




**SKAKO**

1 January – 31 March 2019

**INTERIM  
REPORT  
Q1 2019**



SKAKO A/S

CVR 36 44 04 14

Bygmestervej 2, 5600 Faaborg

## IMPORTANT INFORMATION ABOUT THIS DOCUMENT

This document contains forward-looking statements. Words such as believe, expect, may, will, plan, strategy, prospect, foresee, estimate, project, anticipate, can, intend, outlook, guidance, target and other words and terms of similar meaning in connection with any discussion of future operation of financial performance identify forward-looking statements. Statements regarding the future are subject to risks and uncertainties that may result in considerable deviations from the outlook set forth. Furthermore, some of these expectations are based on assumptions regarding future events which may prove incorrect.

# KEY FIGURES AND FINANCIAL RATIOS – DKK

<b>INCOME STATEMENT, DKK THOUSANDS</b>	<b>Q1 2019</b>	<b>Q1 2018</b>	<b>Year 2018</b>
Revenue from contracts with customers	88,884	77,016	339,273
Gross profit	20,734	13,316	79,603
Operating profit (EBIT)	3,370	(2,415)	16,403
Net financial items	(587)	(780)	(3,445)
Profit before tax	2,783	(3,195)	12,958
Profit for the period	2,412	(3,274)	12,698
<b>BALANCE SHEET, DKK THOUSANDS</b>			
Non-current assets	46,967	39,701	40,787
Current assets	211,725	197,421	219,320
Assets	258,692	259,478	260,107
Equity	111,955	92,255	109,066
Non-current liabilities	7,144	3,411	4,099
Current liabilities	139,593	154,892	146,942
Net interest-bearing debt	16,856	35,252	5,522
Net working capital	97,304	96,409	90,453
<b>OTHER KEY FIGURES, DKK THOUSANDS</b>			
Investment in intangible assets	379	1,206	1,417
Investment in tangible assets	177	0	2,118
Cash flow from operating activities (CFFO)	(4,931)	(7,709)	8,907
Free cash flow	(5,487)	(8,915)	29,564
Average number of employees	198	192	197
<b>FINANCIAL RATIOS</b>			
Gross profit margin	23.3%	17.3%	23.5%
Profit margin (EBIT margin)	3.8%	(3.1%)	4.4%
Liquidity ratio	151.7%	127.5%	149.3%
Equity ratio	43.3%	35.6%	41.9%
Return on equity	18.1%	(12.0%)	12.4%
Financial leverage	15.1%	38.2%	5.1%
NWC/revenue	27.7%	28.3%	26.7%
Earnings per share, DKK	0.78	(1.06)	4.12
Equity value per share, DKK	36.3	29.7	35.4
Share price, DKK	51.0	94.0	49.2
Price-book ratio	1.4	3.2	1.4
Market capitalisation, DKK thousands	158,427	292,003	151,725
<b>ADDITIONAL NUMBERS, DKK THOUSANDS</b>			
Order backlog	116,472	78,238	106,821

*For calculation of financial ratios please see page 10. Net working capital is calculated as Inventory, Trade receivables and Contract assets less Contract liabilities and Trade payables. Backlog represents revenue from signed contracts or orders executed but not yet completed or performed in full, and the revenue that is expected to be recognized in the future.*

## KEY FIGURES AND FINANCIAL RATIOS – EUR\*

<b>INCOME STATEMENT, EUR THOUSANDS</b>	<b>Q1 2019</b>	<b>Q1 2018</b>	<b>Year 2018</b>
Revenue from contracts with customers	11,909	10,342	45,520
Gross profit	2,778	1,788	10,680
Operating profit (EBIT)	452	(324)	2,201
Net financial items	(79)	(105)	(462)
Profit before tax	373	(429)	(1,739)
Profit for the period	323	(440)	1,704
<b>BALANCE SHEET, EUR THOUSANDS</b>			
Non-current assets	6,292	5,328	5,462
Current assets	28,362	26,495	29,371
Assets	34,653	34,823	34,832
Equity	14,997	12,381	14,606
Non-current liabilities	957	458	549
Current liabilities	18,699	20,787	19,678
Net interest-bearing debt	2,258	4,731	740
Net working capital	13,034	12,939	12,113
<b>OTHER KEY FIGURES, EUR THOUSANDS</b>			
Investment in intangible and tangible assets	74	162	474
Cash flow from operating activities (CFFO)	(661)	(1,035)	1,193
Free cash flow	(735)	(1,196)	3,959
Average number of employees	198	192	197
<b>FINANCIAL RATIOS</b>			
Gross profit margin	23.3%	17.3%	23.5%
Profit margin (EBIT margin)	3.8%	(3.1%)	4.4%
Liquidity ratio	151.7%	127.5%	149.3%
Equity ratio	43.3%	35.6%	41.9%
Return on equity	18.1%	(12.0%)	12.4%
Financial leverage	15.1%	38.2%	5.1%
NWC/revenue	27.7%	28.3%	26.7%
Earnings per share, EUR	0.1	(0.14)	0.55
Equity value per share, EUR	4.9	4.0	4.74
Share price, EUR	6.8	12.6	6.59
Price-book ratio	0.19	2.2	1.4
Market capitalisation, EUR thousands	21,222	39,188	20,319
<b>ADDITIONAL NUMBERS, EUR THOUSANDS</b>			
Order backlog	15,606	10,500	14,308

