



StrongPoint



Q1 2019

Financial report and status

CEO statement

We are proud to present a good start for the year.

All the business areas of StrongPoint: Retail Technology, Cash Security and Labels, delivered a very solid growth both in revenues and earnings. The revenue growth of 15 % is primarily driven by Retail Technology in Norway and the Baltic, as well as Cash Security, which in the quarter continued to deliver on the large, previously announced agreements. The group is largely driven by projects and several major projects were completed during the quarter. The EBITDA improvement has four main sources: Good development within Retail Technology, large deliveries and reduced warranty costs for Cash Security, as well as realization of previously announced annual cost savings of MNOK 30 and the transition to IFRS 16 *, where leases are capitalized and expensed as interest and depreciation.

In addition to delivering good financial results, we focus on delivering on our previous promises: Within E-Commerce, we invest in sales resources and "productification" of our E-Commerce Logistics Suite. In Spain, sales of our Cash Management solutions continue through "RoadRunners", our proprietary agent concept. We are expanding the "RoadRunners" concept to Germany these days. The "Easy Access" rental concept also shows a promising start.

Furthermore, we are progressing in the work of expanding the partner network, as we have done with Harting Systems in Germany and with Radiant Globaltech in Malaysia for the Southeast Asia market.

From the beginning of this year, we changed the reporting structure to better reflect the way we work. The segment reporting will from now on be: Retail Technology, Cash Security and Labels.

In the future, StrongPoint will focus on strengthening Retail Technology. Firstly, this means maintaining and strengthening our relevance in Norway, Sweden and the Baltic. Furthermore, we will invest to increase our presence in Spain. Finally, we will continue to grow our E-commerce business into a significant part of StrongPoint's business. Beyond that, we will do our utmost to be the best owner and employer for all business under the StrongPoint umbrella.



Jacob Tveraabak
CEO

Highlights 1st quarter

Very strong 1st quarter figures

- Operating revenues: +15,3 % MNOK 288,2 (250,1)
- EBITDA: MNOK 27,7* (11,5)
- Cash flow from operational activities: MNOK 10,7* (-6,3)

Several significant customer breakthroughs and deliveries

- Electronic shelf labels for Rimi Baltic.
- Strong increase in sale of Vensafe in Norway and Sweden.
- First agreement for electronic shelf labels with Gintarinė Vaistinė, a pharmacy chain in the Baltic.
- Deliveries of Self-Checkout solutions to a grocery chain in the Baltic.
- Production of labels using RFID technology from Labels to retail customers.

Important milestones for go-to-market model

- Partner agreement with Harting Systems regarding the development and sale of Self-Checkout solutions in Germany.
- Exclusive distribution agreement with Radiant Globaltech regarding the sale of StrongPoints products in Southeast Asia.
- The RoadRunners concept expands to Germany.

Proposed dividend of NOK 0.55 per share

*) The transition to IFRS 16 had a positive effect on the EBITDA and Cash flow from operational activities of MNOK 5.7

Financial Calendar 2019

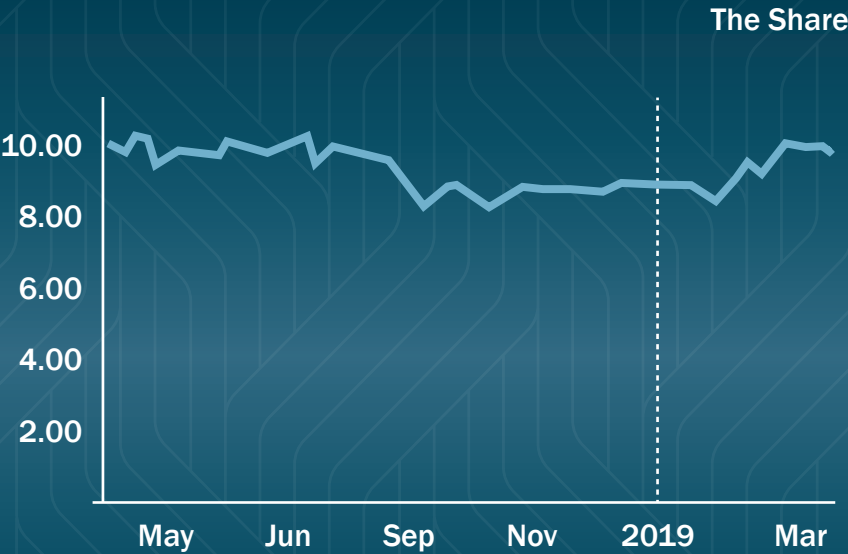
Q2 – 16.07
Q3 – 31.10
Annual General Meeting – 26.04

