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Q1 2018 Highlights

Q1 Highlights 2018

- Revenue was 53,6 million DKK (2017/18: 61,5 million DKK)
- EBITDA was 2,5 million DKK before non-recurring items and fair value adjustment on investment properties (2017/18: 7,0 million DKK before non-recurring items and fair value adjustment on investment properties)

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Performance
1st Quarter 2018

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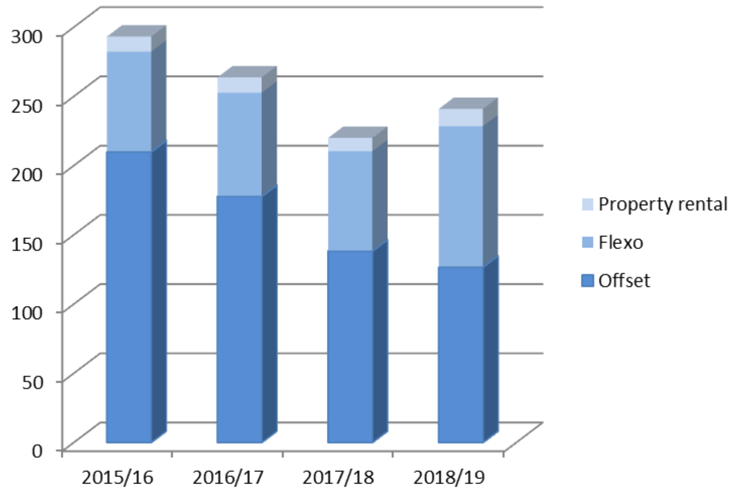
Annual financial statement

Profit and Loss Statement

DKK mill.	3 months 2018/19	3 months 2017/18	10 months 2017/18	12 months 2016/17	12 months 2015/16
Net sales	**53,6**	**61,5**	**220,0**	**263,8**	**293,2**
Gross profit	n/a	n/a	62,8	31,6	58,7
Operating profit/loss before non-recurring items (EBITDA)	**2,5**	**7,0**	**26,0**	**15,3**	**10,2**
Net gain/loss from financial items	n/a	n/a	-4,5	-7,9	-2,7
Pre-tax proifit7loss (EBT)	n/a	n/a	13,7	-67,0	-9,0
Total profit/loss for the year	n/a	n/a	**9,9**	**-61,0**	**-8,9**

Q1 of 2018/19 produced a 8 MDKK lower revenue than Q1 of 2017/18 – however Offset revenue decreased 10+ MDKK, which totalled 53,6 MDKK in group revenue in Q1 2018/19



We are expecting a decrease of in the Offset segment during 2018/19 despite that the Offset market is stabilizing according to external reports.

We expect an increase in the Flexo segment, which in 2018/19 will consist of app. 45% of our Prepress revenue – compared to app. 35% in 2017/18

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Annual financial statement

Balance Sheet

DKK mill.	3 months 2018/19	3 months 2017/18	10 months 2017/18	12 months 2016/17	12 months 2015/16
Assets					
Long-term assets	172,0	173,1	172,2	175,5	206,5
Current assets	100,6	90,4	106,7	93,0	122,4
Goodwill	0,0	0,0	0,0	0,0	11,8
Total assets	**272,6**	**263,5**	**278,9**	**268,5**	**340,7**
Liabilities					
Share Equity	91,0	77,8	92,2	75,5	134,5
Long-term liabilities	79,6	80,0	81,1	81,4	101,1
Current liabilities	102,0	105,7	105,6	111,6	105,1
Total liabilities	**272,6**	**263,5**	**278,9**	**268,5**	**340,7**

The balance sheet is affected by the lower sales in Q1 2018/19, which has led to higher than expected higher inventories (6+ MDKK) and trade receivables (4+ MDKK) – the later caused by extended payment terms.

This has created a high demand for use of credit facilities which have caused interest bearing debt to increase by 10+ MDKK.

