

1 January – 30 June 2019

SKAKO

INTERIM REPORT

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

INCOME STATEMENT, DKK THOUSANDS	Q2 2019	Q2 2018	H1 2019	H1 2018	Year 2018
Revenue from contracts with customers	94,384	82,622	183,268	159,639	339,273
Gross profit	21,578	17,039	42,313	30,355	79,603
Operating profit (EBIT)	2,248	187	5,617	(2,228)	16,403
Net financial items	(722)	(747)	(1,309)	(1,527)	(3,445)
Profit before tax	1,526	(560)	4,309	(3,755)	12,958
Profit for the period	1,531	(639)	3,946	(3,913)	12,698
BALANCE SHEET, DKK THOUSANDS					
Non-current assets	46,907	39,090	46,907	39,090	40,787
Current assets	225,977	199,946	225,977	199,946	219,320
Assets	272,884	262,375	272,884	262,375	260,107
Equity	113,654	91,517	113,654	91,517	109,066
Non-current liabilities	6,379	3,358	6,379	3,358	4,099
Current liabilities	152,851	159,203	152,851	159,203	146,942
Net interest-bearing debt	18,016	23,124	18,016	23,124	5,522
Net working capital	103,082	88,889	103,082	88,889	90,453
OTHER KEY FIGURES, DKK THOUSANDS					
Investment in intangible assets	383	43	762	1,249	1,417
Investment in tangible assets	412	0	589	0	2,118
Cash flow from operating activities (CFFO)	(586)	12,744	(5,517)	5,037	8,907
Free cash flow	(1,380)	12,701	(6,867)	3,788	29,564
Average number of employees	206	198	206	198	197
FINANCIAL RATIOS					
Gross profit margin	22.9%	20.6%	23.1%	19.0%	23.5%
Profit margin (EBIT margin)	2.4%	0.2%	3.1%	(1.4%)	4.4%
Liquidity ratio	147.8%	125.6%	147.8%	125.6%	149.3%
Equity ratio	41.6%	34.9%	41.6%	34.9%	41.9%
Return on equity	20.0%	(16.7%)	20.0%	(16.7%)	12.4%
Financial leverage	15.9%	25.3%	15.9%	25.3%	5.1%
NWC/revenue	28.4%	26.6%	28.4%	26.6%	26.7%
Earnings per share, DKK	0.50	(1.27)	1.28	(1.27)	4.12
Equity value per share, DKK	36.9	29.5	36.9	29.5	35.4
Share price, DKK	49.2	85.2	49.2	85.20	49.2
Price-book ratio	1.3	2.9	1.3	2.9	1.4
Market capitalisation, DKK thousands	152,836	264,667	152,836	264,667	151,725
ADDITIONAL NUMBERS, DKK THOUSANDS					
Order backlog	103,175	122,465	103,175	122,465	106,821

For calculation of financial ratios please see page 11. 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*

INCOME STATEMENT, EUR THOUSANDS	Q2 2019	Q2 2018	H1 2019	H1 2018	Year 2018
Revenue from contracts with customers	12,641	11,094	24,544	21,435	45,520
Gross profit	2,890	2,288	5,667	4,076	10,680
Operating profit (EBIT)	301	25	752	(299)	2,201
Net financial items	(97)	(100)	(175)	(205)	-462
Profit before tax	204	(75)	577	(504)	(1,739)
Profit for the period	205	(86)	528	(525)	1,704
BALANCE SHEET, EUR THOUSANDS					
Non-current assets	6,282	5,245	6,282	5,245	5,462
Current assets	30,264	26,829	30,264	26,829	29,371
Assets	36,546	35,206	36,546	35,206	34,832
Equity	15,221	12,28	15,221	12,280	14,606
Non-current liabilities	854	451	854	451	549
Current liabilities	20,471	21,362	20,471	21,362	19,678
Net interest-bearing debt	2,413	3,101	2,413	3,101	740
Net working capital	13,805	11,927	13,805	11,927	12,113
OTHER KEY FIGURES, EUR THOUSANDS					
Investment in intangible and tangible assets	106	6	181	168	474
Cash flow from operating activities (CFFO)	(78)	1,710	(739)	676	1,193
Free cash flow	(185)	1,704	(920)	508	3,959
Average number of employees	206	198	206	198	197
FINANCIAL RATIOS					
Gross profit margin	22.9%	20.6%	23.1%	19.0%	23.5%
Profit margin (EBIT margin)	2.4%	0.2%	3.1%	(1.4%)	4.40%
Liquidity ratio	147.8%	125.6%	147.8%	125.6%	149.3%
Equity ratio	41.6%	34.9%	41.6%	34.9%	41.9%
Return on equity	20.0%	(16.7%)	20.0%	(16.7%)	12.4%
Financial leverage	15.9%	25.3%	15.9%	25.3%	5.1%
NWC/revenue	28.4%	26.6%	28.4%	26.6%	26.7%
Earnings per share, EUR	0.07	(0.03)	0.17	(0.17)	0.55
Equity value per share, EUR	4.9	4.0	4.9	4.0	4.7
Share price, EUR	6.6	11.4	6.6	11.4	6.6
Price-book ratio	1.3	2.9	1,3	2.9	1.4
Market capitalisation, EUR thousands	20,469	35,514	20,469	35,514	20,319
ADDITIONAL NUMBERS, EUR THOUSANDS					
Order backlog	13,821	16,433	13,821	16,433	14,308

