

Q4 2020 Quarterly Results

TRESU Investment Holding A/S

26 February 2021

General information

- The interim financial report appended to this presentation is prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and additional Danish disclosure requirements for interim financial reports of listed companies
- IFRS 16 Leases standard are implemented as of January 2019.
- The interim financial report has neither been audited nor reviewed
- The statement of profit or loss in this presentation is complemented with a bridge to Adjusted EBITDA for comparability with prior periods
- Please refer to the interim financial report, including the notes to the financial statements, for full details
- This presentation and report will be available at www.tresu.dk/investor-relations
- The total nominal amount of bonds held by Altor TG AB, a fully-owned subsidiary of Altor Fund IV, as at the publication date of this report is EUR 12,122,500

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Heidi Thousgaard Jørgensen

Chief Executive Officer

Executive summary

Q4 '20 results in line with expectations

- Q4 '20 revenue and adj. EBITDA of DKK 68.9m and DKK 3.4m
- Solid order intake of DKK 88m, of which DKK 39m is capital sales
- Liquidity remains healthy at DKK 85m and supportive of the turnaround plan

Full year '20 in line with updated expectations

- Revenue and adj. EBITDA of DKK 302m and DKK 31.5m (EBITDA margin 10,4%)
- Order intake of DKK 309m, of which DKK 108m is capital sales, is acceptable in a year affected by covid-19

Outlook 2021

- Healthy order book and pipeline
- Continued focus on profitable growth and cost structure
- 2021 guidance revenue growth in the area of 15-25% and 11,5-13% adj. EBITDA margin

COVID-19 mitigating actions

- Continued strong focus on employee safety and business continuity
- Production site and sales offices remained operational throughout Q4
- Focus short-term on managing capacity and costs

Q4 '20 result

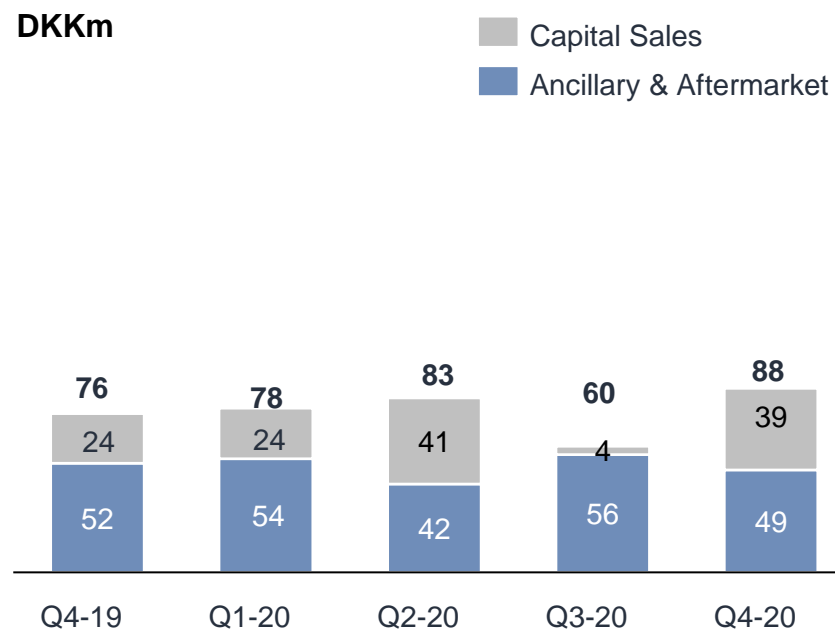
DKKm	Q4 2020	Q3 2020	YTD 2020
Revenue	68,9	63,5	302,1
Production costs	(73,8)	(63,0)	(279,1)
Gross profit/(loss)	(5,0)	0,5	23,0
Research and development costs	(1,1)	(1,5)	(6,2)
Distribution costs	(8,8)	(8,9)	(37,7)
Administrative costs	(7,0)	(11,9)	(46,9)
Other operating income	0,2	0,0	3,8
Other operating expenses	0,0	0,0	0,0
Operating profit/(loss)	(21,7)	(21,8)	(64,0)
Adjustments			
D&A	2,3	3,6	13,5
NRI	3,3	8,7	18,6
PPA depreciations	16,8	12,7	53,7
IFRS 16 depreciations on leases	2,7	2,3	9,7
Adjusted EBITDA (non IFRS)	3,4	5,5	31,5
NWC	0,1	(8,5)	0,1
Net debt	543,4	537,1	543,4
Available liquidity	85,0	93,9	85,0

