

INTERIM REPORT FOR Q2 2018/19

(the period 01.01.2019 - 31.03.2019)

ANNOUNCEMENT

to Nasdaq Copenhagen A/S and the media
Nørresundby, 2 May 2019
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REVENUE GROWTH OF 29 % IN Q2 – RTX A/S MAINTAINS FULL YEAR OUTLOOK

The financial performance in both Q2 2018/19 and H1 2018/19 was according to plan with revenue growth of 29.2 % and 22.5 % respectively and with EBITDA of DKK 23.1 million in Q2. Revenue growth has been driven by increasing activity in all business areas including the strategic focus areas. RTX A/S maintains the outlook for the full year 2018/19.

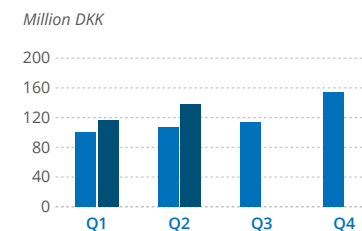
SUMMARY FOR THE SECOND QUARTER OF 2018/19 FOR THE RTX GROUP

- **Net revenue** increased by 29.2 % to DKK 137.9 million in Q2 2018/19 (Q2 2017/18: DKK 106.8 million). FX corrected revenue growth amounted to 21.1 % as revenue compared to last year was positively impacted by the USD/EUR exchange rate development. In addition, the revenue was positively impacted by implementation of IFRS 15 regarding timing of revenue recognition.

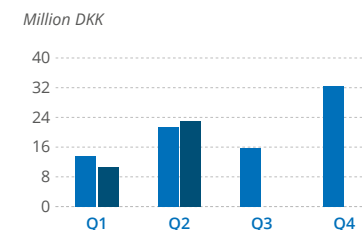
Both Business Communications and Design Services achieved revenue growth.

- **Business Communications:** Revenue growth of 33.4 % to DKK 91.8 million (23.4 % FX corrected revenue growth). Both the handset related product ranges as well as the new strategic focus area within the headset product range contributed to the growth.
- **Design Services:** Revenue growth of 21.5 % to DKK 46.2 million (17.1 % FX corrected revenue growth) with growth in product sales (customized modules) as one of the strategic focus areas and with continued high activity within customer financed projects.
- **Gross profit** increased by 20.8 % to DKK 78.3 million in Q2 2018/19 (Q2 2017/18: DKK 64.8 million). The gross margin decreased by 3.9 %-points to 56.8 % (Q2 2017/18: 60.7 %) due to changes in the product mix.
- **Operating performance** improved with EBITDA increasing by 7.8 % to DKK 23.1 million in Q2 2018/19 (Q2 2017/18: DKK 21.4 million). EBIT was at a similar level as last year with a decrease of 0.2 % to DKK 19.6 million in Q2 2018/19 (Q2 2017/18: DKK 19.6 million). EBITDA and EBIT are impacted by the revenue and gross profit growth and by a planned increase in capacity costs both for ramping-up capacity in order to execute the two major framework agreements announced during 2017/18 and for continuing to build the organization and infrastructure necessary for further growth. Thus, the average number of FTEs reached 272 in Q2 2018/19 compared to 243 in Q2 2017/18.
- **Cash flows from operating activities (CFFO)** amounted to DKK 15.0 million in Q2 2018/19 compared to DKK 17.9 million in Q2 2017/18 and were impacted by increased working capital due to the revenue growth and by the ramp-up of the two major framework agreements announced in Q1 and Q3 2017/18.

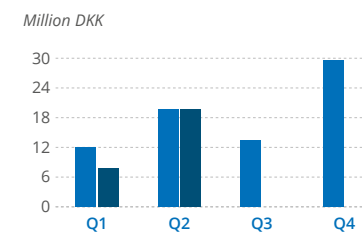
REVENUE PER QUARTER



EBITDA PER QUARTER



EBIT PER QUARTER



■ 2017/18 ■ 2018/19



SUMMARY FOR THE FIRST SIX MONTHS OF 2018/19 FOR THE RTX GROUP

- **Net revenue** increased by 22.5 % to DKK 254.4 million in H1 2018/19 (H1 2017/18: DKK 207.7 million). FX corrected revenue growth amounted to 16.9 % as revenue compared to last year was positively impacted by the USD/EUR exchange rate development. In addition, the revenue was positively impacted by implementation of IFRS 15 regarding timing of revenue recognition.

Both Business Communications and Design Services achieved revenue growth.