*On the translation of key figures and financial ratios from Danish kroner to euro, Danmarks Nationalbank's rate of exchange at 30 June 2019 of 746.68 has been used for balance sheet items, and the average rate of exchange of 746.6 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 – 30 June 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 2018 of SKAKO A/S. Furthermore, the interim report for the period 1 January – 30 June 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 30 June 2019 and of the results of the Group's operations and cash flows for the first six 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. A description of the principal risks and uncertainties facing SKAKO can be found in the annual report for 2018.

Faaborg, 22 August 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

The EBIT result in H1 2019 amounted to a profit of DKK 5.6m compared to a negative EBIT result of DKK -2.2m in H1 2018. The improved EBIT is due to increased revenue in Concrete Division and positive gross profit margins in both divisions. The positive results are generated in the Vibration Division, where an EBIT of DKK 8.7m was realised, while the Concrete Division realised an EBIT of DKK -1.9m. Corrected for the investment of DKK 2m in participation in the triennial BAUMA exhibition in Munich in April 2019, the Concrete Division realised a positive EBIT of DKK 0.1m.

At the beginning of Q3 2019 the order backlog amounts to DKK 103.2m, which is a decline of 15.8% compared to the beginning of Q3 2018, where the order backlog was DKK 122.5m. Order intake and backlog in H1 2018 was positively affected by one large order in the Concrete Division. Order intake in H1 2019 has primarily been generated in the Vibration Division. As a result, the Vibration Division has established a good order backlog for the rest of 2019, while the Concrete Division's backlog remains at a good level due to the high order intake in 2018.

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 23/4 2019, SKAKO Vibration has entered negotiations to acquire the Spanish company Dartek Proyectos y Maquinara S.L.L. and signed a Letter of intent for Dartek to join the Skako Group in 2019.

As a result of gross profit margins below the expected on plant orders, the EBIT result in the Concrete Division is not at a satisfying level. In 2017 and 2018, we have completed a restructuring, 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. Therefore, management has initiated project S2020 which aims to improve gross profit margins even further. Project S2020 initiatives 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 H1 2019 we have seen improvements in results from operations compared to H1 2018 and we expect this development to continue through 2019. In H2 2019 we expect to see an improvement in operating profit compared to H1 2019. The expected improvement is generated by both increased revenue, gross profit margins and cost savings on exhibitions and employee costs compared to H1 2019.

As announced in company announcement 23/4 2019, SKAKO Vibration has entered negotiations to acquire the Spanish company Dartek Proyectos y Maquinara S.L.L. and signed a Letter of intent for Dartek to join the Skako Group in 2019. We still expect to finalize the acquisition in Q3 2019. 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 is not expected to have a material impact on EBIT for 2019.

