



StrongPoint ASA: Solid performance continues with 3rd quarter 2020 results

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(Oslo, Norway, 22 October 2020) StrongPoint ASA (StrongPoint, OSE: STRONG) reported revenues of NOK 282.8 million in the third quarter of 2020, up from NOK 237.3 million in the same quarter in 2019. The EBITDA almost doubled to NOK 34.5 million (17.8). StrongPoint's Retail Technology business area continued a strong performance in the quarter with a revenue growth of 14 %.

“As COVID-19 continues to impact the world economy and society at large, our key focus is safeguarding our employees, customers and business. World-wide the need for retail technology to make shopping both more efficient and safer continues to grow. Financially, the surge in demand for retail technology positively impacted our third quarter of 2020 and our focus grocery retail market continues to be a source of immediate and long-term value creation.” says Jacob Tveraabak, Chief Executive Officer of StrongPoint.

StrongPoint reported revenues of NOK 282.8 million (237.3) in the third quarter of 2020 and an EBITDA of 34.5 million (17.8). Retail Technology delivered a growth of 14 % compared to same quarter last year, Labels delivered a growth of 3 %, and the volatile Cash Security business grew by 61 %. Reported operating profit (EBIT) was NOK 22.7 million, up from NOK 5.5 million in the corresponding quarter in 2019, while the cash flow from operating activities ended at NOK 35.4 million (0.1). The company had disposable funds of NOK 116.5 million at the end of the quarter.

“Our Norwegian and Swedish Retail Technology operations have shown very strong performance with around 40 % top-line growth, which is unprecedented. The demand for our e-commerce logistics solutions continues to be strong and the e-commerce business constituted 10 % of StrongPoint’s total revenue in Q3, up from 5 % as a whole in 2019. More importantly our solutions are getting attention from some of the world’s premier grocery retail companies,” Tveraabak continues.

In a strategy update session in the first quarter of 2020, StrongPoint outlined the strategy and ambitions for the company towards 2025. As a foundation for creating shareholder value, the growth strategy is based on profitable and organic growth, cost control and a solid balance sheet, targeting revenues of NOK 2.5 billion and EBITDA margins of 13-15% in 2025

“The COVID-19 pandemic has resulted in a substantial increase in demand for e-commerce solutions. That, combined with the new precautionary in-store safety measures, point to long-lasting changes in customer behavior. With our world-class solutions and outstanding customer service, I continue to believe we have all the reasons to be optimistic about achieving our strategic ambitions,” Tveraabak concludes.

StrongPoint ASA will present the financial results for the third quarter of 2020 at 08:15 CET Thursday 22 October 2020. The presentation will be streamed live and can be followed at the company website. The extraordinary general meeting will be held digitally at 09:00, link to the meeting can be found at www.strongpoint.com/investor.

EBITDA and other alternative performance measures (APMs) are defined and reconciled to the IFRS financial statements on page 22 in the attached quarterly report.

Disclaimer

This information is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act.

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About StrongPoint

StrongPoint is driving productivity for European retailers by providing innovative, integrated technology solutions for multi-channel retailing based on long-standing relationships with customers and partners. StrongPoint is also a leader in IBNS solutions for Cash-In-Transit (Cash Security), and Labels for customers in Norway and Sweden. StrongPoint offers best-in-class service and consultancy expertise through its team of 521 employees in Norway, Sweden, the Baltics, France, Belgium, Spain and Russia. StrongPoint is headquartered in Rælingen, Norway, and listed on the Oslo Stock Exchange (ticker: STRONG).

Attachments

- [Download announcement as PDF.pdf](#)

- [StrongPoint Q3 2020 report screen.pdf](#)
- [StrongPoint Q3 2020 report print.pdf](#)
- [StrongPoint Q3 2020 presentation.pdf](#)