- **Business Communications:** Revenue growth of 25.6 % to DKK 169.0 million (18.6 % FX corrected revenue growth). Both the handset related product ranges as well as the new strategic focus area within the headset product range contributed to the growth.
- **Design Services:** Revenue growth of 16.8 % to DKK 85.3 million (13.7 % FX corrected revenue growth) with growth in product sales (customized modules) as one of the strategic focus areas and with continued high activity within customer financed projects.
- **Gross profit** increased by 19.1 % to DKK 145.1 million in H1 2018/19 (H1 2017/18: DKK 121.8 million). The gross margin decreased by 1.6 %-points to 57.0 % (H1 2017/18: 58.6 %) due to changes in the product mix.
- **Operating performance** development was impacted by a planned increase in capacity costs both for ramping-up capacity in order to execute the two major framework agreements announced during 2017/18 and for continuing to build the organization and infrastructure necessary for further growth. The average number of FTEs reached 270 in H1 2018/19 compared to 239 in H1 2017/18. Thus, **EBITDA** decreased by 3.6 % to DKK 33.7 million in H1 2018/19 (H1 2017/18: DKK 34.9 million). Also, **EBIT** decreased by 13.7 % to DKK 27.4 million in H1 2018/19 (H1 2017/18: DKK 31.7 million).
- **Cash flows from operating activities (CFFO)** amounted to DKK 28.0 million in H1 18/19 compared to DKK 38.1 million in H1 2017/18. RTX A/S has initiated a share buy-back programme for an amount up to DKK 20 million (cf. company announcement 03/2019) and will continue to execute on this programme.

OUTLOOK FOR 2018/19

- Management maintains the expectations for revenue between DKK 520-550 million, EBITDA between DKK 85-100 million and EBIT between DKK 65-80 million for the financial year 2018/19.

RTX A/S

PETER THOSTRUP
Chairman

PETER RØPKE
CEO

ENQUIRIES AND FURTHER INFORMATION:

CEO, Peter Røpke, tel +45 96 32 23 00

APPENDICES

Interim report for Q2 2018/19 comprising:

- Group financial highlights and key ratios
- Management report
- Group income statement
- Statement of comprehensive income
- Group balance sheet
- Group equity statement
- Group cash flow statement
- Notes

INVESTOR AND ANALYST MEETING

On Friday, 3 May 2019 at 11.45 am, RTX will hold a meeting for investors and analysts at

ABG Sundal Collier,
Forbindelsesvej 12,
2100 Copenhagen.

At this meeting, the Company's management will comment on the interim report for the second quarter of 2018/19.

To register for the meeting, please email
ABGSCEvents-Copenhagen@abgsc.dk.

Group financial highlights and key ratios

(non-audited)

Amounts in DKK million	Q2 2018/19	Q2 2017/18	H1 2018/19	H1 2017/18	FY 2017/18
INCOME STATEMENT ITEMS					
Revenue	137.9	106.8	254.4	207.7	475.3
Gross profit	78.3	64.8	145.1	121.8	264.8
EBITDA	23.1	21.4	33.7	34.9	83.1
EBITDA %	16.7%	20.0%	13.2%	16.8%	17.5%
Operating profit/loss (EBIT)	19.6	19.6	27.4	31.7	74.9
Net financials	2.1	-1.3	2.8	-1.6	1.4
Profit/loss before tax (EBT)	21.7	18.3	30.2	30.1	76.3
Profit/loss for the period	17.2	14.3	23.8	23.6	60.0
BALANCE SHEET ITEMS					
Cash and current asset investments	171.1	138.8	171.1	138.8	182.6
Total assets	405.5	335.3	405.5	335.3	422.7
Equity	311.9	269.2	311.9	269.2	312.0
Liabilities	93.6	66.1	93.6	66.1	110.7
OTHER KEY FIGURES					
Development costs (own) before capitalization	10.1	10.0	18.9	17.4	34.3
Capitalized development costs	5.1	6.3	9.1	9.7	16.3
Depreciation, amortization and impairment	3.4	1.8	6.3	3.2	8.3
Cash flow from operations	15.0	17.9	28.0	38.1	95.7
Cash flow from investments ¹⁾	-38.0	-8.4	-43.4	-14.2	-29.2
Investments in property, plant and equipment	1.0	2.3	1.9	4.0	8.4
Increase/decrease in cash and cash equivalents ¹⁾	-51.0	-9.3	-43.5	-12.2	30.3