\*On the translation of key figures and financial ratios from Danish kroner to euro, Danmarks Nationalbank's rate of exchange at 31 March 2019 of 746.52 has been used for balance sheet items, and the average rate of exchange of 746.36 has been used for income statement and cash flow items.

Backlog represents anticipated revenue from contracts or orders executed but not yet completed or performed in full, and the revenue that is expected to be recognized in the future.

# MANAGEMENT STATEMENT

We have considered and approved the interim report of SKAKO A/S for the period 1 January – 31 March 2019.

The interim report, which has not been audited or reviewed by our auditors, has been prepared in accordance with IAS 34 *Interim financial reporting*, as adopted by the European Union and accounting policies set out in the annual report for 2019 of SKAKO A/S. Furthermore, the interim report for the period 1 January – 31 March 2019 has been prepared in accordance with additional Danish disclosure requirements for interim reports of listed companies.

In our opinion, the interim financial report gives a true and fair view of the Group's assets, liabilities and financial position on 31 March 2019 and of the results of the Group's operations and cash flows for the first three months of 2019.

We also believe that the Management commentary contains a fair review of the development in the Group's business and financial position, the results for the period and the Group's financial position as a whole as well as a description of the principal risks and uncertainties facing SKAKO.

Faaborg, 23 May 2019

## Executive Board

\_\_\_\_\_  
Søren Pedersen  
Director

\_\_\_\_\_  
Lionel Girieud  
Director

## Board of Directors

\_\_\_\_\_  
Jens Wittrup Willumsen  
Chairman

\_\_\_\_\_  
Christian Herskind Jørgensen  
Deputy Chairman

\_\_\_\_\_  
Carsten Krogsgaard Thomsen

\_\_\_\_\_  
Lars Tveen

\_\_\_\_\_  
Samuel Waldorph Andreasen

# HIGHLIGHTS

Group order intake in Q1 2019 increased by 19.5% and revenue increased by 15.4 % compared to Q1 2018. At the beginning of Q2 2019 the order backlog amounts to DKK 116.5m, which is an increase of 48.9% compared to the beginning of Q2 2018, where the order backlog was DKK 78.2m. Order intake in Q1 2019 has primarily been generated in the Vibration Division. As a result, the Vibration Division has established a good order backlog for 2019, while the Concrete Division's backlog remains at a high level due to the high order intake in 2018.

The EBIT result in Q1 2019 amounted to a profit of DKK 3.4m compared to a negative EBIT result of DKK -2.4m in Q1 2018. The improved EBIT is due to increased revenue and gross profit margins in both divisions. The positive results are generated in the Vibration Division, where an EBIT of DKK 4.7m was realised, while the Concrete Division realised an EBIT of DKK -0.7m.

The Vibration Division is showing a strong performance and we are looking to expand the business, both through organic growth and acquisitions as announced in company announcement 4/2019. Management finds that the recycling segment represents a significant growth opportunity for SKAKO Vibration.

As a result of gross profit margins below the expected on plant orders, the EBIT result in the Concrete Division is not at a satisfactory level. In order to improve gross profit margins in SKAKO Concrete, we have completed a restructuring in 2017 and 2018, where production in France was closed and moved to sub suppliers or SKAKO Concrete in Denmark. We have not yet seen the expected full effects on gross profit margins on plant orders from the restructuring, and management is continuously working on improvements. Continued Initiatives in 2019 include improved project execution, optimization of purchase prices and conditions, and cost reduction on own production. Through these initiatives we expect SKAKO Concrete to deliver a positive result in 2019.

In Q1 2019 we have seen improvements in results from operations compared to Q1 2018 and we expect this development to continue through 2019.

As a result of pipeline, order backlog and the results in Q1 2019, we maintain our guidance for an operating profit (EBIT) of DKK 17-22m for 2019.