Guidance on earnings

As a result of order backlog, the results in H1 2019 and expectations to H2 2019, we maintain our guidance for an operating profit (EBIT) of DKK 17-22m 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	Q2 2019	Q2 2018	Change	H1 2019	H1 2018	Change
Revenue from contracts with customers	94,384	82,622	14.2%	183,268	159,639	14.8%
Production costs	(72,806)	(65,584)	11.9%	(140,905)	(129,284)	8.9%
Gross profit	21,578	17,038	26.6%	42,313	30,355	39.4%
<i>Gross profit margin</i>	<i>22.9%</i>	<i>20.6%</i>	<i>2.3pp</i>	<i>23.1%</i>	<i>19.0%</i>	<i>4.1pp</i>
Distribution costs	(12,118)	(9,548)	26.9%	(22,803)	(19,349)	17.9%
Administrative expenses	(7,212)	(7,304)	(1.3%)	(13,892)	(13,233)	5.0%
Operating profit (EBIT)	2,248	186	1208.6%	5,617	(2,227)	352.2%
<i>Profit margin (EBIT margin)</i>	<i>2.4%</i>	<i>(0.2%)</i>	<i>2.6pp</i>	<i>3.1%</i>	<i>(1.4%)</i>	<i>4.5pp</i>
Profit for the period	1,531	-640	339.2%	3,943	-3,912	200.8%
Average number of employees	206	198	4.0%	206	198	4.0%
Order intake	81,080	126,849	(36.1%)	179,642	209,329	(14.5%)
Order backlog end of period	103,175	122,465	(15.8%)	103,175	122,465	(15.8%)

Revenue

Revenue increased by 14.2% in Q2 2019 and 14.8% in H1 2019 compared to the same periods last year. In H1 2019 recurring revenue from Aftersales increased by 10.4% compared to H1 2018. The increase in revenue in both Q2 and H1 2019 is caused by an increase in the Concrete Division of 36.6%, while the Vibration Division realised a small decrease of 1.3%. The increase in revenue in the Concrete Division is primarily driven by the high order backlog entering 2019. In the Vibration Division we see an increase in revenue from Aftersales, while revenue from Plants decreased with 6% compared to same period in 2018.

Revenue, DKK million	Concrete			Vibration			Group*		
	H1 2019	H1 2018	Change	H1 2019	H1 2018	Change	H1 2019	H1 2018	Change
Plants	48.5	28.0	73.2%	63.6	67.7	(6.0%)	111.4	94.5	17.9%
Aftersales	45.6	40.9	11.5%	27.9	25.0	11.6%	71.9	65.1	10.4%
Total	94.1	68.9	36.6%	91.5	92.7	(1.3%)	183.3	159.6	14.8%

* After eliminations

Gross profit

While revenue increased by 14.2% in Q2 2019 and 14.8% in H1 2019, production costs only increased by 11.9% in Q2 2019 and 8.9% in H1 2019 compared to the same periods last year. This led to a gross profit margin of 22.9% in Q2 2019 and 23.1% in H1 2019 compared to 20.6% in Q2 2018 and 19.0% in H1 2018. The increase in gross profit margin is mainly due to the higher revenue from 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 26.9% in Q2 2019 and 17.9% in H1 2019 compared to the same periods last year, and administrative expenses decreased by 1.3 % in Q2 2019 and increased by 5.0% in H1 2019 compared to 2018. The increase in distribution costs is caused by the Concrete Division's participation in the triennial BAUMA exhibition in Munich in April 2019. The participation represents an investment of appr. DKK 2m which was not made in 2018 as the exhibition is only held every third year. The increase in administrative costs in H1 2019 is due to some one of positive effects in H1 2018.

Operating profit

Operating profit (EBIT) for Q2 and H1 2019 amounted to DKK 2.2m and DKK 5.6m compared to DKK 0.2m in Q2 2018 and -2,2m in H1 2018.

The higher operating profit (EBIT) in Q2 and H1 2019 compared to Q2 and H1 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 8.7m was realised, while the Concrete Division realised an EBIT of DKK -1.9 m. Corrected for the investment of DKK 2m in participation in the BAUMA exhibition, the Concrete Division realised an EBIT of DKK 0.1m in H1 2019.

