



ANNUAL REPORT 2019

LEMAN PREPARED FOR THE FUTURE

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LEMAN presents a turnover of DKK 2.27 billion, which, among others, is driven by a new, solid growth strategy and large-scale IT investments.

IT INVESTMENTS AND CONSOLIDATIONS AFFECT THE ANNUAL RESULT

The LEMAN board of directors has recently approved the Annual Report of 2019. LEMAN presents a turnover of DKK 2.27 billion against DKK 2.44 billion in 2018, and a profit before tax of DKK 23 million against DKK 32 million the year before. The results reflect, among others, a changed accounting policy in the U.S. and a planned consolidation of warehouses in the Nordics as well as optimization of the setup in Great Britain. At the same time, the results reflect the commenced depreciation on a new, global transport management system, which will be fully implemented by the end of 2020. "The 2019 results do not fully meet our expectations, even though the results reflect the market situation. Low margins have become an industry condition, and at the same time we navigate in a highly fierce and competitive market with generally modest growth," says CEO at LEMAN Group, Thomas Krøyer.



A STRONG FOUNDATION

"Our prior strategy was a success, and LEMAN now has a very strong foundation. We have optimized the organization and the management structure, and we are now more than ready for the next chapter of our strategic and ambitious growth journey," says Thomas Krøyer and adds: "We are agile and able to adapt our business to changes very fast, and our employees are highly skilled and flexible."

Therefore, a new strategy has recently been launched, which already in Q1 has resulted in new business adventures, such as a new branch in Greenland and the establishment of an air bridge from China into the Nordics. Initiatives which were not planned in 2019 but have now been realized thanks to a large degree of innovation and adaptability among the employees.



NEW STRATEGY PAVES THE WAY FOR INCREASED GROWTH

"Due to COVID-19 the markets will be challenged and affected by a worldwide recession. I expect the global demand to begin normalizing by the end of the year and during 2021. COVID-19 will therefore not have a significant impact on our strong, financial position nor our strategic direction," says Thomas Krøyer and continues: "We work hard to deliver on our new business strategy. The focus is on long-term growth through quality services and a broad product range. We will continue to optimize processes and make heavy organizational investments to ensure that we remain competitive".

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