As announced in company announcement 4/2019, SKAKO Vibration has entered negotiations to acquire the Spanish company Dartek Proyectos y Maquinara S.L.L (Dartek). Dartek is currently the sales representative of SKAKO Vibration in Spain but also develops and sells its own range of products for the recycling industry. SKAKO Vibration already markets some Dartek products for the recycling industry through its own sales network. The acquisition of Dartek will help SKAKO Vibration establish its business in the recycling industry and set the division up for further growth. The acquisition of Dartek is not expected to have a material impact on EBIT for 2019.

## ABOUT SKAKO

The SKAKO Group has two business areas:

- SKAKO Vibration: Vibratory feeding, conveying and screening equipment
- SKAKO Concrete: Concrete batching plants for ready-mix, precast and jobsite plants

### **SKAKO Vibration**

SKAKO Vibration develops, designs and sells high-end vibratory feeding, conveying, and screening equipment applied across the complete spectrum of material handling and processing. Our main focus is on plant sales with a solid after sales department.

Our production facilities are located in Faaborg in Denmark and Strasbourg in France and the products are based on application know-how and own developed technology.

The global market is penetrated using a niche strategy with a sector-driven focus. We are strong within the automotive sector, the mining sector and especially the phosphate mining sector. The main markets are EU and North Africa. We have strong focus on expanding in Morocco to support our significant growth within supplying to the phosphate mining sector. Focus is also on becoming one of the leading global participants in the automotive industry.

### **SKAKO Concrete**

SKAKO Concrete develops, designs and sells a versatile high-end product range of all types of concrete batching plants for ready-mix, precast and jobsite plants. Our main focus is on plant sales with a strong after sales department.

Our production facility is located in Faaborg in Denmark, and the products are based on own developed technology.

# MANAGEMENT COMMENTARY

## Performance review

DKK thousands	Q1 2019	Q1 2018	Change
Revenue from contracts with customers	88,884	77,016	15.4%
Production costs	(68,150)	(63,700)	7.0%
<b>Gross profit</b>	<b>20,734</b>	<b>13,316</b>	<b>55.7%</b>
<i>Gross profit margin</i>	23.3%	17.3%	6.0pp
Distribution costs	(10,684)	(9,802)	9.0%
Administrative expenses	(6,680)	(5,929)	12.7%
<b>Operating profit (EBIT)</b>	<b>3,370</b>	<b>(2,415)</b>	<b>239.5%</b>
<i>Profit margin (EBIT margin)</i>	3.8%	(3.1%)	6.9pp
<b>Profit for the period</b>	<b>2,412</b>	<b>(3,274)</b>	<b>173.7%</b>
Average number of employees	198	192	4.7%
Order intake	98,564	82,479	19.5%
<b>Order backlog end of period</b>	<b>116,472</b>	<b>78,238</b>	<b>48.9%</b>

## Revenue

Revenue increased by 15.4% in Q1 2019 compared to the same period last year. The increase in Q1 2019 is caused by an increase in the Concrete Division of 34.7%, and an increase in the Vibration Division of 1.1%. The increase in revenue in the Concrete Division is primarily driven by the high order backlog entering 2019, and low revenue in Q1 2018 as a result of the low order backlog at the time. In the Vibration Division we see an increase in revenue from Aftersales, while revenue from Plants remains at the same level as Q1 2018.

Revenue, DKK million	Concrete			Vibration			Group*		
	Q1 2019	Q1 2018	Change	Q1 2019	Q1 2018	Change	Q1 2019	Q1 2018	Change
Plants	21.7	15.2	42.8%	31.2	31.2	0.0%	52.4	46.4	12.9%
Aftersales	24.1	18.8	28.2%	13.3	12.8	3.9%	36.5	30.6	19.3%
<b>Total</b>	<b>45.8</b>	<b>34.0</b>	<b>34.7%</b>	<b>44.5</b>	<b>44.0</b>	<b>1.1%</b>	<b>88.9</b>	<b>77.0</b>	<b>15.4%</b>

\* After eliminations

## Gross profit

While revenue increased by 15.4%, production costs only increased by 7.0% in Q1 2019 compared to the same period last year. This led to a gross profit margin of 23.3% in Q1 2019 (17.3% in Q1 2018), which represents an increase in gross profit margin of 6 percentage points compared to Q1 2018. The increase in gross profit margin is mainly due to an improvement of gross profit margin on Plant orders in the Concrete Division. However, gross profit margins in the Concrete Division are not yet at a satisfactory level and we still see possibilities to improve it further. See more under Operating profit. We also see improved gross profit margins in both divisions due to the increase in revenue from Aftersales.

# MANAGEMENT COMMENTARY - continued

## Capacity costs

Distribution costs increased by 9.0% in Q1 2019 compared to the same period last year, and administrative expenses increased by 12.7 % in Q1 2019 compared to Q1 2018. The increase in administrative and distribution expenses in Q1 2019 is due to investments in our sales and distribution network in the Vibration division as well as some one of positive effects in Q1 2018.

