



## StrongPoint ASA: Third Quarter 2021 Results

21.10.2021 07:00:00 CEST | StrongPoint | Half yearly financial reports and audit reports / limited reviews

(Oslo, Norway, 21 October 2021) StrongPoint ASA (StrongPoint, OSE: STRO) reported revenues of NOK 196.4 million in the third quarter of 2021, down from NOK 215.2 million in the same quarter in 2020 due to tight global supply chains, lower than anticipated grocery locker roll-outs and last year's unusually large and quickly deployed ESL project. EBITDA ended at NOK 8 million (21.4) impacted by investments in e-commerce and lower sales. StrongPoint reiterates the financial ambition for 2025.

"The fundamentals and long-term prospects for grocery retail technology and StrongPoint's solutions continue to be positive. However, unprecedented recent global turbulence is impacting us and prolonging sales and delivery cycles. Together these recent trends are negatively impacting our short-term financial results. Whereas we are on a journey to shift more of our business to be recurring, we still are to a large extent a project-driven company. Hence, comparing the financial results this autumn with last year's record high project activity level does not alone give a correct assessment of our progress, achievements and long-term product-market fit," says Jacob Tveraabak, Chief Executive Officer of StrongPoint.

StrongPoint reported revenues of NOK 196.4 million (215.2) in the third quarter of 2021 and an EBITDA of NOK 8 million (21.4). The EBIT was NOK 1.4 million (14.8) and EBT was NOK minus 0.5 million (16.4). Profit from discontinued operations was NOK 165.5 million (3.8) linked to the divestment of Labels business area in the quarter. The cash position ended at NOK 186.2 million.

The topline decline was due to postponed CashGuard installations related to the global shortage of components, lower than anticipated grocery locker roll-outs to new markets and last year's unusually large and quickly deployed ESL project in Norway. The EBITDA\* reduction reflects increased investments in e-commerce-related R&D, sales resources, marketing activities and IT security as well as lower than expected sales.

"Our engagement with top grocery companies in Spain is deeper than ever in the wake of the Glovo partnership announcement. In the quarter, we won and initiated the roll-out of our E-commerce Order Picking solution to a top ten grocery retailer. Furthermore, our first ever self checkout solution was also installed within the GM Food retail chain. We remain very positive on the long-term prospects of the Spanish market. In September we announced our partnership with AutoStore which provides us with the rights to sell, install, service and support AutoStore facilities in the Nordics and Baltics. Being selected by such an esteemed technology provider as the world's first grocery distributor of its fulfilment solution is a testament to our world-class solutions, customer depth, expertise and team of which I am extremely proud," Tveraabak continues.

In a strategy update session in the first quarter of 2021, StrongPoint reconfirmed 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.

"Although an isolated choppy quarter and autumn I am excited and confident on our journey ahead. Our investments in product development, sales resources and marketing will continue and further materialize. The depth and relevance with our grocery customers and customer prospects in target markets is as strong as ever, and we are just starting to get known and be respected amongst some of the largest grocery retailers internationally. With all this, I continue to believe we have all the reasons to be optimistic about achieving our 2025 strategic ambitions," Tveraabak concludes.

StrongPoint ASA will present the financial results for the third quarter and year to date of 2021 at 08:15 CET Thursday 21 October 2021. The link to the presentation and webcast can be found on StrongPoint's website and below:

[https://channel.royalcast.com/hegnarmedia/#!/hegnarmedia/20211021\\_3](https://channel.royalcast.com/hegnarmedia/#!/hegnarmedia/20211021_3)

\*EBITDA and other alternative performance measures (APMs) are defined and reconciled to the IFRS financial statements as a part of the APM section of the second quarter 2021 financial report on page 26.

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act. This stock exchange announcement was published by Ann Merete Stabell, group controller in StrongPoint ASA, on October 21 2021 at 07:00 CET.

### 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 400 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 in-store cash

management and payment solutions, electronic shelf labels, self-checkouts, task and labor management software, click & collect temperature-controlled grocery lockers, in-store and drive-thru grocery pickup solutions and, grocery order picking solutions. StrongPoint is headquartered in Norway and is listed on the Oslo Stock Exchange with a revenue of 1bn NOK [ticker: STRO].

## **Contacts**

- Hilde Horn Gilen, CFO StrongPoint ASA, +47 920 60 158, [hilde.gilen@strongpoint.com](mailto:hilde.gilen@strongpoint.com)

## **Attachments**

- [Download announcement as PDF.pdf](#)
- [StrongPoint\\_Q3\\_2021.pdf](#)
- [StrongPoint\\_Q3\\_2021\\_print\\_version.pdf](#)
- [Q3\\_2021\\_presentation.pdf](#)