Amounts in DKK million	Q2 2018/19	Q2 2017/18	H1 2018/19	H1 2017/18	FY 2017/18
KEY RATIOS					
Growth in net turnover (percentage)	29.2	26.9	22.5	6.3	9.7
Profit margin (percentage)	14.2	18.4	10.8	15.3	15.7
Return on invested capital (percentage) ²⁾	60.7	93.0	60.7	93.0	69.5
Return on equity (percentage) ²⁾	20.7	25.3	20.7	25.3	20.2
Equity ratio (percentage)	76.9	80.3	76.9	80.3	73.8
EMPLOYMENT					
Average number of full-time employees	272	243	270	239	246
Revenue per employee (DKK '000) ³⁾	507	439	942	869	1,932
Operating profit per employee (DKK '000) ³⁾	72	81	101	133	304
SHARES					
Average number of shares in circulation ('000)	8,591	8,543	8,579	8,544	8,556
Average number of diluted shares ('000)	8,678	8,664	8,682	8,695	8,691
SHARE DATA. DKK PER SHARE AT DKK 5					
Profit/loss for the period (EPS), per share ³⁾	2.0	1.7	2.8	2.8	7.0
Profit/loss for the period, diluted (DEPS), per share ³⁾	2.0	1.7	2.7	2.7	6.9
Dividends, per share (DKK)	-	-	-	-	2.0
Equity value, per share	36.4	31.4	36.4	31.4	36.4
Listed price, per share	158.0	162.0	158.0	162.0	179.6

Note: The Group's financial year runs from 1 October to 30 September.

Definitions of the key ratios used are stated in the annual report for 2017/18 in the accounting policies.

¹⁾ Including acquisition of current securities in the trading portfolio.

²⁾ Calculated over a 12 months' period.

³⁾ Not annualized.

Management report

The Board of Directors of RTX A/S has today considered and adopted the Group's interim report for the second quarter of 2018/19 (covering the period 1 January 2019 to 31 March 2019). Comments on developments for the second quarter (Q2) and first six months (H1) of the 2018/19 financial year follow below.

CONTINUED REVENUE GROWTH, ALSO IN THE STRATEGIC FOCUS AREAS

In Q2 2018/19, the Group posted **revenue** of DKK 137.9 million equivalent to an increase of 29.2 % (Q2 2017/18: DKK 106.8 million). Corrected for exchange rate effects the increase equals 21.1 % compared to last year. Both Business Communications and Design Services contributed positively to the revenue growth in line with the implementation of the Group's strategy. In H1 2018/19, revenue increased by 22.5 % to DKK 254.4 million (H1 2017/18: DKK 207.7 million) also positively influenced by growth in both Business Communications and Design Services. Revenue in both Q2 and H1 was positively impacted by the implementation of IFRS 15 when compared to last year.

Business Communications posted revenue of DKK 91.8 million in Q2 2018/19, reflecting a growth of 33.4 % compared to the same period last year (Q2 2017/18: DKK 68.8 million). Corrected for exchange rate effects the growth was 23.4 %. Driving the growth within Business Communications were the headset business program as well as increased sales to enterprise customers of handsets and

base stations. Sales within the strategic focus area of headsets for call centers and offices gained further momentum in Q2 2018/19. In H1 2018/19 revenues increased by 25.6 % to DKK 169.0 million (2017/18: DKK 134.6 million) driven primarily by the same growth factors as in Q2. Further, the revenue in both Q2 and H1 was positively influenced by the implementation of IFRS 15 slightly advancing the point of time for revenue recognition in some situations.

In Q2 of 2018/19, **Design Services** realized a revenue growth of 21.5 %, reaching DKK 46.2 million (Q2 2017/18: DKK 38.0 million). Corrected for exchange rate effects the growth was 17.1 %. Growth within Design Services was primarily driven by growth in product sales (customized modules) in accordance with the strategic focus of the business unit. Additionally, customer financed projects contributed to the growth. In H1 2018/19 revenues increased by 16.8 % to DKK 85.3 million (2017/18: DKK 73.1 million) driven by the same growth factors as in Q2. Further, the revenue in both Q2 and H1 was positively influenced by the implementation of IFRS 15 slightly advancing the point of time for revenue recognition in some situations.

