

Q1 2020 Quarterly Results

TRESU Investment Holding A/S

28 May 2020



BRINGING FLEXOGRAPHIC TECHNOLOGY TO A HIGHER LEVEL

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

Questions can be directed by phone +45 23 41 50 85 to:

Heidi Thousgaard Jørgensen

Chief Executive Officer

Executive summary

1 Progress on turnaround plan

- Good progress on top 5 strategic initiatives

2 Q1 '20 results in line with expectations

- Q1 '20 revenue and adj. EBITDA of DKK 95.1m and DKK 8.3m (8.7% margin)

3 COVID-19 impact and mitigating actions






- Strong focus on employee safety and business continuity
- Production site and sales offices remained operational throughout Q1
- No P&L impact from COVID-19 in Q1 '20
- Focus short-term on managing capacity and costs (workforce reduction of 30 FTEs)

4 Focus mid-term on post-COVID-19 opportunities

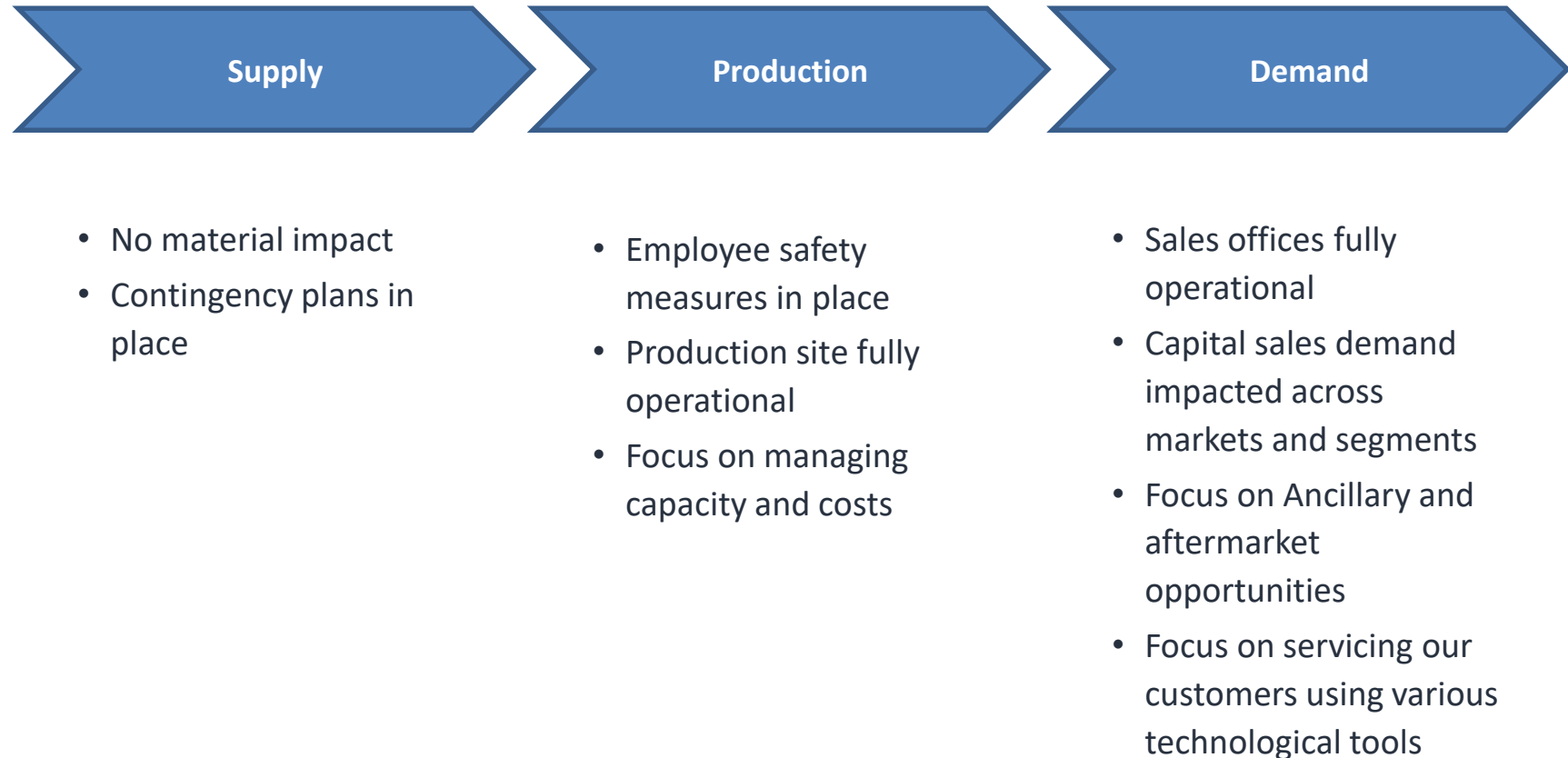
- Tresu's strong value proposition remains unchanged
- Continued commitment to turnaround plan
- Liquidity remains healthy and supportive of the turnaround plan