The presentations (with the exception of the Q2) will take place at Hotel Continental, Stortingsgaten 24/26 in Oslo.

Webcast will be available at our website strongpoint.com from CET 08.15, the same time as the presentation starts.

For more information:

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Key figures (MNOK)

	Q1 2019	Q1 2018	YTD 2019	YTD 2018	Year 2018
Operating revenue	288,2	250,1	288,2	250,1	1 067,7
EBITDA	27,7*	11,5	27,7*	11,5	67,5
EBITDA margin	9,6 %	4,6 %	9,6 %	4,6 %	6,3 %
Operating profit (EBIT)	14,1	1,9	14,1	1,9	29,9
Ordinary profit before tax (EBT)	16,8	6,4	16,8	6,4	26,0
Cash flow from operational activities	10,7*	-6,3	10,7*	-6,3	21,4
Disposable funds	79,1	65,6	79,1	65,6	87,0
Earnings per outstanding shares (NOK)	0,30	0,12	0,30	0,12	0,30

*) The transition to IFRS 16 had a positive effect on the EBITDA of MNOK 5,7.

StrongPoint Group

The business area Retail Technology delivers solutions that streamlines store operations, e-commerce and simplify the shopping experience. StrongPoint is represented with its own organization in its primary markets, and to accelerate sales in other markets, a separate partner organization is being built up.

The Group also consists of two other business areas: Cash Security, which is a leading supplier of IBNS (Intelligent Banknote Neutralization Systems) in the European market, and Labels, which is a leading supplier of adhesive labels in Norway and Sweden.

Revenue MNOK	Q1		YTD		Year
	2019	2018	2019	2018	2018
Retail	212,6	189,4	212,6	189,4	760,5
Cash Security	35,1	21,5	35,1	21,5	147,1
Labels	43,1	40,6	43,1	40,6	165,6
Elim / ASA	-2,6	-1,4	-2,6	-1,4	-5,5
Total	288,2	250,1	288,2	250,1	1 067,7

EBITDA MNOK	Q1		YTD		Year
	2019	2018	2019	2018	2018
Retail	23,3	17,1	23,3	17,1	68,4
Cash Security	5,8	-5,4	5,8	-5,4	2,9
Labels	6,1	4,1	6,1	4,1	22,9
Elim / ASA	-7,5	-4,3	-7,5	-4,3	-26,8
Total	27,7*	11,5	27,7*	11,5	67,5

*) The transition to IFRS 16 had a positive effect on the EBITDA of MNOK 5,7.

Very strong 1st quarter figures

StrongPoint was off to a very good start for the year with operating revenues of MNOK 288.2 (250.1), and a positive development in all three business areas compared to the same period last year. Retail Technology and Cash Security had the biggest improvement.

EBITDA increased to MNOK 27.7 (11.5), the highest result in the Group's history in a first quarter.

The effects from the cost savings of MNOK 30 per year have full effect from the beginning of the year and will be followed up closely in the future.

The transition to IFRS 16 had a positive effect of MNOK 5.7 on the EBITDA result (see note 5 for further information). Even without this effect, the EBITDA result is the best in the Group's history.