## Operating profit

Operating profit (EBIT) for Q1 2019 amounted to DKK 3.4m compared to DKK -2.5m in Q1 2018.

The higher operating profit (EBIT) in Q1 2019 compared to Q1 2018 is primarily driven by the high order backlog going into 2019 and increased contribution margins in both divisions. The positive results are generated in the Vibration Division, where an EBIT of DKK 4.7m was realised, while the Concrete Division realised an EBIT of DKK -0.7 m.

The Vibration Division is showing a strong performance and we are looking to expand the business, both through organic growth and acquisitions as announced in company announcement 4/2019. Management finds that the recycling segment represents a significant growth opportunity for SKAKO Vibration.

As a result of gross profit margins below the expected on plant orders, the EBIT result in the Concrete Division is not at a satisfactory level. In order to improve gross profit margins in SKAKO Concrete, we have completed a restructuring in 2017 and 2018, where production in France was closed and moved to sub suppliers or SKAKO Concrete in Denmark. We have not yet seen the expected full effects on gross profit margins on plant orders from the restructuring, and management is continuously working on improvements. Continued Initiatives in 2019 include improved project execution, optimization of purchase prices and conditions, and cost reduction on own production. Through these initiatives we expect SKAKO Concrete to deliver a positive result in 2019.

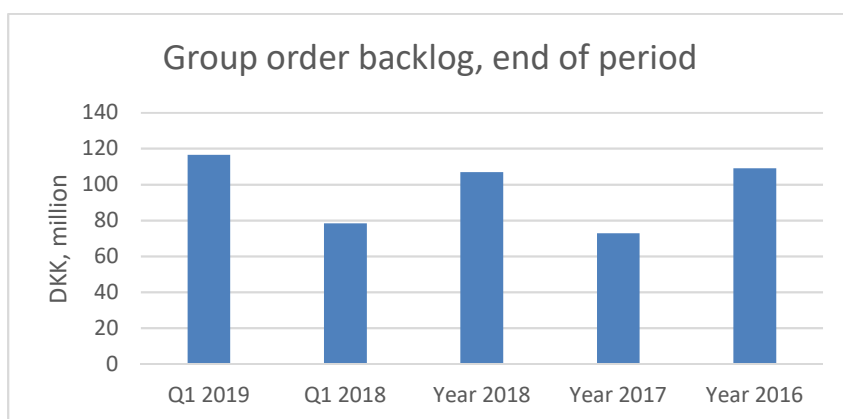
We expect the financial performance to improve in both divisions through the rest of 2019.

## Order intake and backlog

In Q1 2019, order intake amounted to DKK 98.5m, which is an increase of 19.4% compared to the same period last year.

Order intake in Q1 2019 for the Concrete Division was DKK 27.3m compared to DKK 33.5m in Q1 2018 and order intake in Q1 2019 for the Vibration Division was DKK 72.4m compared to DKK 49.2m in Q1 2018.

The Group order backlog at the beginning of Q2 2019 amounts to DKK 116.5m which is a growth of 48.9% compared to the order backlog at the beginning of Q2 2018.



The order intake is primarily driven by a major project in the Vibration Division as announced in the company announcement 1/2019. Thus, the Vibration Division has established a good order backlog for the rest of 2019, while the Concrete Division's backlog remains at a high level due to the high order intake in 2018.



Furthermore, as announced in company announcement 6/2019, SKAKO Concrete has in May won an order of approx. DKK 10m for a large Swedish precast producer. The order will be delivered in 2019 and 2020, and it is not included in the backlog at the end of Q1 2019.

Order intake, DKK million	Concrete			Vibration			Group*		
	Q1 2019	Q1 2018	Year 2018	Q1 2019	Q1 2018	Year 2018	Q1 2019	Q1 2018	Year 2018
Order book, beginning	72.9	24.1	24.1	34.3	48.7	48.7	106.8	72.8	72.8
Order intake	27.3	33.5	209.5	72.4	49.2	168.2	98.5	82.4	373.3
Revenue	(45.8)	(34.0)	(160.7)	(44.5)	(44.0)	(182.6)	(88.9)	(77.0)	(339.3)
Order book, ending	54.4	23.7	72.9	62.3	53.9	34.3	116.5	78.2	106.8

\*After eliminations

### Cash flow developments

In the first three months of 2019, the Group generated cash flow from operating activities (CFFO) of DKK -4.9m compared to DKK -7.7m in Q1 2018. The positive development in CFFO is primarily caused by the positive results from operations. As expected, long payment terms on plant projects in Morocco and delays caused by national monetary policies in Morocco still have negative influence on the Group's CFFO and net working capital. Also, work performed on prepayments from customers from the beginning of the period and increase in inventories have a negative impact on the CFFO for the period.

