagsstamma/>.

4. Distribution of Net Sales

The distribution by geography is based on which country the sales were made from. Revenue from transport services is recognised over time, but since the group's delivery times are fast, usually less than one day, it means in practice that revenue is recognised in connection with the performance of the transport. Note that the geography "Europe" below consists of the combined revenue from the Jetpak entities in the Netherlands and Belgium, as they operate closely together under the same management.

Second Quarter 2023
1 April - 30 June 2023

Geography	Express Air	Express Road	Total Group
Sweden	30 266	85 453	115 719
Norway	55 506	14 515	70 021
Denmark	23 829	33 037	56 866
Europe	23 460	3 560	27 020
Finland	10 870	5 971	16 841
Total	143 931	142 536	286 467

Second Quarter 2022
1 April - 30 June 2022

Geography	Express Air	Express Road	Total Group
Sweden	30 215	86 208	116 424
Norway	63 133	14 987	78 120
Denmark	22 916	38 050	60 966
Europe	40 675	-	40 675
Finland	12 783	6 857	19 640
Total	169 722	146 102	315 824

Half Year 2023
1 January - 30 June 2023

Geography	Express Air	Express Road	Total Group
Sweden	60 811	166 973	227 784
Norway	115 375	29 686	145 061
Denmark	44 423	70 304	114 727
Europe	66 887	3 560	70 447
Finland	21 150	13 324	34 474
Total	308 646	283 847	592 493

Half Year 2022
1 January - 30 June 2022

Geography	Express Air	Express Road	Total Group
Sweden	57 359	163 807	221 166
Norway	124 193	29 776	153 969
Denmark	43 033	78 303	121 336
Europe	75 333	-	75 333
Finland	24 618	11 092	35 710
Total	324 536	282 978	607 514

5. Loans and Shares

Jetpak has an external loan amounting to 115 000 TSEK.

The loan tenor is three years, counted from September 2022, with an option to extend the loan period by one year at a time at two occasions. If both of those extension options are used, it means a total loan period of five years, up to and including September 2027. The first of those one-year extension options have per reporting date been executed.

In addition to the loan, Jetpak has also a revolving credit facility amounting to 105 000 TSEK.

This additional loan facility can be converted into loans in all Nordic currencies, depending on the company's loan needs.

As per this period's end no part of the revolving credit facility was utilized.

Jetpak's sole lender is Nordea Bank Abp, branch in Sweden. Fees and interest rates are subscribed to market terms.

The fees have been allocated over the loan period and the interest margin rates are variable and dependent on the company's interest coverage- and debt ratios.

The number of Jetpak shares and votes by the end of the period amounted to 12 187 675 (11 999 781) , with a quota value of SEK 1,00 per share.

See Jetpak's website, <https://jetpakgroup.com/en/investors/the-stock/>, for further information about the share.

6. Related Party Transactions

The following are considered to be related parties: the members of the company's Board of Directors, the senior executives of the Group, as well as close family members of those groups of people.

The parent company is considered to have a related party relationship with its subsidiaries.

It is the company's opinion that all transactions with related parties have been made on market terms.

No transactions between Jetpak and related parties that significantly affected the group's or parent company's position and results have taken place during the period.

7. Fair Value of Financial Instruments

Jetpak's financial assets and liabilities (accounts receivable, other receivables, cash and cash equivalents, liabilities to credit institutions, accounts payable and other liabilities) are measured at the amortized cost.

For most of these financial instruments, the book value is considered a good estimate to the fair value.

8. Acquisition and purchase price allocation

In May 2023, the group subsidiary Jetpak Malmö AB acquired all shares in Budakuten i Malmö AB. The main rationale for acquiring this company was to further develop and strengthen Jetpak's market position within the Express Road segment in southern Sweden.

This acquisition has had the following effect on Jetpak's consolidated accounts (TSEK):

Purchase consideration	27 799
<u>Net assets valued at fair value</u>	<u>-3 355</u>
Goodwill	24 444
Cash portion of purchase consideration	12 799
Purchase consideration, entered as a liability, payable within a year	3 000
<u>Purchase consideration, entered as a liability, payable more than a year</u>	<u>12 000</u>
Sum of Purchase consideration:	27 799

The purchase price to be paid within a year (as of June 2023) will amount to 3 000 TSEK. The purchase price to be paid within more than a year will amount to 12 000 TSEK and has been discounted to 10 098 TSEK with an applied discount rate of 8 %.

This purchase is conditional and dependent on achieved results at EBITDA within the road segment in southern Sweden.

In connection with the period end the assessment was made the entire purchase price will be settled no later than during the first half of 2026.

Acquired net assets consist of (TSEK):

Tangible fixed assets	56
Accounts receivable	3 197
Other receivables	387
Cash bank	3 233
<u>Non-interest-bearing liabilities</u>	<u>- 3 508</u>
Sum of acquired net assets:	3 355

The acquisition analysis is preliminary and may be adjusted during 2023.

During the year a deepened analysis of the goodwill will be conducted.

For the time being the entire purchase price has been allocated to goodwill which has been assessed to consist of human capital, profitable customer contracts and synergy effects.

An acquisition analysis is preliminary until adopted.

A preliminary acquisition analysis is changed as soon as new information is received about assets/liabilities as per the date of acquisition, but a preliminary acquisition analysis must be adopted no later than one year from the date of acquisition.

This acquisition analysis is still preliminary.

During the second quarter, the acquired business contributed with 4 832 TSEK of net revenue and with 559 TSEK of operating profit.

Transaction costs for the acquisition that have been charged to profit/loss in 2023 amounted to 200 TSEK.

During the first quarter of 2023 the remaining debt relating to the 2022 acquisition of CTS Express was settled in full. The settlement sum amounted to -9 190 TSEK, equal to -6 000 TDKK, as stated in the share purchase agreement.

Signatures

Note that this report is a translation of the Swedish original report.
If any differences should occur the Swedish version shall prevail.

All possible forward-looking statements in this report are based on the company's best judgment at the time of the report. Subsequent outcomes may deviate significantly.
Jetpak does not provide any external earnings forecasts.

The Board of Directors and the CEO give assurance that the interim report provides a fair overview of the parent company's and the Group's operations, position and results and that it describes the significant risks and uncertainty factors which the parent company and the companies in the group are facing.

This report has not been reviewed by the company's auditors.

Stockholm, 29 August 2023

John Dueholm,
Chairman of the Board

Shaun Heelan,
Member of the Board

Christian Høy,
Member of the Board

Lone Møller Olsen,
Member of the Board

Tiina Grönroos,
Employee Board member

Morten Werme,
Employee Board member

Kenneth Marx,
Chief Executive Officer



For additional information, please contact:

Kenneth Marx, CEO
Phone: +46 (0)73 368 54 00

Håkan Mattisson, CFO
Phone: +46 (0)8 5558 52 20

Mail: ir@jetpak.se

Learn more at <https://jetpakgroup.com>
Jetpak Top Holding AB (publ)
Corporate Identity Number: 559081-5337
Visiting address: Tornvägen 17 A, 190 60 Stockholm-Arlanda



Remaining financial calendar for 2023:

Interim Report Q3 2023 28 November

The interim reports will be published at 06:30 CET.
A silent period is applied 30 days prior to the reporting date.
Next year's financial calendar will be published no later than
in connection with the third quarter report.