



StrongPoint ASA: Strategy update and fourth quarter financial results 2020

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(Oslo, Norway, 11 February 2021) StrongPoint ASA (StrongPoint, OSE: STRO) reported revenues of NOK 394 million in the fourth quarter of 2020, up from NOK 252 million in the same quarter in 2019, and an EBITDA of NOK 81 million. StrongPoint today reconfirms its target of becoming retailers trusted in-store and e-commerce technology provider, with a strategic ambition of NOK 2.5 billion in revenues and EBITDA margins of 13-15 % in 2025.

“In the quarter our overall revenue grew by 56%, of which our Retail Technology operations continued the strong performance with growth of 34% compared to the same quarter in 2019, of which Norway experienced a staggering 69% growth. The demand for our e-commerce logistics solutions continue to be solid across our focus geographies. Coming out of 2020, we are stronger than ever. We are achieving record financial figures, continuing to invest in our world-class solutions and are recruiting leading industry professionals,” says Jacob Tveraabak, Chief Executive Officer of StrongPoint.

In a company strategy update session following the presentation of the fourth quarter 2020 financial results, StrongPoint will outline the progress already made on its 2025 targets and how technology continues to be the key to scaling e-commerce and making stores more profitable in today’s Covid-19 world.

“In 2020 online groceries became a lifeline for millions due to the pandemic and the entire industry has been transformed with consumer demand skyrocketing around the world. Our double opportunity to meet grocery retailer’s needs, in-store and online, is greater than ever before and we remain confident of meeting our revenue ambition of NOK 2.5 billion by 2025,” says Tveraabak.

StrongPoint’s e-commerce and in-store technology solutions meet two key global trends effecting grocery retailers. Firstly, the pressure on brick and mortar retailers’ margins means grocery retailers need to find ways to increase in-store productivity to boost profitability. Secondly, the pressure to develop an online presence and keep that market share. These two key industry challenges have only been accelerated by the global uptick in demand for grocery e-commerce.

To meet the changes in the industry following the events of 2020, StrongPoint has updated its strategy to achieve its 2025 ambition and will take a T-shaped approach to geographical expansion and growth which includes:

- Roll-out of world-class solutions, in particular end-to-end grocery e-commerce logistics suite, self-checkout and cash management solutions, in selected key markets
- Leveraging the deep relations in its core markets including Norway, Sweden, the Baltics and Spain, to both continue to roll-out a full portfolio of retail technology solutions and be a market access platform for global retail technology providers

“Substantial increases in online sales and changes in customer demands means that grocery retailers need to keep the cost of order fulfillment down and provide their online customers with increased options in how they pick-up their groceries. However, the consumer shift to online means their margins are going to be squeezed further as fulfilling online orders brings additional costs. StrongPoint provides grocery retailers with technology solutions to increase productivity, efficiency, and profitability. Following the recent announcement of delivery platform unicorn Glovo choosing StrongPoint as their order fulfillment technology partner, I am proud to say that the power of our retail technology is now attracting global attention. StrongPoint reiterates our ambition of revenues in 2025 of NOK 2.5 billion with EBITDA-margins of 13-15 %,” added Tveraabak.

In the fourth quarter 2020, StrongPoint reported revenues of NOK 394.1 million (252.3) and an EBITDA of 81.5 million (19.3). Reported operating profit was NOK 47.5 million, up from NOK 7.8 million in the corresponding quarter in 2019, while the cash flow from operating activities ended at NOK 107.2 million (23.3).

StrongPoint ASA will present the financial results for the fourth quarter 2020 at 08:15 CET Thursday 11 February 2021, followed by an extended company strategy update session. Both presentations will be online and can be accessed by the following link:

https://channel.royalcast.com/hegnarmedia/#!/hegnarmedia/20210211_3

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 a retail technology company that provides solutions to make shops smarter, shopping experiences better and online grocery shopping more efficient. With over 450 employees in Norway, Sweden, the Baltics and Spain and together with a wide partner network, StrongPoint supports businesses in more than 20 countries. StrongPoint provides cash management and payment solutions, electronic shelf and self-adhesive labels, click & collect temperature-controlled grocery lockers, self-checkouts, and in-store and warehouse grocery picking solutions. StrongPoint is headquartered in Norway and is listed on the Oslo Stock Exchange with a revenue of 1,1bn NOK [ticker: STRO].

Attachments

- [Download announcement as PDF.pdf](#)
- [StrongPoint Q4 2020.pdf](#)
- [StrongPoint Q4 2020 presentation.pdf](#)
- [StrongPoint Strategy Update Session.pdf](#)