### Accounting policies as well as financial estimates and assumptions

The interim report has been prepared in accordance with IAS 34, *Interim financial reporting*, as adopted by the EU and further Danish disclosure requirements in respect of interim reports for listed companies.

With the below exception, the accounting policies used for the interim report are the same as the accounting policies used for Annual Report 2018 to which we refer for a full description. The Group has adopted all new, amended and revised accounting standards and interpretations as published by the IASB and adopted by the EU effective for the accounting period beginning on 1 January 2019. We refer to the notes to the annual report for a description of material estimates and assumptions.

Compared with the description in Annual Report 2018, there have been no changes in the accounting estimates and assumptions made by Management in the preparation of the interim report. We refer to the notes to the annual Report 2018 for a description of significant estimates and assessments.

With effect from 1 January 2019 SKAKO A/S has implemented the following new or changed standards and interpretations:

- IFRS 16: Leases

IFRS 16 replaces IAS 17, Leases and related interpretations. IFRS 16 from a lessee viewpoint eliminates the classification of leases as either operating leases or finance leases. Instead, all leases are treated in a similar way to finance leases under IAS 17. The standard is effective for accounting periods beginning on or after 1 January 2019. IFRS 16 allows various implementation methods. The Group applies the simplified retrospective method, which implies that the accumulated effect is recognised in the equity beginning of the year. The cumulative effect of initially applying the standard as adjustment to the opening balance on retained earnings is DKK -0.1m. The impact of total assets is DKK. 5,9m and the impact on the income statement is insignificant. Under this transitional phase, the 2018 comparable numbers presented in the first quarter of 2019 reporting are not restated as if IFRS 16 was applied in 2018.

# MANAGEMENT COMMENTARY - continued

## Financial ratios

Financial ratios are calculated as follows:

- Gross profit margin =  $\text{Gross profit} \times 100 / \text{Revenue}$
- Profit margin =  $\text{EBIT} \times 100 / \text{Revenue}$
- Liquidity ratio =  $\text{Total current assets} \times 100 / \text{Total current liabilities}$
- Equity ratio =  $\text{Total equity} \times 100 / \text{Total assets}$
- Return on equity =  $\text{Profit for the period} \times 100 / (\text{Equity this year} + \text{equity prior year}) / 2^*$
- Financial leverage =  $\text{Net interest-bearing debt} \times 100 / \text{Equity}$
- NWC/Revenue =  $\text{Net working capital} \times 100 / \text{Revenue}^*$
- Earnings per share =  $\text{Profit for the period} / \text{Shares in free flow}$
- Equity value per share =  $\text{Equity} / \text{Total shares}$
- Share price = Share price at end of period
- Price-book ratio =  $\text{Share price} / \text{Equity per share}$
- Market capitalization =  $\text{Total number of share} \times \text{Share price}$

\*Measured over a 12-month period (1 April 2018 to 31 March 2019)

## Events after the balance sheet date

There have been no events to change the assessment of the interim report after the balance sheet date until today.

As announced in company announcement 4/2019, SKAKO Vibration has entered negotiations to acquire the Spanish company Dartek Proyectos y Maquinara S.L.L.

As announced in company announcement 6/2019 SKAKO Concrete has won an order of approx. DKK 10m for a large Swedish precast producer.

## Outlook 2019

We maintain our guidance for an operating profit (EBIT) of DKK 17-22m for 2019.

## CONSOLIDATED INCOME STATEMENT

DKK thousands	Q1 2019	Q1 2018	Year 2018
Revenue from contracts with customers	88,884	77,016	339,273
Production costs	(68,150)	(63,700)	(259,670)
<b>Gross profit</b>	<b>20,734</b>	<b>13,316</b>	<b>79,603</b>
Distribution costs	(10,684)	(9,821)	(37,454)
Administrative expenses	(6,680)	(5,929)	(27,077)
<b>Operating profit (EBIT) before special items</b>	<b>3,370</b>	<b>(2,415)</b>	<b>15,072</b>
Special items	-	-	1,331
<b>Operating profit (EBIT) after special items</b>	<b>3,370</b>	<b>(2,415)</b>	<b>16,403</b>
Financial income	6	30	60
Financial expenses	(593)	(810)	(3,505)
<b>Profit before tax</b>	<b>2,783</b>	<b>(3,195)</b>	<b>(12,958)</b>
Tax on profit for the period	(371)	(79)	(260)
<b>Profit for the period</b>	<b>2,412</b>	<b>(3,274)</b>	<b>12,698</b>
<b>Profit for the period attributable to SKAKO A/S shareholders</b>	<b>2,412</b>	<b>(3,274)</b>	<b>12,698</b>
Earnings per share (EPS), DKK	0.78	(1.06)	4.12
Diluted earnings per share (EPS), DKK	0.78	(1.05)	4.12