As a result of gross profit margins below the expected on plant orders, the EBIT result in the Concrete Division is not at a satisfying level. In 2017 and 2018, we have completed a restructuring, 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. Therefore, management has initiated project S2020 which aims to improve gross profit margins even further. Project S2020 initiatives 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. In H2 2019 we expect to see an improvement in operating profit compared to H1 2019. The expected improvement is generated by both increased revenue, gross profit margins and cost savings on exhibitions and employee costs compared to H1 2019.

Order intake and backlog

In Q2 2019, order intake amounted to DKK 81.1m, which is a decrease of 36.1% compared to the same period last year. Order intake in Q2 2018 was positively affected by one large order in the Concrete Division. Order intake in H1 2019 amounted to DKK 179.6m compared to DKK 209.3m in H1 2018.

Order intake in Q2 2019 for the Concrete Division amounted to DKK 43.0m compared to DKK 71.4m in Q2 2018 and order intake in H1 2019 amounted to DKK 70.4m compared to 126.9m in H1 2018. Order intake in Q2 2019 for the Vibration Division amounted to DKK 39.7m compared to DKK 21.4m in Q2 2018 and DKK 112.1m in H1 2019 compared to DKK 84.4m in H1 2018.

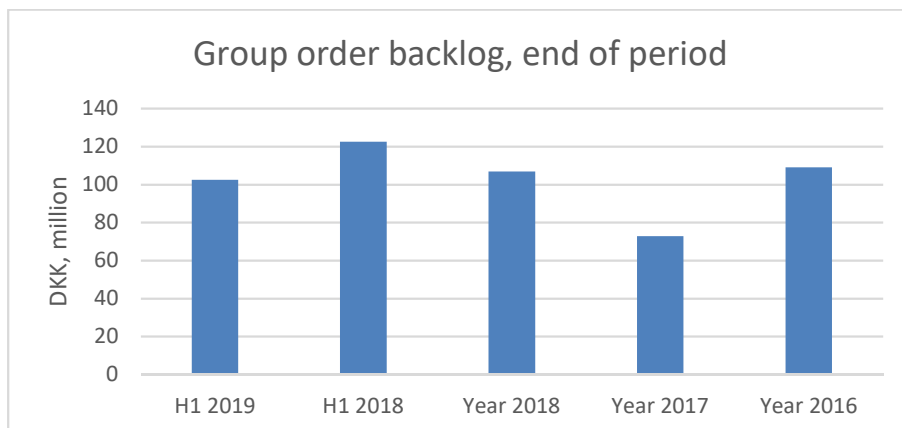
The order intake is primarily driven by a major project in the Vibration Division as announced in the company announcement 1/2019. Thus, the Vibration Division has established a good order backlog for the rest of 2019, while the Concrete Division's backlog remains at a good level due to the high order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

Order intake, DKK million	Concrete			Vibration			Group*		
	H1 2019	H1 2018	Year 2018	H1 2019	H1 2018	Year 2018	H1 2019	H1 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	70.4	126.9	209.5	112.1	84.4	168.2	179.6	209.3	373.3
Revenue	(94.2)	(68.9)	(160.7)	(91.5)	(92.7)	(182.6)	(184.0)	(159.6)	(339.3)
Order book, ending	49.1	82.1	72.9	54.9	40.4	34.3	103.2	122.5	106.8

*After eliminations

MANAGEMENT COMMENTARY - continued

The Group order backlog at the beginning of Q3 2019 amounts to DKK 103.2m which is a decline of 15.8% compared to the order backlog at the beginning of Q3 2018.



Cash flow developments

In the first six months of 2019, the Group generated cash flow from operating activities (CFFO) of DKK -5.5m compared to DKK 5.0m in H1 2018. The negative development in CFFO is primarily caused by long payment terms on plant projects in Morocco and England, while the group received large prepayments from customers in H1 2018. 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 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 July 2018 to 30 June 2019)

Dividends

As a result of the expected investment in Dartek Proyectos y Maquinara S.L.L in Q3 2019 the Board of Directors have chosen not to recommend dividend payment at the end of H1 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.