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Points in the turnaround plan - EBITDA

SALES

- Stop all rebates
- Increase sales prices on machines and spare parts
- Increase after market service (service contracts/extension of warranty)
- Revise discount structure for spare parts

SCM

- Minimize product portfolio
- Reduce material spend based on fewer items and higher quantities
- Sales and operations planning
- Sell obsolete stock items

R&D

- Focus on developments that will bring sales short term first
- Stop all low profit/non focus projects
- Work on fewer projects ("play where the money is")
- Spend majority of resource's on value added/value engineering for 3 months

General

- Reduce the organisation to fit the above and define production footprint
- Change the reporting lines of the organisation
- Define positioning of headquarter in DK
- Reduce fix cost spending (Auditor, Global Industries etc.)

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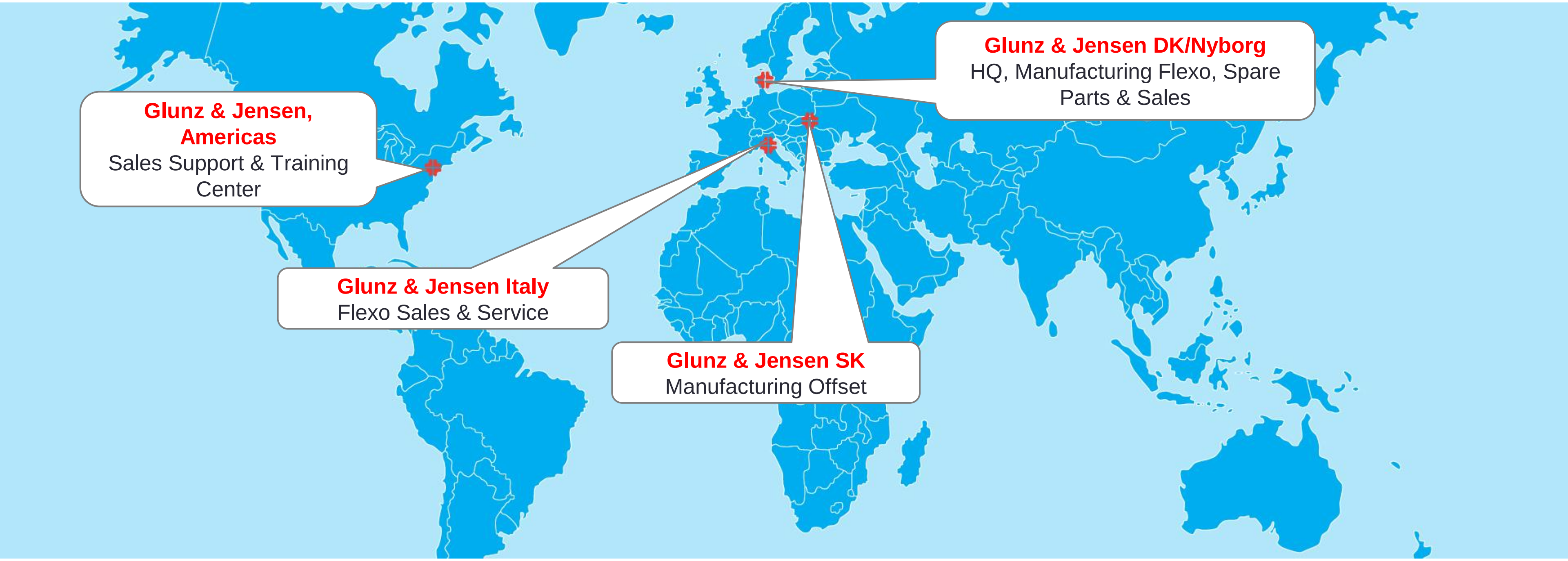
Glunz & Jensen locations



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Current/future performance

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Revised target for 2018/19

- EBITDA before non-recurring items at the level of DKK 24 mill. level

- WC increasing by maximum DKK 8 mill.

- Implement all major initiatives by 2018/19)

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2018/19 Expectations

DKK mill.	12 months 2018/19	10 months 2017/18	12 months 2016/17	12 months 2015/16
Net sales	240	220,0	263,8	293,2
EBITDA *	24	26,0	15,3	10,2
EBITDA%*	10%	11,8%	5,8%	3,5%

***) Before non-recurring**

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Please also visit us at www.glunz-jensen.com

Questions