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DKK thousands	Q1 2019	Q1 2018	Year 2018
<b>Profit for the year</b>	<b>2,412</b>	<b>(3,274)</b>	<b>12,698</b>
<b>Other comprehensive income:</b>			
<b>Items that have been or may subsequently be reclassified to the income statement:</b>			
Foreign currency translation, subsidiaries	347	(361)	253
Value adjustments of hedging instruments	40	39	(114)
<b>Other comprehensive income</b>	<b>387</b>	<b>(322)</b>	<b>139</b>
<b>Comprehensive income</b>	<b>2,799</b>	<b>(3,596)</b>	<b>12,837</b>
<b>Comprehensive income attributable to SKAKO A/S shareholders</b>	<b>2,799</b>	<b>(3,596)</b>	<b>12,837</b>

# CONSOLIDATED BALANCE SHEET

DKK thousands	31 Mar 2019	31 Mar 2018	31 Dec 2018
Other intangible assets	5,485	3,711	6,252
Intangible assets under development	3,181	5,209	2,258
<b>Intangible assets</b>	<b>8,666</b>	<b>8,920</b>	<b>8,510</b>
Land and buildings	4,992	4,878	5,036
Plant and machinery	552	148	266
Operating equipment, fixtures and fittings	7,330	819	1,727
Leasehold improvements	327	101	305
Tangible assets under construction	59	22	60
<b>Property, plant and equipment</b>	<b>13,260</b>	<b>5,968</b>	<b>7,394</b>
Other receivables	1,412	1,157	1,258
Deferred tax assets	23,629	23,657	23,625
<b>Other non-current assets</b>	<b>25,041</b>	<b>24,814</b>	<b>24,883</b>
<b>Total non-current assets</b>	<b>46,967</b>	<b>39,701</b>	<b>40,787</b>
Inventories	56,225	46,442	52,206
Trade receivables	73,131	71,551	86,884
Contract assets	58,688	64,390	55,042
Income tax	637	1,408	736
Other receivables	7,819	7,491	12,381
Prepaid expenses	6,416	1,582	1,326
Other investments	74	74	74
Cash	8,735	4,484	10,671
<b>Current assets</b>	<b>211,725</b>	<b>197,422</b>	<b>219,320</b>
Assets held for sale	0	22,356	0
<b>Assets</b>	<b>258,692</b>	<b>259,479</b>	<b>260,107</b>

# CONSOLIDATED BALANCE SHEET

DKK thousands	31 Mar 2019	31 Mar 2018	31 Dec 2018
Share capital	31,064	31,064	31,064
Foreign currency translation reserve	207	(754)	(140)
Hedging reserve	(108)	5	(148)
Retained earnings	80,792	61,940	78,290
<b>Total equity</b>	<b>111,955</b>	<b>92,255</b>	<b>109,066</b>
Leasing	3,243	-	-
Provisions	3,901	3,411	4,099
<b>Non-current liabilities</b>	<b>7,144</b>	<b>3,411</b>	<b>4,099</b>
Bank loans and credit facilities	19,756	39,559	16,193
Leasing	2,593	177	-
Provisions	2,343	7,306	2,460
Contracts liabilities	11,772	9,519	21,783
Trade payables	78,968	76,455	81,896
Income tax	85	120	81
Other liabilities	23,423	21,757	24,529
Deferred income	653	-	-
<b>Current liabilities</b>	<b>139,593</b>	<b>154,891</b>	<b>146,942</b>
Liabilities related to assets held for sale	-	8,922	-
<b>Liabilities</b>	<b>146,737</b>	<b>167,224</b>	<b>151,041</b>
<b>EQUITY AND LIABILITIES</b>	<b>258,692</b>	<b>259,479</b>	<b>260,107</b>

