

Interview of Mr. Higelin regarding the Acquisition of Schwerdtfeger Transport

It's been the second acquisition for Flash in Germany this year. Why is the German market so important for Flash? What are the consequences of this operation for the German market?

Germany is key for Flash for a couple of reasons. First of all, Germany is the biggest market for premium freight in Europe strongly driven by the automotive market. Secondly, there is a wide variety of industrial sectors with a lot of mid-sized companies: the well-known "Deutscher Mittelstand". Among dozens of others, I'd like to mention as a third key reason that Germany is one of the most competitive and demanding markets in Europe. As Flash group, we enjoy competing with the best.

From now on, the German premium freight market will be led by two main players, which will offer clients and suppliers some important alternatives and a more balanced market situation.

Why choosing external growth rather than the organic one? What are the expected synergies between The Flash Group and Schwerdtfeger?

From a financial point of view, we are actually growing fast in Europe. External growth will mainly allow us to go beyond our development plan. However, acquisition is far more than that: we need it because it allows us to step out of our comfort zone, to rethink our own organization and to keep the best of the acquired company to have a fruitful integration. M&A is part of Flash Groups DNA as we did 8 successful deals in less than 10 years.

With external growth, we are mainly focused on developing synergies to offer a wider range of services, better quality and value to clients and stakeholders. Schwerdtfeger's expected synergies for our clients are: better coverage and presence in Germany with 6 additional offices, our own fleet of Vans and Trucks, more international traffic and capacities, an amazing set of digital tools and the highest standard regarding finance and CSR.

What will be the position of Schwerdtfeger in the Flash Group? What are the expected consequences for the employees and the clients?

Schwerdtfeger will be an independent business unit within the Flash Group, and the brand will be kept. The current management team and employees will continue to serve customers, to lead the business and have their own organization.

Nevertheless Finance, IT and CSR will adopt the standard of Flash Group with the support of Flash Corporate services managers. In our eyes, Schwerdtfeger's customers will get the best of both companies.

Many things will remain as they are: people, management, phone numbers, offices etc... Progressively, customers will get access to better service through their usual contact person within Schwerdtfeger:

- i) the biggest European road premium freight network
- ii) Airfreight services both intra-Europe and Intercontinental shipments
- iii) more digital tools like tracking App, online order intake, on line statistics, documents and reporting

What's the next step for Flash, in Germany and Europe in General?

First of all, we just closed 3 acquisitions within less than 6 months. We're quite proud of that! We have to work hard to make those acquisitions successful. Nevertheless, Germany is still very fragmented. There is still some room to grow both organically and externally. The situation is similar in all parts of Europe.

Our mid-term development plan (2/3 years) will also be focused on making some great steps forward regarding digital business and development in other continents.