The **gross profit** of the Group increased by 20.8 % to DKK 78.3 million in Q2 2018/19 (Q2 2017/18: DKK 64.8 million) driven by the increased revenue level. With the product mix containing a relatively higher proportion of product sales relative to customer financed projects compared to last year, gross margin decreased by 3.9 %-points to 56.8 % in Q2 2018/19 (Q2 2017/18: 60.7 %). In H1 2018/19 gross profit amounted to DKK 145.1 million which is a growth of 19.1 % compared to last year (H1 2017/18: DKK 121.8 million).

Capacity costs increased as planned in Q2 2018/19 reaching DKK 60.4 million compared to DKK 49.7 million in

FINANCIAL DEVELOPMENT

DKK million	Q2 18/19	Q2 17/18	Change (%)
Group revenue	137.9	106.8	29.2%
BC ¹⁾ revenue	91.8	68.8	33.4%
DS ²⁾ revenue	46.2	38.0	21.5%
EBITDA	23.1	21.4	7.8%
EBIT	19.6	19.6	-0.2%
CFFO³⁾	15.0	17.9	-16.1%

DKK million	H1 18/19	H1 17/18	Change (%)
Group revenue	254.4	207.7	22.5%
BC ¹⁾ revenue	169.0	134.6	25.6%
DS ²⁾ revenue	85.3	73.1	16.8%
EBITDA	33.7	34.9	-3.6%
EBIT	27.4	31.7	-13.7%
CFFO³⁾	28.0	38.1	-26.7%

¹⁾ Business Communications

²⁾ Design Services

³⁾ Cash flow from operations



FINANCIAL CALENDAR

Expected publication of financial information for the financial year 2018/19:

27 AUGUST 2019

Interim report for Q3 2018/19

26 NOVEMBER 2019

Annual report for 2018/19

the same period last year. The higher capacity cost level is predominantly driven by ramping-up capacity in order to execute the newest major framework agreements announced during 2017/18 and by continuing to build the organization and infrastructure necessary for further growth. This is reflected in a significantly higher average number of FTEs of 272 in Q2 2018/19. Further, the increasing capacity cost level was driven by the growth for customer financed projects in Design Services.

In line with the strategic focus areas in the form of own financed development projects in both business units, the Group **capitalized development costs** of DKK 5.1 million in Q2 2018/19 (Q2 2017/18: DKK 6.3 million) and of a total of 9.1 million in H1 2018/19 (H1 2017/18: DKK 9.7 million). Among other, this includes the product development activities for the strategic adjacency expansion in the form of headsets which continued with a focus on further development of wireless models.

Operating performance before depreciations and amortizations (**EBITDA**) improved by 7.8 % to DKK 23.1 million in Q2 2018/19 (Q2 2017/18: DKK 21.4 million). For H1 2018/19 EBITDA decreased by 3.6 % to DKK 33.7 million (H1 2017/18: DKK 34.9 million).

Depreciations and amortizations reached DKK 3.4 million in Q2 of 2018/19 (Q2 2017/18: DKK 1.8 million) with the development primarily caused by own financed development projects such as the headset product series as well as the gaming platform.

Operating profit (**EBIT**) amounted to DKK 19.6 million in Q2 2018/19 which is in line with last year (Q2 2017/18: DKK 19.6 million). In H1 2018/19 EBIT declined by 13.7 % to DKK 27.4 million (H1 2017/18: DKK 31.7 million). The decline

in the first six months must be seen in the light of an increased investment in capacity to meet the future growth potential in the latest signed framework agreements within headset and handsets.

Profit before tax for Q2 of 2018/19 amounted to DKK 21.7 million (Q2 2017/18: DKK 18.3 million) reflecting a positive development in net financial items. **Profit after tax** amounted to DKK 17.2 million in Q2 of 2018/19 (Q2 2017/18: DKK 14.3 million).

EQUITY, CASH AND SHAREHOLDER FOCUSED INITIATIVES

The **equity ratio** amounted to 76.9 % at the end of the second quarter in 2018/19 (Q2 2017/18: 80.3 %). The Group's **total assets** were DKK 405.5 million at the end of second quarter in 2018/19 corresponding to an increase of 20.9 % compared to the same time last year (Q2 2017/18: DKK 335.3 million) driven primarily by higher trade receivables due to the higher activity level compared to last year.

The Group realized a positive **cash flow from operations (CFFO)** in Q2 of 2018/19 of DKK 15.0 million compared to DKK 17.9 million in Q2 of 2017/18, impacted by increased working capital due to the revenue growth and by the ramp-up of capacity for executing the two major framework agreements announced in Q1 and Q3 2017/18. In H1 2018/19, cash flow from operations was DKK 28.0 million (H1 2017/18: DKK 38.1 million).