Outlook 2019

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

CONSOLIDATED INCOME STATEMENT

DKK thousands	Q2 2019	Q2 2018	H1 2019	H1 2018	Year 2018
Revenue from contracts with customers	94,384	82,622	183,268	159,639	339,273
Production costs	(72,806)	(65,584)	(140,955)	(129,284)	(259,670)
Gross profit	21,578	17,038	42,313	30,355	79,603
Distribution costs	(12,118)	(9,548)	(22,803)	(19,349)	(37,454)
Administrative expenses	(7,212)	(7,304)	(13,892)	(13,233)	(27,077)
Operating profit (EBIT) before special items	2,248	186	5,618	(2,227)	15,072
Special items	-	-	-	-	1,331
Operating profit (EBIT) after special items	2,248	186	5,618	(2,227)	16,403
Financial income	-	20	6	50	60
Financial expenses	(722)	(767)	(1,315)	(1,577)	(3,505)
Profit before tax	1,526	(561)	4,309	(3,754)	12,958
Tax on profit for the period	5	(79)	(366)	(158)	(260)
Profit for the period	1,531	-640	3,943	-3,912	12,698
Profit for the period attributable to SKAKO A/S shareholders	1,531	(640)	3,943	(3,912)	12,698
Earnings per share (EPS), DKK	0.50	(0,21)	1.28	(1,27)	4.12
Diluted earnings per share (EPS), DKK	0.50	(0,21)	1.28	(1,27)	4.12

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DKK thousands	Q2 2019	Q2 2018	H1 2019	H1 2018	Year 2018
Profit for the period	1,531	(640)	3,943	(3,912)	12,698
Other comprehensive income:					
Items that have been or may subsequently be reclassified to the income statement:					
Foreign currency translation, subsidiaries	82	(231)	82	(592)	253
Value adjustments of hedging instruments	(25)	(77)	(25)	(38)	(114)
Other comprehensive income	57	(308)	57	(630)	139
Comprehensive income	1,588	(948)	4,000	(4,542)	12,837
Comprehensive income attributable to SKAKO A/S shareholders	1,588	(948)	4,000	(4,542)	12,837

CONSOLIDATED BALANCE SHEET

DKK thousands	30 June 2019	30 June 2018	31 Dec 2018
Other intangible assets	5,731	3,918	6,252
Intangible assets under development	3,166	3,711	2,258
Intangible assets	8,897	7,629	8,510
Land and buildings	4,947	4,823	5,036
Plant and machinery	523	183	266
Operating equipment, fixtures and fittings	7,327	1,672	1,727
Leasehold improvements	318	91	305
Tangible assets under construction	59	22	60
Property, plant and equipment	13,174	6,791	7,394
Other receivables	1,261	1,157	1,258
Deferred tax assets	23,575	23,513	23,625
Other non-current assets	24,836	24,670	24,883
Total non-current assets	46,907	39,090	40,787
Inventories	54,919	49,173	52,206
Trade receivables	71,876	73,189	86,884
Contract assets	70,963	64,082	55,042
Income tax	167	831	736
Other receivables	7,754	6,552	12,381
Prepaid expenses	3,869	1,186	1,326
Other investments	74	74	74
Cash	16,355	4,859	10,671
Current assets	225,977	199,946	219,320
Assets held for sale	-	23,339	-
Assets	272,884	262,375	260,107

CONSOLIDATED BALANCE SHEET

DKK thousands	30 June 2019	30 June 2018	31 Dec 2018
Share capital	31,064	31,064	31,064
Foreign currency translation reserve	82	(985)	(140)
Hedging reserve	(25)	(72)	(148)
Retained earnings	82,533	61,510	78,290
Total equity	113,654	91,517	109,066
Leasing	2,884	-	-
Provisions	3,495	3,358	4,099
Non-current liabilities	6,379	3,358	4,099
Bank loans and credit facilities	28,744	27,868	16,193
Leasing	2,743	115	-
Provisions	2,210	7,461	2,460
Contracts liabilities	13,228	24,850	21,783
Trade payables	81,447	72,705	81,896
Income tax	81	-	81
Other liabilities	23,902	26,205	24,529
Deferred income	496	-	-
Current liabilities	152,851	159,204	146,942
Liabilities related to assets held for sale	-	8,297	-
Liabilities	159,230	170,858	151,041
EQUITY AND LIABILITIES	272,884	262,375	260,107