# CONSOLIDATED CASH FLOW STATEMENT

DKK thousands	Q1 2019	Q1 2018	Year 2018
Profit before tax	2,783	(3,195)	12,958
Adjustments	755	(824)	(2,147)
Change in receivables, etc.	9,426	5,788	(5,020)
Change in inventories	(4,019)	(780)	(6,544)
Change in trade payables and other liabilities, etc.	(13,391)	(7,079)	13,399
<b>Cash flow from operating activities before financial items and tax</b>	<b>(4,446)</b>	<b>(6,090)</b>	<b>12,646</b>
Financial items received and paid	(587)	(780)	(3,446)
Taxes paid	102	(839)	(293)
<b>Cash flow from operating activities</b>	<b>(4,931)</b>	<b>(7,709)</b>	<b>8,907</b>
Investment in intangible assets	(379)	(1,199)	(1,417)
Investment in tangible assets	(177)	(7)	(2,118)
Sale of tangible assets	-	-	24,192
<b>Cash flow from investing activities</b>	<b>(566)</b>	<b>(1,206)</b>	<b>20,657</b>
Change in borrowings	-	(415)	(9,336)
Change in short-term bank facilities	3,563	10,882	(12,350)
<b>Cash flow from financing activities</b>	<b>3,565</b>	<b>10,467</b>	<b>(21,686)</b>
Change in cash and cash equivalents	(1,924)	1,552	7,878
Cash and cash equivalents beginning of period	10,744	3,031	3,031
Foreign exchange adjustment, cash and cash equivalents	(11)	(25)	(165)
<b>Cash and cash equivalents at end of period</b>	<b>8,809</b>	<b>4,558</b>	<b>10,744</b>
Breakdown of cash and cash equivalents at the end of the year:			
Cash and other investments	8,735	4,484	10,670
Other Investments	74	74	74
<b>Cash and cash equivalents at the end of the year:</b>	<b>8,809</b>	<b>4,558</b>	<b>10,744</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

DKK thousands	Share capital	Foreign currency translation reserve	Hedging reserve	Retained earnings	Equity
Equity at 01 January 2019	31,064	(140)	(148)	78,290	109,066
Change in accounting policy (IFRS 16)				(118)	(118)
<b>Restated total equity at the beginning of the financial year</b>	<b>31,064</b>	<b>(140)</b>	<b>(148)</b>	<b>78,172</b>	<b>108,948</b>
<b>Comprehensive income in Q1 2019:</b>					
Profit for the period				2,412	2,412
<b>Other comprehensive income:</b>					
Foreign currency translation adjustments, subsidiaries		347			347
Value adjustments of hedging instruments			40		40
Other comprehensive income	-	347	40	-	387
<b>Comprehensive income, period</b>	<b>-</b>	<b>347</b>	<b>40</b>	<b>2,412</b>	<b>2,799</b>
Share-based payment, warrants				208	208
<b>Equity at end of period</b>	<b>31,064</b>	<b>207</b>	<b>(108)</b>	<b>80,792</b>	<b>111,955</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

DKK thousands	Share capital	Foreign currency translation reserve	Hedging reserve	Retained earnings	Equity
Equity at 01 January 2018	31,064	(173)	(34)	64,844	95,701
<b>Comprehensive income in Q1 2018:</b>					
Profit for the period				(3,274)	(3,274)
<b>Other comprehensive income:</b>					
Foreign currency translation adjustments, subsidiaries		(581)			(581)
Value adjustments of hedging instruments			39		39
Other comprehensive income	-	(581)	39	-	(542)
<b>Comprehensive income, period</b>	<b>-</b>	<b>(581)</b>	<b>39</b>	<b>(3,274)</b>	<b>(3,816)</b>
Share-based payment, warrants				370	370
<b>Equity at end of period</b>	<b>31,064</b>	<b>(754)</b>	<b>5</b>	<b>61,940</b>	<b>92,255</b>

## SEGMENT INFORMATION

DKK thousands	Concrete	Vibration	Not distributed including parent company	Eliminations	Group total
<b>Q1 2019</b>					
Revenue, external	45,769	43,115	-	-	88,884
Revenue, internal	1	1,345	-	(1,346)	-
<b>Total revenue</b>	<b>45,770</b>	<b>44,460</b>	<b>-</b>	<b>(1,346)</b>	<b>88,884</b>
Depreciation	(576)	(411)	-	-	(987)
<b>Operating profit (EBIT)</b>	<b>(669)</b>	<b>4,686</b>	<b>(647)</b>	<b>-</b>	<b>3,370</b>
<b>Result before tax</b>	<b>(1,027)</b>	<b>4,475</b>	<b>(665)</b>	<b>-</b>	<b>2,783</b>
Tax on profit for the year	130	(501)	-	-	(371)
<b>Profit for the period</b>	<b>(897)</b>	<b>3,974</b>	<b>(665)</b>	<b>-</b>	<b>2,412</b>
Order backlog, beginning	72,884	34,343	-	(406)	106,821
Order intake	27,258	72,402	-	(1,125)	98,535
<b>Order backlog, ending</b>	<b>54,444</b>	<b>62,291</b>	<b>-</b>	<b>(263)</b>	<b>116,472</b>
Segment non-current assets	29,098	13,786	4,083	-	46,967
Segment assets	107,866	153,633	4,216	(7,023)	258,692
Segment liabilities	47,620	101,363	4,778	(7,023)	146,738
Investment in intangible and tangible assets	301	255	-	-	556
Average number of employees	101	97	-	-	198