The Group's **total cash funds and current securities less bank debt** amounted to DKK 171.1 million at the end of Q2 2018/19 (Q2 2017/18: DKK 138.8 million), i.e. an increase of 23.3 % compared to the same time last year. The level is positively impacted by cash generated by operations in the

period and negatively impacted by dividend distribution and by the ongoing share buy-back programme (cf. company announcement 03/2019). Under the share buy-back programme RTX A/S will buy back shares for an amount up to DKK 20 million and has acquired 70,108 shares for a total value of DKK 11.4 million at the end of the second quarter 2018/19 (Q2 2017/18: DKK 1.8 million). At the end of Q2 2018/19 RTX A/S held 381,508 treasury shares of a nominal value of DKK 5 which equals 4.3 % of the share capital. Further dividends amounting to DKK 17.1 million, net of dividends on treasury shares, were paid during Q2 2018/19 (Q2 2017/18: DKK 17.0 million).

OUTLOOK FOR THE 2018/19 FINANCIAL YEAR

Management maintains the expectations for revenue between DKK 520-550 million, EBITDA between DKK 85-100 million and EBIT between DKK 65-80 million for the financial year 2018/19.

MANAGEMENT TEAM COMPLETED

During Q2 and immediately after end of Q2, the Management Team of RTX A/S was completed with the addition of Carsten Møller as Head of Supply Chain and Morten Axel Petersen as CFO (cf. company announcement 16/2018). These additions will serve to further increase the Group's ability to continue to execute its growth strategy. The full Management Team now consists of Peter Røpke, CEO, Morten Axel Petersen, CFO, Peter Christensen, Head of Business Communications, Jens Christian Lindof, Head of Design Services and Carsten Møller, Head of Supply Chain.

RTX A/S A MID CAP COMPANY AT NASDAQ COPENHAGEN

From 2 January 2019 RTX A/S has been elevated to a Mid Cap segment company at Nasdaq Copenhagen Stock Exchange after previously having been a Small Cap segment company.

RISKS AND UNCERTAINTIES FOR THE 2018/19 FINANCIAL YEAR

STATEMENTS ON FUTURE CONDITIONS

The above statements on the Group's future conditions, including in particular, future revenue and operating profit (EBITDA and EBIT), reflect Management's current outlook and carry some uncertainty. These statements can be affected by a number of risks and uncertainties, which mean that actual developments can be different from the indicated outlook. These risks and uncertainties include - but are not limited to - general business and economic conditions, dependence on partners, the time of delivery of components, and foreign exchange and interest rate fluctuations.

Statement by the Management on the interim report

The Board of Directors and the Executive Management have today considered and adopted the interim report of RTX A/S for the second quarter of the financial year 2018/19 (covering the period 1 January to 31 March 2019).

The interim report is prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU and additional Danish disclosure requirements for the interim reporting of listed companies. The interim report has not been audited or reviewed by the Company's auditor.

We consider the applied accounting policies appropriate for the interim report to provide, in our opinion, a true and fair view of the Group's assets, liabilities and financial position as at 31 March 2019 and of its financial performance and cash flow for the second quarter of 2018/19.

We consider Management's review to give a true and fair view of the Group's activities and finances, profit/loss for the period and the Group's financial position as a whole, as well as a true and fair description of the most material risks and uncertainties facing the Group.

Nørresundby, 2 May 2019

Executive Management

Peter Røpke
CEO

Morten Axel Petersen
CFO

Board of Directors

Peter Thostrup
Chairman

Jesper Mailind
Deputy Chairman

Christian Engsted

Lars Christian Tofft

Henrik Schimmell

Kevin Harritsø
Employee representative

Flemming Vendbjerg Andersen
Employee representative

Kurt Heick Rasmussen
Employee representative

Income Statement

(non-audited)

