

Press release

3 September 2019

Elanders and Dimerco enter into a joint venture for air and sea freight forwarding business

The Taiwan-based global transportation and logistics specialist Dimerco acquires a 25 percent stake in Elanders' newly founded subsidiary, ITG Air & Sea GmbH. The business in the new subsidiary mainly stems from Elanders' subsidiary ITG's air & sea freight forwarding business, which in 2018 had a turnover of some EUR 74 million. Dimerco also has the option to increase its stake to 49 percent after two years. This joint venture between Elanders and Dimerco is still subject to the approval of the responsible anti-trust authorities and planned closing date is January 1st, 2020. Both companies signed the agreement on September 3rd 2019.

Dimerco is a public company, listed on the Taipei Exchange (TPEX) in 2001. Dimerco is a leading global transportation and logistics firm that has been providing professional services nearly 50 years through strategic alliance with airlines and ocean liners, etc., based on the capability to integrate and streamline Supply Chain Management process to help customer enjoy feasible logistics solution. Dimerco will adopt the business growth strategy focusing on supply of far-reaching international logistic services by means of channel globalization, product diversification, operation optimization, information centralization and operation localization, as well as applications of Internet and IoT and construction of tangible and virtual channels. The company has strategically placed a global network with extensive marketing & sales outlets in China and Asia Pacific and key complementary operations in Europe and North America, totally covering 160 business locations in 16 countries generated US\$611.84 million in gross revenue in 2018.

"We see enormous potential in the spin-off of our air and sea freight forwarding business and the cooperation with Dimerco", says ITG Managing Director Holger Funk, who will also be responsible for ITG Air & Sea GmbH. In the new constellation, ITG will be able to concentrate even more on its core competencies in the air and sea freight sector. ITG's parent company LGI Logistics Group International (LGI) can thus offer even better integrated logistics solutions in the sector Fashion & Lifestyle. In addition, the joint venture with Dimerco, which is still subject to the approval of the responsible anti-trust authorities, will increase growth opportunities and enable even better penetration of the Asian market, as well as increased negotiating powers towards the suppliers.

ITG Air & Sea GmbH will continue to be managed by ITG and its parent company LGI. All business support functions such as Human Resources and Accounting will remain within LGI.

If the necessary approvals are obtained and the closing takes place this transaction will have a minor positive effect on Elanders' cash-flow, equity and net debt in the first quarter of 2020.

Elanders is a global supplier with a broad range of services of integrated solutions in supply chain management. The business is run through two business areas, Supply Chain Solutions and Print & Packaging Solutions. The Group operates in some 20 countries on four continents. Our most important markets are China, Singapore, the United Kingdom, Sweden, Germany and the USA. Our major customers are active in the areas Automotive, Electronics, Fashion & Lifestyle, Industrial and Health Care & Life Science.

For more information, please visit www.elanders.com



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This information is information that Elanders AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 17:00 CET on 3 September 2019.

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