DKK thousands	Concrete	Vibration	Not distributed including parent company	Eliminations	Group total
<b>Q1 2018</b>					
Revenue, external	33,992	43,024	-	-	77,016
Revenue, internal	34	948	-	(982)	-
<b>Total revenue</b>	<b>34,026</b>	<b>43,972</b>	<b>-</b>	<b>(982)</b>	<b>77,016</b>
Depreciation	(201)	(172)	-	-	(372)
<b>Operating profit (EBIT)</b>	<b>(3,544)</b>	<b>1,601</b>	<b>(472)</b>	<b>-</b>	<b>(2,415)</b>
<b>Result before tax</b>	<b>(3,970)</b>	<b>1,260</b>	<b>(485)</b>	<b>-</b>	<b>(3,195)</b>
Tax on profit for the year	(79)	-	-	-	(79)
<b>Profit for the year</b>	<b>(4,049)</b>	<b>1,260</b>	<b>(485)</b>	<b>-</b>	<b>(3,274)</b>
Order backlog, beginning	24,052	48,723	-	-	72,775
Order intake	33,468	49,203	-	(192)	82,479
<b>Order Backlog, ending</b>	<b>23,494</b>	<b>53,954</b>	<b>-</b>	<b>790</b>	<b>78,238</b>
Segment non-current assets	27,607	9,952	2,142	-	39,701
Segment assets	119,071	142,505	2,278	(4,376)	259,478
Segment liabilities	61,665	104,209	5,726	(4,376)	167,224
Investment in intangible and tangible assets	1,206	0	-	-	1,206
Average number of employees	97	95	-	-	192



# QUARTERLY KEY FIGURES AND FINANCIAL RATIOS

	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Full year 2018
<b>INCOME STATEMENT, DKK THOUSANDS</b>						
Revenue	88,884	93,873	85,761	82,622	77,016	339,273
Gross profit	20,734	27,450	47,394	17,038	13,316	79,603
Operating profit (EBIT)	3,370	11,297	7,334	186	(2,415)	16,403
Net financial items	(587)	(1,251)	(667)	(747)	(780)	(3,445)
Profit before tax	2,783	10,046	6,667	(561)	(3,195)	12,958
Profit for the period	2,412	9,805	6,806	(640)	(3,274)	12,698
<b>BALANCE SHEET, DKK THOUSANDS</b>						
Non-current assets	46,967	40,787	39,482	39,090	39,701	40,787
Current assets	211,725	219,320	207,236	199,946	197,421	219,320
Assets	258,692	260,107	270,111	262,375	259,478	260,107
Equity	111,955	109,066	99,184	91,517	92,255	109,066
Non-current liabilities	7,144	4,099	3,361	3,358	3,411	4,099
Current liabilities	139,593	146,942	159,772	159,203	154,892	146,942
Net interest-bearing debt	16,856	5,522	20,122	23,124	35,252	5,522
Net working capital	97,304	90,453	86,982	88,889	96,409	90,453
<b>OTHER KEY FIGURES, DKK THOUSANDS</b>						
Investment in intangible and tangible assets	556	1,540	746	43	1,206	3,535
Cash flow from operating activities (CFFO)	(4,931)	(212)	4,080	12,744	(7,709)	8,907
Free cash flow	(5,487)	22,440	3,334	12,701	(8,915)	29,564
Average number of employees	198	197	201	198	192	201
<b>FINANCIAL RATIOS</b>						
Gross profit margin	23.3%	29.2%	25.4%	20.6%	17.3%	23.5%
Profit margin (EBIT margin)	3.8%	10.6%	8.6%	0.2%	(3.1%)	4.4%
Liquidity ratio	151.7%	149.3%	129.7%	125.6%	127.5%	149.3%
Equity ratio	43.3%	41.9%	36.7%	34.9%	35.4%	41.9%
Return on equity	18.1%	12.4%	(14.5%)	(16.7%)	(12.0%)	12.4%
Financial leverage	15.1%	5.1%	20.3%	25.3%	38.2%	5.1%
NWC/revenue	27.7%	26.7%	26.4%	26.6%	28.3%	26.7%
Earnings per share, DKK	0.78	3.17	2.21	(0.21)	(1.06)	4.11
Equity value per share, DKK	36.3	35.1	31.9	29.5	29.7	35.1
Share price, DKK	51.0	49.2	65.2	85.2	94.0	49.2
Price-book ratio	1.4	1.4	2.0	2.9	3.2	1.4
Market capitalisation, DKK thousands	158,427	152,836	202,538	264,667	292,003	152,836