Comments

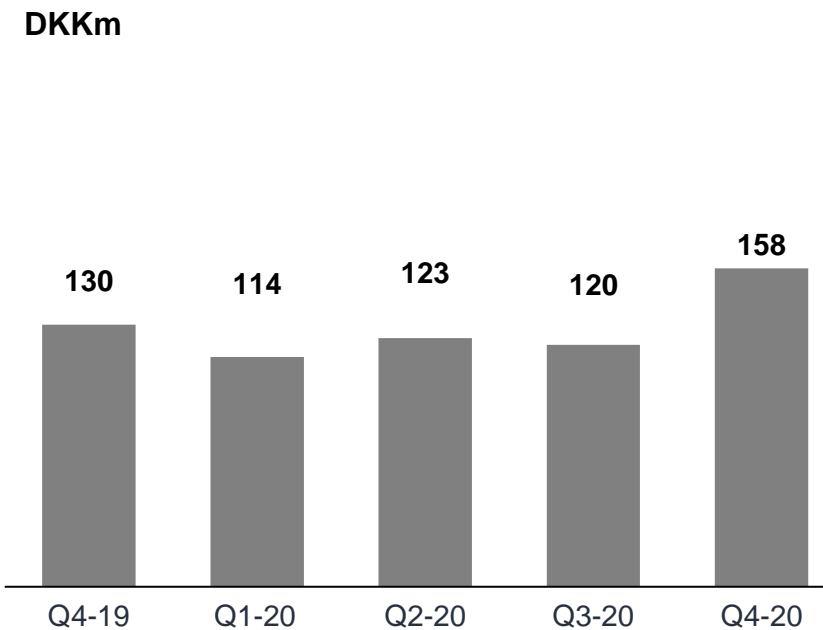
- Q4 '20 revenue and adj. EBITDA of DKK 68.9m and DKK 3.4m (4.9% margin)
- Net debt of DKK 543.4m by end of Q4' 20 (DKK 537.1m by end of Q3 '20); negative cash flow of DKK 7.8 from operating activities in Q4 '20
- Liquidity remains healthy and supportive of turnaround plan

Order intake and order book development

Order intake



Order book



Financial Outlook for 2021

2021 Key metrics	Drivers
<p>Revenue growth</p>	<ul style="list-style-type: none"> • Healthy backlog and cap sales pipeline • Ancillary • Aftermarket & Service
<p>Adj. EBITDA margin</p>	<ul style="list-style-type: none"> • Revenue growth • Continued Supply chain efficiencies
<p>Available liquidity</p>	<ul style="list-style-type: none"> • EBITDA growth • Decreasing extraordinary costs • Sale of real estate in Denmark

● — **Approx. 15 to 25%** — ●
(2020: DKK 302)

● — **11,5 to 13,0%** — ●
(2020: 10,4%)

Positive cash flow generation after interest costs

Appendix

Statement of profit or loss

DKKm	Q4 2020	Q3 2020	YTD 2020
Revenue	68,9	63,5	302,1
Production costs	(73,8)	(63,0)	(279,1)
Gross profit/(loss)	(5,0)	0,5	23,0
Research and development costs	(1,1)	(1,5)	(6,2)
Distribution costs	(8,8)	(8,9)	(37,7)
Administrative costs	(7,0)	(11,9)	(46,9)
Other operating income	0,2	0,0	3,8
Other operating expenses	0,0	0,0	0,0
Operating profit/(loss)	(21,7)	(21,8)	(64,0)
Financial income	2,1	0,1	3,7
Financial expenses	(8,1)	(8,5)	(33,3)
Profit/(loss) before tax	(27,7)	(30,2)	(93,6)
Tax on profit/(loss) for the period	8,2	3,0	18,2
Profit/(loss) for the period	(19,5)	(27,2)	(75,3)