Several significant customer breakthroughs and deliveries

A successful replacement campaign for Vensafe was completed last year in Norway and Sweden, which resulted in very high sales of the solution this quarter.

StrongPoint has installed the first pilots with electronic shelf labels at Rimi Baltic. It has also entered into the first agreement for electronic shelf labels with the pharmacy chain Gintarinė Vaistinė.

During the quarter, StrongPoint delivered a significant order of Self-Checkout solutions from NCR to a leading grocery chain in the Baltic. Several the Group's self-developed Self-Checkout solutions were also installed here.

During the quarter, Labels delivered the first label

solutions with RFID technology in collaboration with Retail Technology.

Important milestones for go-to-market model

The Group is in the process of building up an efficient and effective partner network where this is suitable. In the first quarter, a cooperation agreement was signed with Harting Systems, where Self-Checkout solutions will be developed and sold to the German market. Harting Systems is a manufacturer of retail technology with a strong presence in Germany. In Malaysia, the Group entered into an exclusive distribution agreement with Radiant Globaltech for the sale of StrongPoint's solutions in Southeast Asia. This new partner has a strong presence in several Asian countries. StrongPoint is also entering into an agreement with a partner in Russia regarding service and support within Retail Technology in the country.

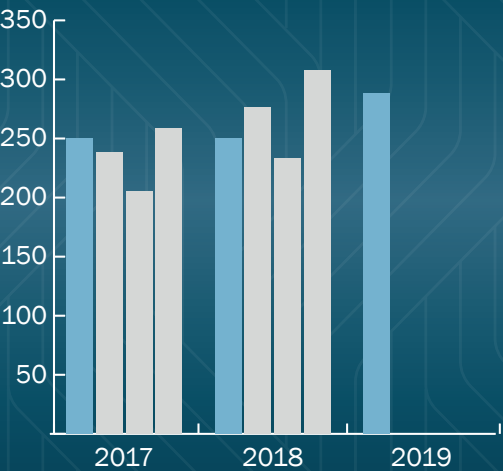
Based on the success of using RoadRunners in Spain, StrongPoint will develop this concept further in Spain, but also in Germany, where the Group's first RoadRunners were recruited in the first quarter of 2019. In addition, the concept will be expanded to also apply to "Easy Access", where StrongPoint will sell Cash Management as-a-service.

Proposed dividend of NOK 0.55 per share

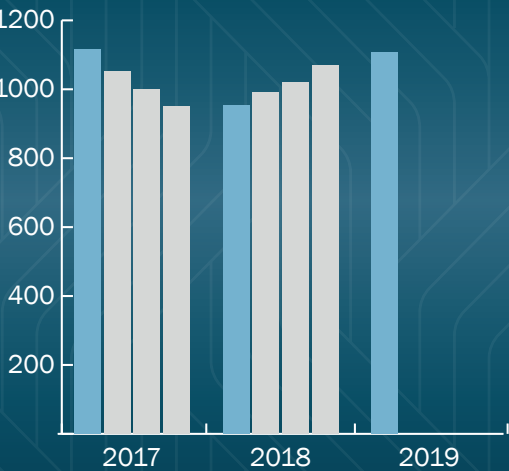
The Board of Directors has proposed a dividend of NOK 0.55 per share, an increase of 10 % compared to last year. The final approval will be taken by the Annual General Meeting on 26 April 2019.