Amounts in DKK '000	Note	Q2 2018/19	Q2 2017/18	H1 2018/19	H1 2017/18	FY 2017/18
Revenue	3	137,937	106,769	254,370	207,692	475,341
Value of work transferred to assets	4	5,139	6,264	9,109	9,713	16,305
Costs of sales etc.		-59,607	-41,935	-109,298	-85,874	-210,542
Other external expenses		-15,104	-11,877	-31,835	-23,020	-50,993
Staff costs		-45,307	-37,824	-88,687	-73,608	-146,988
Operating profit/loss before depreciation and amortization (EBITDA)		23,058	21,397	33,659	34,903	83,123
Depreciation, amortization and impairment	4	-3,449	-1,753	-6,261	-3,166	-8,257
Operating profit/loss (EBIT)		19,609	19,644	27,398	31,737	74,866
Financial income	5	2,248	855	3,087	1,568	2,305
Financial expenses	5	-125	-2,189	-274	-3,188	-909
Profit/loss before tax		21,732	18,310	30,211	30,117	76,262
Tax of profit/loss for the period		-4,526	-3,965	-6,460	-6,561	-16,308
Profit/loss for the period		17,206	14,345	23,751	23,556	59,954
Earnings per share (EPS)						
Earnings per share (DKK)		2.0	1.7	2.8	2.8	7.0
Earnings per share, diluted (DKK)		2.0	1.7	2.7	2.7	6.9

Statement of Comprehensive Income

(non-audited)

Amounts in DKK '000	Note	Q2 2018/19	Q2 2017/18	H1 2018/19	H1 2017/18	FY 2017/18
Profit/loss for the period		17,206	14,345	23,751	23,556	59,954
Items that can be reclassified subsequently to the income statement						
Exchange rate adjustments of foreign subsidiaries		562	-1,005	909	-1,460	666
Fair value adjustment of current asset investments		-	-	-	-8	-8
Reclassified gains on current asset investments		-	-	-	-	-498
Other comprehensive income, net of tax		562	-1,005	909	-1,468	160
Comprehensive income for the period		17,768	13,340	24,660	22,088	60,114

Balance Sheet

(non-audited)

Amounts in DKK '000	31.03.19	31.03.18	30.09.18
ASSETS			
Own completed development projects	13,888	3,424	11,069
Own ongoing development projects	25,854	24,634	22,281
Acquired license rights	1,582	-	2,110
Goodwill	7,797	7,797	7,797
Intangible assets	49,121	35,855	43,257
Plant and machinery	8,412	8,052	9,413
Other fixtures, tools and equipment	2,487	3,352	2,888
Leasehold improvements	3,517	2,380	3,190
Total tangible assets	14,416	13,784	15,491
Deposits	7,903	7,662	7,748
Deferred tax assets	3,563	16,156	6,548
Other non-current assets	11,466	23,818	14,296
Non-current assets	75,003	73,457	73,044
Inventories	15,357	24,232	22,134
Trade receivables	120,359	70,622	123,520
Contract development projects in progress	17,336	21,242	15,165
Other receivables	2,789	2,428	3,378
Prepaid expenses	3,553	4,550	2,906
Receivables	144,037	98,842	144,969
Current asset investments in the trading portfolio	152,759	119,760	120,528
Total current asset investments	152,759	119,760	120,528
Cash at bank and in hand	18,357	19,045	62,073
Total current assets	330,510	261,879	349,704
Total assets	405,513	335,336	422,748

Amounts in DKK '000	31.03.19	31.03.18	30.09.18
EQUITY AND LIABILITIES			
Share capital	44,714	45,714	44,714
Share premium account	252,367	270,723	252,367
Retained earnings	14,802	-47,200	14,918
Equity	311,883	269,237	311,999
Provisions	905	258	905
Non-current liabilities	905	258	905
Prepayments received from customers	1,637	1,850	1,108
Trade payables	42,324	33,931	69,360
Contract development projects in progress	4,958	1,664	3,129
Income taxes	4,029	2,413	1,815
Provisions	1,115	1,132	1,115
Other payables	38,662	24,851	33,317
Current liabilities	92,725	65,841	109,844
Total liabilities	93,630	66,099	110,749
Total equity and liabilities	405,513	335,336	422,748

Equity Statement

(non-audited)

Amounts in DKK '000	Share capital	Share premium	Retained earnings	Total
Equity at 1 October 2017	45,714	270,723	-33,462	282,975
Profit/loss for the period	-	-	23,556	23,556
Exchange rate adjustments of foreign subsidiaries	-	-	-1,460	-1,460
Fair value adjustment of short-term current asset investments	-	-	-8	-8
Other comprehensive income	-	-	-1,468	-1,468
Comprehensive income for the period	-	-	22,088	22,088
Share-based remuneration	-	-	2,755	2,755
Deferred tax on equity transactions	-	-	-2,421	-2,421
Paid dividend for 2016/17	-	-	-16,959	-16,959
Acquisition of treasury shares	-	-	-19,201	-19,201
Other transactions	-	-	-35,826	-35,826
Equity at 31 March 2018	45,714	270,723	-47,200	269,237

