



TRADING UPDATE

for the period 01.01.2020 - 30.06.2020

This announcement is a translation of the original Danish version.
In case of discrepancies, the Danish version prevails.

CVR-nr. 25 36 2195

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- 11 % decrease in turnover
- Savings of 8 MDKK compared to last year and significant cash flow optimization
- Expectations of a break even is maintained
- Delisting – last trading day October 19, 2020

Turnover

During the 1st half of 2020, the Esoft group realized a total of 11% lower turnover compared to the same period in 2019.

Despite a good start to the year, Covid-19 which occurred in the last part of Q1, has had a negative impact on the group turnover.

In the Danish market, turnover for the 1st half of 2020 is significantly below same period last year, which is in line with the general market developments in the Danish market. Despite customer growth, the fall in properties for sale has resulted in the company's budget expectations being out of reach.

In the Swedish market, the market situation also provides challenges and the realized turnover is significantly below the same period last year.

On the markets in North America, Australia and the rest of Europe, the close-downs due to Covid-19 have turned the Q1 progress into an overall decline by the end of Q2, comparing to the same period last year.

Earnings/EBIT

As per June 30, 2020, the earnings are below the level of last year, but substantially aided by the measures taken in relation to the Covid-19, which included economical aid packages, implementing cost savings and cash flow optimization.

In Q2 to last year, cost savings of 8 MDKK have been achieved, and substantial postponements of taxes and duties, as well as several investments, have been made. This effective plan have resulted in a positive cash flow impact that have prepared the group for the upcoming payments of taxes and duties, resuming investments, as well as for the upcoming low season.

Expectations for the whole 2020

As earlier stated, the company's expectations for the full year are a decline both in terms of top line and earnings. Therefore, the bottom line is expected to end up lower than last year. The current normalizations are expected to continue for the rest of the year, but the risk of a phase 2 of the Covid-19 is recognized, and therefore the expectations of a break even on the bottom line is maintained.

Delisting

It should be emphasized that the company's shares will have their last trading day on October 19, 2020, and they will be deleted from trading as of October 20, 2020. This means that as of October 20, 2020, the company's shares will no longer trade on a digital marketplace and thus there will no longer be a public pricing of the company's shares, which could make it more difficult to trade the company's shares. Furthermore, the company will be subject to changed and less extensive disclosure obligations. The rights of remaining shareholders will follow the Companies Act's rules for unlisted companies.

The main shareholder of the company has made a standing purchase order of 25 DKK per share in the market, which will be maintained up until October 19, 2020.

Key figures**TDKK**

Figures for the period	1.1.20- 30.6.20	1.1.19- 30.6.19
Turnover	78.103	87.614
EBIT	3.754	5.409
Financial income / expenses	-317	-426
Net result for the period, EBT	3.437	4.983
Total assets	46.632	33.495
Equity	17.955	15.584

Cash Flow

Cash flow from operating activities	11.433	-2.417
Cash flow from investing activities	-2.298	-2.436
Dividend and share buy-back	-169	-21.680
Total cash flow	8.966	-26.533
Cash and cash equivalents beginning	-1.460	21.194
Cash and cash equivalents end	7.506	-5.339

Equity

	1.1.20 - 30.6.20	1.1.19- 30.6.19
Equity beginning	15.701	32.904
Net result for the period, EBT	3.114	4.476
Dividend	0	-17.989
Own shares	-169	-3.691
Adjustments	-691	-116
Equity end	17.955	15.584

Other key figures

Share capital (1.000 DKK)	3.507	3.507
Number of shares	3.506.688	3.506.688
Result before tax per share	0,98	1,42
Book value of equity per share	5,12	4,44
Market price per share, June 30 th	25,0	19,8
Market value (1.000 DKK)	87.667	69.432

The board of directors

The Esoft Systems A/S board of directors is composed of:

- Torben Frigaard Rasmussen, chairman of the board
- Michael Vinther
- René Dines Hermand

Board decisions

Except for the messages already communicated through First North, no fundamental decisions have been made during the period in question.

The company's shareholdings

Esoft Systems A/S holds 212.637 shares in the company.

The board and management – direct and indirect shareholdings

Group CEO René Dines Hermand, 2.832.569 shares.

The company had an average of approximately 220 shareholders during the period in question.

Certified Adviser and the adviser's employees – direct and indirect shareholdings

Certified Adviser holds no shares in the company.

Further information:

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Since Esoft was founded in the year 2000, the company has had continuous growth, and today consists of more than 650 colleagues in offices in Denmark, Sweden and Vietnam.

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