StrongPoint Group

Operating revenue per quarter (MNOK)

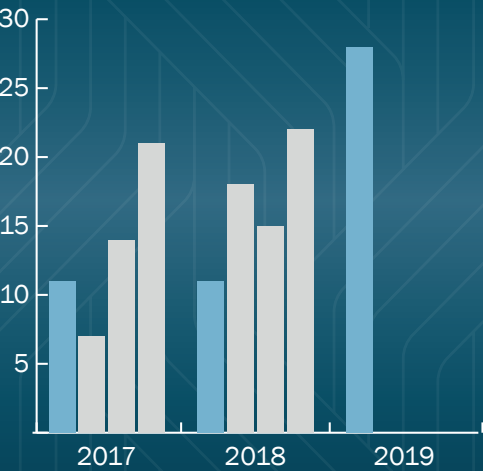


Operating revenue trailing 12 months (MNOK)

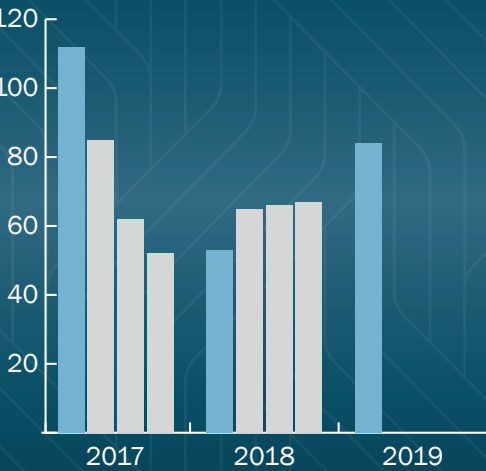


StrongPoint Group

EBITDA per quarter (MNOK)



EBITDA trailing 12 months (MNOK)



Markets

-  Retail - Primary markets
-  Retail - Partners
-  Cash Security
-  Labels



Business areas

StrongPoint develops and sells technology solutions that streamlines and simplifies e-commerce and store operations. The company is also a leader in IBNS solutions for Cash In Transit (Cash Security), and Labels for customers in Norway and Sweden.

Retail Technology

Instore Productivity
Shop-Flow Logistics
Electronic shelf labels
POS and ERP-systems
Scales and wrapping systems

Payment Solutions
Cash Management
Retail Suite

Check Out Efficiency
Self-Checkout
Vensafe





E-commerce
Click & Collect
E-commerce Logistics Suite

Cash Security



Labels



Retail Technology

StrongPoint develops and sells technology solutions that streamlines and simplifies e-commerce and store operations. The Group delivers proprietary solutions within Instore Productivity, E-commerce, Payment Solutions and Check Out Efficiency, as well as tailor-made retail solutions from leading third-party suppliers, including electronic shelf labels (ESL), POS, ERP, consulting services, scales and wrapping machines.

MNOK	Q1		YTD		Year
	2019	2018	2019	2018	2018
Product sales	138,9	117,4	138,9	117,4	483,5
Service and licenses	73,7	72,0	73,7	72,0	277,0
Revenue	212,6	189,4	212,6	189,4	760,5
EBITDA	23,3*	17,1	23,3*	17,1	68,4
EBITDA-margin	10,9 %	9,0 %	10,9 %	9,0 %	9,0 %
EBT	15,0	11,5	15,0	11,5	64,2

*) The transition to IFRS 16 had a positive effect on the EBITDA of MNOK 3,5.

Norway

MNOK	Q1		YTD		Year
	2019	2018	2019	2018	2018
Product sales	45,3	34,6	45,3	34,6	133,2
Service and licenses	25,7	23,2	25,7	23,2	94,0
Revenue	70,9	57,8	70,9	57,8	227,2

There has been a positive development in the Norwegian market in the first quarter. This was mainly due to several deliveries of Vensafe solution to two of the largest grocery chains following a successful

replacement campaign last year. In this campaign, customers were offered to replace older Vensafe machines with the new product range that has new and user-friendly software.

StrongPoint started delivering Pricer electronic shelf labels to Joker, and an increased delivery rate is expected in the quarters ahead. A delivery of electronic shelf labels to a Norwegian home improvement chain has also started.

The pilot of Click & Collect at Meny is still being evaluated by the customer.

Sweden

MNOK	Q1		YTD		Year
	2019	2018	2019	2018	2018
Product sales	35,2	41,7	35,2	41,7	133,0
Service and licenses	28,3	27,2	28,3	27,2	108,7
Revenue	63,5	68,9	63,5	68,9	241,7

The operating revenue was slightly lower compared to last year. The main reason was that less retail solutions were delivered this year. This was due to natural variances from year to year.