Amounts in DKK '000	Share capital	Share premium	Retained earnings	Total
Equity at 1 October 2018	44,714	252,367	14,918	311,999
Profit/loss for the period	-	-	23,751	23,751
Exchange rate adjustments of foreign subsidiaries	-	-	909	909
Other comprehensive income, net of tax	-	-	909	909
Comprehensive income for the period	-	-	24,660	24,660
Effect of change in accounting principles	-	-	726	726
Share-based remuneration	-	-	2,971	2,971
Deferred tax on equity transactions	-	-	-1,938	-1,938
Current tax on equity transactions	-	-	1,489	1,489
Paid dividend for 2017/18	-	-	-17,136	-17,136
Acquisition of treasury shares	-	-	-10,888	-10,888
Other transactions	-	-	-24,776	-24,776
Equity at 31 March 2019	44,714	252,367	14,802	311,883

Share capital of DKK 44,714,190 consists of 8,942,838 shares at DKK 5. The Group holds 381,508 treasury shares at 31 March 2019 (574,849 shares at 31 March 2018). There are no shares carrying special rights.

Cash Flow Statement

(non-audited)

Amounts in DKK '000	Q2 2018/19	Q2 2017/18	H1 2018/19	H1 2017/18	FY 2017/18
Operating profit/loss (EBIT)	19,609	19,644	27,398	31,737	74,866
Reversal of items with no effect on cash flow					
Depreciation, amortization and impairment	3,449	1,753	6,261	3,166	8,257
Other items with no effect on cash flow	2,187	2,048	3,781	769	6,305
Change in working capital					
Change in inventories	2,780	-3,696	7,352	345	343
Change in receivables	-16,146	-12,085	932	7,994	-38,308
Change in trade payables etc.	2,304	12,711	-19,333	-4,621	39,997
Cash flow from operating activities	14,183	20,375	26,391	39,390	91,460
Financial income received	2,930	856	3,546	1,568	3,227
Financial expenses paid	-986	-3,084	-274	-3,188	-774
Income taxes paid	-1,099	-226	-1,710	371	1,746
Cash flow from operations	15,028	17,921	27,953	38,141	95,659
Investments in own development projects	-5,139	-6,264	-9,109	-9,713	-16,305
Acquisition of intangible assets	-	-	-	-	-3,165
Acquisition of property, plant and equipment	-983	-2,343	-1,932	-4,016	-8,406
Deposits on leaseholds	-6	20	-155	34	-52
Acquisition and sale of current securities	-31,886	209	-32,231	-503	-1,271
Cash flow from investments	-38,014	-8,378	-43,427	-14,198	-29,199

Amounts in DKK '000	Q2 2018/19	Q2 2017/18	H1 2018/19	H1 2017/18	FY 2017/18
Acquisition of treasury shares	-10,888	-1,876	-10,888	-19,201	-19,201
Paid dividend	-17,136	-16,959	-17,136	-16,959	-16,959
Cash flow from financing activities	-28,024	-18,835	-28,024	-36,160	-36,160
Increase/decrease in cash and cash equivalents	-51,010	-9,292	-43,498	-12,217	30,300
Exchange rate correction on cash	-116	-604	-218	-783	-272
Cash and cash equivalents at the beginning of the period, net	69,483	28,941	62,073	32,045	32,045
Cash and cash equivalents at the end of the period, net	18,357	19,045	18,357	19,045	62,073
Cash and cash equivalents at the end of the period, net, are composed as follows:					
Cash at bank and in hand	18,357	19,045	18,357	19,045	62,073
Cash and cash equivalents at the end of the period, net	18,357	19,045	18,357	19,045	62,073

Notes

1 ACCOUNTING POLICIES

The interim report is presented in accordance with IAS 34, Interim Financial Reporting, and additional Danish disclosure requirements for interim reporting of listed companies. An interim report has not been prepared for the Parent.

Starting 1 October 2018 RTX implemented IFRS 15 – Revenue from contracts with customers effective from the financial year 2018/19. As mentioned in the annual report 2017/18 RTX implements the standard using the modified retrospective method and only apply IFRS 15 to contracts not completed at 1 October 2018. The net effect of transition to IFRS 15 has been adjusted to the opening balance of retained earnings in equity at 1 October 2018.