CONSOLIDATED CASH FLOW STATEMENT

DKK thousands	Q2 2019	Q2 2018	H1 2019	H1 2018	Year 2018
Profit before tax	1,526	(561)	4,309	(3,754)	12,958
Adjustments	840	373	1,596	(451)	(2,147)
Change in receivables, etc.	(8,259)	5	1,167	5,793	(5,020)
Change in inventories	1,306	(2,732)	(2,713)	(3,511)	(6,544)
Change in trade payables and other liabilities, etc.	4,256	16,028	(9,135)	8,948	13,399
Cash flow from operating activities before financial items and tax	(331)	13,113	(4,776)	7,025	12,646
Financial items received and paid	(722)	(747)	(1,309)	(1,527)	(3,446)
Taxes paid	467	378	569	(461)	(293)
Cash flow from operating activities	(586)	12,744	(5,516)	5,037	8,907
Investment in intangible assets	(383)	0	(762)	(190)	(1,417)
Investment in tangible assets	(412)	(43)	(589)	(1,059)	(2,118)
Sale of tangible assets	-	-	-	-	24,192
Cash flow from investing activities	(795)	(43)	(1,351)	(1,249)	20,657
Change in borrowings	-	(624)	-	(1,040)	(9,336)
Change in short-term bank facilities	8,989	(11,691)	12,551	(809)	(12,350)
Cash flow from financing activities	8,989	(12,315)	12,551	(1,849)	(21,686)
Change in cash and cash equivalents	7,608	386	5,684	1,939	7,878
Cash and cash equivalents beginning of period	8,809	4,557	10,744	3,031	3,031
Foreign exchange adjustment, cash and cash equivalents	11	(11)	-	(37)	(165)
Cash and cash equivalents at end of period	16,428	4,933	16,428	4,933	10,744
Breakdown of cash and cash equivalents at the end of the year:					
Cash and other investments	16,428	4,933	16,428	4,933	10,744
Cash and cash equivalents at the end of the year:	16,428	4,933	16,428	4,933	10,744

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)
Restated total equity at the beginning of the financial year	31,064	(140)	(148)	78,172	108,948
Comprehensive income in H1 2019:					
Profit for the period				3,943	3,943
Other comprehensive income:					
Foreign currency translation adjustments, subsidiaries		222			222
Value adjustments of hedging instruments			123		123
Other comprehensive income	-	222	123	-	345
Comprehensive income, period	-	222	123	3,943	4,288
Share-based payment, warrants				418	418
Equity at 30 June 2019	31,064	82	(25)	82,533	113,654

DKK thousands	Share capital	Foreign currency translation reserve	Hedging reserve	Retained earnings	Equity
Equity at 01 January 2018	31,064	(393)	(34)	65,064	95,701
Comprehensive income in H1 2018:					
Profit for the period				(3,912)	(3,912)
Other comprehensive income:					
Foreign currency translation adjustments, subsidiaries		(592)			(592)
Value adjustments of hedging instruments			(38)		(38)
Other comprehensive income	-	(592)	(38)	-	(630)
Comprehensive income, period	-	(592)	(38)	(3,912)	(4,542)
Share-based payment, warrants				358	358
Equity at 30 June 2018	31,064	(985)	(72)	61,510	91,517

SEGMENT INFORMATION

DKK thousands	Concrete	Vibration	Not distributed including parent company	Eliminations	Group total
H1 2019					
Revenue, external	94,113	89,155	-	-	183,268
Revenue, internal	-	2,332	-	(2,332)	-
Total revenue	94,133	91,487	-	(2,332)	183,268
Depreciation	(1,176)	(754)	-	-	(1,930)
Operating profit (EBIT)	(1,883)	8,672	(1,172)	-	5,617
Result before tax	(2,679)	8,203	(1,215)	-	4,309
Tax on profit for the year	135	(501)	-	-	(366)
Profit for the period	(2,544)	7,702	(1,215)	-	3,943
Order backlog, beginning	72,884	34,343	-	(406)	106,821
Order intake	70,370	112,074	-	(2,802)	179,642
Order backlog, ending	49,121	54,930	-	(876)	103,175
Segment non-current assets	29,013	13,811	4,083	-	46,907
Segment assets	121,235	156,201	4,237	(8,789)	272,884
Segment liabilities	56,501	106,036	5,483	(8,789)	159,231
Investment in intangible and tangible assets	997	354	-	-	1,351
Average number of employees	105	101	-	-	206