5 Financial guidance remains suspended

Latest status: 5 strategic priorities for turnaround agenda

| Strategic priorities | Latest status | Current Status |
|---|---|----------------|
|  Profitable growth | <ul style="list-style-type: none"> Cap sales: Pipeline rebuild ongoing and key account plans being established Work continues on full Ancillary and Aftermarket strategy for proactive lifecycle management of the installed base and servicing OEMs more extensively | Ongoing |
|  Project Management secure margins | <ul style="list-style-type: none"> Old projects under control and nearing completion Contract and Project Review Boards running | On Track |
|  Digital improve profitably | <ul style="list-style-type: none"> Good momentum on development work for next generation model with existing key account | On Track |
|  Supply Chain transform and improve | <ul style="list-style-type: none"> New HQ / production facility operational since Aug '19 Transformation agenda now set in motion, with continued focus on ensuring partnership with the right suppliers to ensure high quality and cost savings | On Track |
|  Right-Sizing lower break-even point | <ul style="list-style-type: none"> Right-sizing in Tresu Denmark in Nov '19 Adjustment to current Covid-19 situation in Apr '20 | On Track |

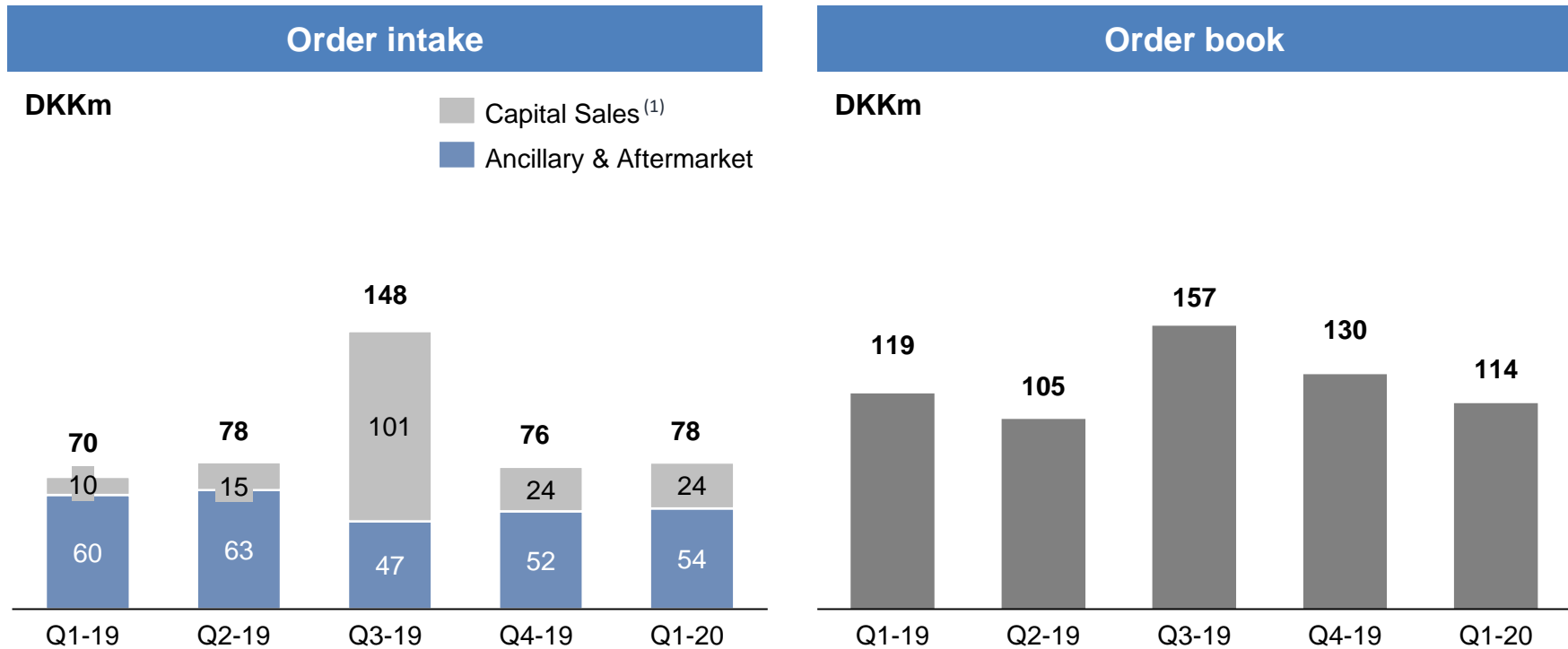
COVID-19 impact and mitigating actions



Q1 '20 reconfirms turnaround effort

| DKKm | Q1 2020 | Q4 2019 | Comments |
|-----------------------------------|---------------|---------------|--|
| Revenue | 95,1 | 98,7 | <ul style="list-style-type: none"> Q1 '20 revenue and adj. EBITDA of DKK 95.1m and DKK 8.3m (8.7% margin) |
| Production costs | (83,1) | (85,7) | |
| Gross profit/(loss) | 12,0 | 13,1 | |
| Research and development costs | (1,6) | (3,0) | <ul style="list-style-type: none"> Net debt of DKK 582.6m by end of Q1' 20 (DKK 580.7m by end of Q4 '19); however, positive cash flow from operating activities in Q1 '20 |
| Distribution costs | (11,2) | (10,9) | |