Impact on Consolidated financial statements from implementing IFRS 15:

	Previous accounting policy	Impact of IFRS 15	New accounting policy
INCOME STATEMENT			
Revenue	118,999	18,938	137,937
Cost of sales	-49,759	-9,848	-59,607
Operating profit/loss (EBIT)	10,519	9,090	19,609
Tax on profit/loss	-2,526	-2,000	-4,526
Profit/loss for the period	10,116	7,090	17,206
BALANCE SHEET			
Deferred tax assets	5,768	-2,205	3,563
Inventories	25,844	-10,487	15,357
Trade receivables	101,183	19,176	120,359
Contract development projects in progress	15,679	1,657	17,336
Total assets	397,372	8,141	405,513
Retained earnings	6,986	7,816	14,802
Other payables	38,337	325	38,662
Total equity and liabilities	397,372	8,141	405,513

The new accounting standard especially affects timing of revenue recognition from products triggered at transfer of control and revenue recognition from Non-Recurring-Engineering contracts. Implementing IFRS 15 increases the profit by DKK 7.1 million and equity by DKK 7.8 million.

The implementation of additional new and amended standards has to a minor degree impacted the consolidated financial statement and balance sheet.

Except for effects mentioned above, the accounting policies applied in this interim report are consistent with those applied in the Company's annual report 2017/18. We refer to the annual report 2017/18 for a more detailed description of the accounting policies.

2 ESTIMATES AND ASSUMPTIONS

The preparation of interim reports requires management to make financial estimates and assumptions that affect the application of accounting policy and recognised assets, obligations, income and expenses. Actual results might be different from these estimates.

The material estimates that management make when applying the accounting principles of the Group and the material uncertainty connected with these estimates and assumptions are unchanged in the preparation of the interim report compared to the preparation of the annual report as per 30 September 2018.

Notes

3 SEGMENT INFORMATION

Amounts in DKK '000	Q2 2018/19	Q2 2017/18	H1 2018/19	H1 2017/18	FY 2017/18
Revenue, business segments					
Business Communications	91,760	68,775	169,032	134,600	325,002
Design Services	46,177	37,994	85,338	73,092	150,339
Group	137,937	106,769	254,370	207,692	475,341
EBIT					
Business Communications	15,853	16,399	27,042	28,250	73,732
Design Services	3,756	3,245	356	3,487	1,134
Group	19,609	19,644	27,398	31,737	74,866
Segment assets					
Business Communications	150,935	78,988	150,935	78,988	135,094
Design Services	77,619	57,920	77,619	57,920	96,018
Non-allocated items	176,959	198,428	176,959	198,428	191,636
Group	405,513	335,336	405,513	335,336	422,748
Revenue, geographical segments					
Denmark	2,943	4,426	5,518	6,609	10,121
Other Europe	87,168	61,384	153,608	129,231	280,856
Asia and Pacific	16,542	23,345	36,460	38,207	104,932
North and South America	31,160	15,079	57,154	30,428	72,761
Africa	124	2,535	1,990	3,217	6,671
Total	137,937	106,769	254,370	207,692	475,341

Revenue is broken down by geographical area according to customer location. The Group balance sheet illustrates that the Group's assets are mainly owned by the parent company in Denmark. The geographical split of the assets is thus mainly in Denmark.

4 DEVELOPMENT COSTS

Amounts in DKK '000	Q2 2018/19	Q2 2017/18	H1 2018/19	H1 2017/18	FY 2017/18
Own development cost incurred before capitalization	10,147	9,996	18,874	17,432	34,318
Value of work transferred to assets (capitalized)	-5,139	-6,264	-9,109	-9,713	-16,305
Total amortization and impairment losses on development projects	1,680	515	2,716	739	2,039
Development costs recognized in the profit/loss account	6,688	4,247	12,481	8,458	20,052

5 FINANCIAL ITEMS

Amounts in DKK '000	Q2 2018/19	Q2 2017/18	H1 2018/19	H1 2017/18	FY 2017/18
Gains on current asset investments reclassified from other comprehensive income	-	-	-	-	498
Exchange rate gains (net)	332	-	761	-	-
Fair value adjustments of investments in trading portfolio	1,110	-	852	-	-
Other financial income	806	855	1,474	1,568	1,807
Financial income	2,248	855	3,087	1,568	2,305
Exchange rate losses (net)	-	1,204	-	1,944	135
Fair value adjustments of investments in trading portfolio	-	885	-	1,040	333
Other financial costs	125	100	274	204	441
Financial expenses	125	2,189	274	3,188	909