DKK thousands	Concrete	Vibration	Not distributed including parent company	Eliminations	Group total
H1 2018					
Revenue, external	68,844	90,795	-	-	159,639
Revenue, internal	35	1,865	-	(1,900)	-
Total revenue	68,879	92,660	-	(1,900)	159,639
Depreciation	(969)	(534)	-	-	(1,503)
Operating profit (EBIT)	(6,834)	5,590	(982)	-	(2,227)
Result before tax	(9,861)	4,913	(1,007)	-	(5,955)
Tax on profit for the year	(158)	-	-	-	(158)
Profit for the year	(10,020)	4,913	(1,007)	-	(6,113)
Order backlog, beginning	24,052	48,723	-	-	72,775
Order intake	126,938	84,447	-	(2,057)	209,328
Order Backlog, ending	82,111	40,510	-	(157)	122,466
Segment non-current assets	27,274	9,672	2,144	-	39,090
Segment assets	124,737	140,293	2,279	(4,934)	262,375
Segment liabilities	73,758	96,462	5,572	(4,934)	170,858
Investment in intangible and tangible assets	1,249	-	-	-	1,249
Average number of employees	101	97	-	-	198

QUARTERLY KEY FIGURES AND FINANCIAL RATIOS

	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Full year 2018
INCOME STATEMENT, DKK THOUSANDS						
Revenue	94,384	88,884	93,873	85,761	82,622	339,273
Gross profit	21,578	20,734	27,450	47,394	17,038	79,603
Operating profit (EBIT)	2,248	3,37	11,297	7,334	186	15,072
Net financial items	(722)	(587)	(1,251)	(667)	(747)	(3,445)
Profit before tax	1,526	2,783	10,046	6,667	-561	12,958
Profit for the period	1,531	2,412	9,805	6,806	-640	12,958
BALANCE SHEET, DKK THOUSANDS						
Non-current assets	46,907	46,967	40,787	39,482	39,090	40,787
Current assets	225,977	211,725	219,32	207,236	199,946	219,32
Assets	272,884	258,692	260,107	270,111	262,375	260,107
Equity	113,654	111,955	109,066	99,184	91,517	109,066
Non-current liabilities	6,379	7,144	4,099	3,361	3,358	4,099
Current liabilities	152,851	139,593	146,942	159,772	159,203	146,942
Net interest-bearing debt	18,016	16,856	5,522	20,122	23,124	5,522
Net working capital	103,082	97,304	90,453	86,982	88,889	90,453
OTHER KEY FIGURES, DKK THOUSANDS						
Investment in intangible and tangible assets	795	556	1,540	746	43	3,535
Cash flow from operating activities (CFFO)	(586)	(4,931)	(212)	4,08	12,744	8,907
Free cash flow	(1,380)	(5,487)	22,440	3,334	12,701	29,564
Average number of employees	206	201	197	201	198	201
FINANCIAL RATIOS						
Gross profit margin	22.9%	23.3%	29.2%	25.4%	20.6%	23.5%
Profit margin (EBIT margin)	2.4%	3.8%	10.6%	8.6%	0.2%	4.40%
Liquidity ratio	147.8%	151.7%	149.3%	129.7%	125.6%	149.30%
Equity ratio	41.6%	43.3%	41.9%	36.7%	34.9%	41.9%
Return on equity	20.0%	18.1%	12.4%	(14.5%)	(16.7%)	10.8%
Financial leverage	15.9%	15.1%	5.1%	20.3%	25.3%	5.1%
NWC/revenue	28.4%	27.7%	26.7%	26.4%	26.6%	26.7%
Earnings per share, DKK	0.50	0.78	3.17	2.21	(0.21)	4.11
Equity value per share, DKK	36.9	36.3	35.1	31.9	29.5	35.1
Share price, DKK	49.2	51.0	49.2	65.2	85.2	49.2
Price-book ratio	1.3	1.4	1.4	2.0	2.9	1.4
Market capitalisation, DKK thousands	152,836	158,427	152,836	202,538	264,667	152,836