| Administrative costs | (11,2) | (16,0) | |
| Other operating income | 0,0 | 0,0 | <ul style="list-style-type: none"> Liquidity remains healthy and supportive of turnaround plan |
| Other operating expenses | 0,0 | (7,5) | |
| Operating profit/(loss) | (12,0) | (24,2) | |
| Adjustments | | | |
| D&A | 4,0 | 7,1 | |
| NRI | 1,4 | 9,3 | |
| PPA depreciations | 12,6 | 10,7 | |
| Impairment losses | 0,0 | 5,0 | |
| IFRS 16 depreciations on leases | 2,3 | 2,3 | |
| Adjusted EBITDA (non IFRS) | 8,3 | 10,2 | |
| NWC | 29,4 | 31,3 | |
| Net debt | 582,6 | 580,7 | |
| Available liquidity | 37,2 | 46,2 | |

Order intake and order book development



(1) Includes order intake from Digital segment.

Capital Markets Day in 2020

- It has been decided to postpone the company's Capital Markets Day at Tresu's new facility in Kolding scheduled for June 3, 2020
- The decision is made out of respect for bondholder and employee safety, and due to the COVID-19 guidelines regarding events communicated by the Danish authorities
- Given the current uncertainty related to the course of the COVID-19 pandemic a new date for the Capital Markets Day is still to be determined. However, it will expectedly be held in Q3 2020. Once a date is set, a notice with agenda will be published

Appendix

Statement of profit or loss

| DKKm | Q1 2020 | Q4 2019 |
|-------------------------------------|---------------|---------------|
| Revenue | 95,1 | 98,7 |
| Production costs | (83,1) | (85,7) |
| Gross profit/(loss) | 12,0 | 13,1 |
| Research and development costs | (1,6) | (3,0) |
| Distribution costs | (11,2) | (10,9) |
| Administrative costs | (11,2) | (16,0) |
| Other operating income | 0,0 | 0,0 |
| Other operating expenses | 0,0 | (7,5) |
| Operating profit/(loss) | (12,0) | (24,2) |
| Financial income | 1,7 | 0,2 |
| Financial expenses | (7,9) | (8,9) |
| Profit/(loss) before tax | (18,2) | (33,0) |
| Tax on profit/(loss) for the period | 3,5 | 11,2 |
| Profit/(loss) for the period | (14,7) | (21,8) |