Statement of financial position

DKKkm	Dec-20	Sep-20
Goodwill	174,0	174,0
Completed development projects	27,1	29,7
Patents and licenses*	168,8	173,4
Brand	37,9	37,9
Customer relationship*	111,6	118,8
Intangible assets	519,3	533,8
Land and buildings	0,0	0,0
Plant and machinery	35,8	35,6
Other fixtures and fittings, tools and equipment	4,4	4,8
Leasehold improvements	3,6	3,7
Finance lease - NC	100,9	95,3
Property, plant and equipment	144,6	139,4
Deferred tax assets	0,0	0,0
Deposits	10,1	10,1
Other non-current assets	10,1	10,1
Non-current assets	674,0	683,3
Inventories**	68,1	61,4
Trade receivables	29,1	21,6
Contract work in progress**	3,5	9,0
Tax receivables	5,5	1,5
Other short-term receivables	7,9	10,0
Prepayments	3,6	4,4
Receivables	117,7	107,9
Cash	16,5	17,1
Assets as held for sale	8,0	8,0
Finance lease - C	0,0	0,0
Current assets	142,1	132,9
Assets	816,2	816,2

DKKkm	Dec-20	Sep-20
Contributed capital	2,9	2,9
Other reserves	3,1	5,0
Retained earnings	(49,0)	(34,2)
Equity	(43,0)	(26,2)
Provisions for deferred tax	76,6	68,0
Other provisions	3,1	4,6
Corporate bonds	518,3	520,1
Finance lease liabilities	90,9	86,1
Other payables	6,9	6,9
Non-current liabilities	695,8	685,6
Current portion of long-term lease liabilities	11,3	10,3
Current portion of long-term other payables	0,0	0,0
Bank debt	41,5	34,0
Payable group company	8,0	8,0
Contract liabilities*	40,5	20,3
Trade payables**	20,2	36,1
Other payables	41,8	48,0
Current liabilities	163,3	156,8
Total liabilities	859,2	842,5
Equity and liabilities	816,2	816,2

Statement of cash flows

DKKm	Q4 2020	Q1-Q3 2020	YTD 2020
Operating profit/loss	(21,7)	(42,3)	(64,0)
Amortisation, depreciation	20,5	46,7	67,2
Impairment losses	0,0	0,0	0,0
Other provisions	(1,5)	(0,1)	(1,6)
Working capital changes	(8,4)	39,7	31,2
Cash flows from ordinary operating activities	(11,1)	44,0	32,8
Financial income received	1,0	0,1	1,0
Financial expenses paid	(9,9)	(23,4)	(33,3)
Income taxes refunded/paid	12,3	22,8	35,1
Cash flows from operating activities	(7,8)	43,6	35,7
Acquisition etc. of intangible assets	(5,3)	(0,2)	(5,6)
Acquisition etc. of property, plant and equipment	5,2	(6,1)	(1,0)
Acquisition etc. of financial fixed assets	0,0	0,0	0,0
Proceeds from disposal of financial fixed assets	0,0	0,0	0,0
Disposal of property, plant and equipment	0,0	8,1	8,1
Cash flows from investing activities	(0,2)	1,8	1,6
Proceeds from (repayments of) related party borrowings	0,0	0,0	0,0
Leasing	0,0	(0,6)	(0,6)
Repayment of bank debt	7,5	(36,7)	(29,2)
Tax exempt contribution received from parent	0,0	0,0	0,0
Corporate bonds	0,0	0,0	0,0
Cash flows from financing activities	7,5	(37,3)	(29,8)
Increase/decrease in cash and cash equivalents	(0,5)	8,0	7,5
Cash and cash equivalents at the beginning of the period	17,1	9,1	9,1
Cash and cash equivalents end of the period	16,6	17,1	16,6
Cash and cash equivalents at period end are composed of:			
Cash	21,5	11,4	11,4
Cash and cash equivalents end of the period	16,6	17,1	16,6

Changes in method for estimate of WIP

- Total cost used for calculation of Percentage of Completion (POC) instead of hours
- Minor effect on 2020 result
 - Revenue of DKK 16m and CM of DKK 3m transferred into 2021
 - Transfer of DKK 22m in revenue and DKK 0 in CM from 2019
 - Total net effect on 2020 result is DKK 6m in additional revenue and DKK 3m less in CM