Statement of financial position

| DKKkm | Mar-20 | Dec-19 |
|--|--------------|--------------|
| Goodwill | 174,0 | 174,0 |
| Completed development projects | 31,4 | 32,2 |
| Patents and licenses* | 182,8 | 185,3 |
| Brand | 37,9 | 37,9 |
| Customer relationship* | 132,6 | 139,9 |
| Intangible assets | 558,7 | 569,3 |
| Land and buildings | 0,0 | 0,0 |
| Plant and machinery | 38,9 | 43,1 |
| Other fixtures and fittings, tools and equipment | 5,7 | 6,0 |
| Leasehold improvements | 3,9 | 4,5 |
| Finance lease - NC | 98,1 | 98,0 |
| Property, plant and equipment | 146,5 | 151,6 |
| Deferred tax assets | 0,0 | 0,0 |
| Deposits | 10,1 | 10,1 |
| Other non-current assets | 10,1 | 10,1 |
| Non-current assets | 715,4 | 731,1 |
| Inventories** | 76,1 | 60,3 |
| Trade receivables | 37,4 | 35,3 |
| Contract work in progress** | 19,3 | 40,8 |
| Tax receivables | 4,0 | 3,7 |
| Other short-term receivables | 7,0 | 6,9 |
| Prepayments | 1,5 | 1,2 |
| Receivables | 145,2 | 148,3 |
| Cash | 11,4 | 9,1 |
| Assets as held for sale | 11,5 | 11,5 |
| Finance lease - C | 0,0 | 0,0 |
| Current assets | 168,1 | 168,9 |
| Assets | 883,5 | 900,0 |

| DKKkm | Mar-20 | Dec-19 |
|--|--------------|--------------|
| Contributed capital | 2,9 | 2,9 |
| Other reserves | 3,9 | 5,0 |
| Retained earnings | 9,6 | 24,3 |
| Equity | 16,4 | 32,3 |
| Provisions for deferred tax | 51,8 | 55,3 |
| Other provisions | 5,2 | 4,7 |
| Corporate bonds | 519,4 | 519,1 |
| Finance lease liabilities | 88,6 | 88,8 |
| Other payables | 6,9 | 6,0 |
| Non-current liabilities | 671,8 | 673,8 |
| Current portion of long-term lease liabilities | 10,4 | 9,9 |
| Current portion of long-term other payables | 0,0 | 0,9 |
| Bank debt | 74,6 | 70,8 |
| Payable group company | 8,0 | 8,0 |
| Contract liabilities* | 6,6 | 6,8 |
| Trade payables** | 62,4 | 64,6 |
| Other payables C | 33,3 | 33,0 |
| Current liabilities | 195,3 | 194,0 |
| Total liabilities | 867,1 | 867,8 |
| Equity and liabilities | 883,5 | 900,0 |

Statement of cash flows

| DKKm | Q1 2020 | Q4 2019 |
|--|--------------|---------------|
| Operating profit/loss | (12,0) | (24,2) |
| Amortisation, depreciation | 16,6 | 20,1 |
| Impairment losses | 0,0 | 5,0 |
| Other provisions | 0,4 | (1,4) |
| Working capital changes | 1,9 | 21,2 |
| Cash flows from ordinary operating activities | 6,9 | 20,7 |
| Financial income received | 0,2 | 0,1 |
| Financial expenses paid | (5,5) | (4,5) |
| Income taxes refunded/paid | 0,0 | 0,0 |
| Cash flows from operating activities | 1,5 | 16,2 |
| Acquisition etc. of intangible assets | (2,5) | (4,2) |
| Acquisition etc. of property, plant and equipment | (0,2) | (11,7) |
| Acquisition etc. of financial fixed assets | 0,0 | 0,0 |
| Proceeds from disposal of financial fixed assets | 0,0 | 0,1 |
| Disposal of property, plant and equipment | 0,0 | 5,1 |
| Cash flows from investing activities | (2,7) | (10,7) |
| Proceeds from (repayments of) related party borrowings | 0,0 | (0,3) |
| Leasing | (0,3) | (6,5) |
| Repayment of bank debt | 3,8 | 3,7 |
| Tax exempt contribution received from parent | 0,0 | 0,0 |
| Corporate bonds | 0,0 | 0,0 |
| Cash flows from financing activities | 3,5 | (3,1) |
| Increase/decrease in cash and cash equivalents | 2,3 | 2,4 |
| Cash and cash equivalents at the beginning of the period | 9,1 | 6,7 |
| Cash and cash equivalents end of the period | 11,4 | 9,1 |
| Cash and cash equivalents at period end are composed of: | | |
| Cash | 11,4 | 9,1 |
| Cash and cash equivalents end of the period | 11,4 | 9,1 |