In recent years, StrongPoint Cub has abandoned the traditional model of selling on premise licenses and switched to SaaS cloud solutions. These license and usage revenues are growing as customers increase their use of the solutions. This means that revenues from licenses will increase in the future. The Swedish market is today StrongPoint’s most important market for eCommerce. This is historically dependent by Cub originating from this market, and that the large grocery chains in Sweden have been very early in the adoption of new retail technology. Interest is also growing internationally, and there is a continuous dialogue with partners and end customers outside Sweden.

Baltic/Russia

MNOK	Q1		YTD		Year
	2019	2018	2019	2018	2018
Product sales	29,5	12,8	29,5	12,8	61,2
Service and licenses	12,9	11,4	12,9	11,4	46,5
Revenue	42,4	24,1	42,4	24,1	107,7

The Baltic countries have delivered yet another strong quarter. Good underlying operations and several large deliveries of self-service solutions to a leading grocery chain made this the best quarter ever. Several the Group’s self-developed Self-Checkout solutions were also installed.

During the first quarter, the first agreement for electronic shelf labels was signed with the pharmacy chain Gintarinė Vaistinė. The Group also experienced a great interest in its eCommerce solutions with ongoing pilots for both Click & Collect and E-commerce Logistics Suite, including picking and delivery solutions.

StrongPoint has during the quarter carried out several service assignments on POS systems in Latvia in connection with a legislative amendment in the country.

EMEA/Partners

MNOK	Q1		YTD		Year
	2019	2018	2019	2018	2018
Product sales	28,9	28,3	28,9	28,3	156,1
Service and licenses	6,9	10,2	6,9	10,2	27,7
Revenue	35,8	38,5	35,8	38,5	183,8

The reduction in operating revenues was due to the sale of the Cash Management as-a-service-agreement, that was sold to Alimerka in the second quarter in 2018. This agreement provided monthly service fees in the corresponding period last year. In addition, the operation revenues were lower as a result of process of transforming the Malaysian operation to the partner Radiant Globaltech.

StrongPoint has nationwide sales and service equipment in Spain and Germany. To reinforce the presence in Spain, StrongPoint has recently established a new office in Barcelona. In Belgium and France we have sales through partners with support from StrongPoint’s employees. In addition, we have pure partners in several countries, such as South Africa, Ireland, Italy and Greece.

To further increase sales, the Group uses agents (RoadRunners) in Spain. This concept will be extended to Germany as well. The agents are smaller distributors whose main task is to sell CashGuard in their geographical area.

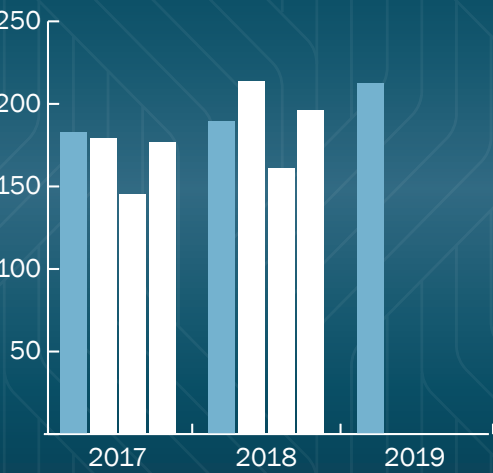
StrongPoint’s new single slot cash management solution, CashGuard Unico, was installed at a pilot customer in Germany, starting from April 2019.

StrongPoint has entered into an exclusive partner agreement with Radiant Globaltech, which will sell, market and support the whole of StrongPoint’s product portfolio in Southeast Asia. The company has the largest retail players in the region on the customer list. This gives StrongPoint a better geographical footprint, and access to more resources to ensure future success.

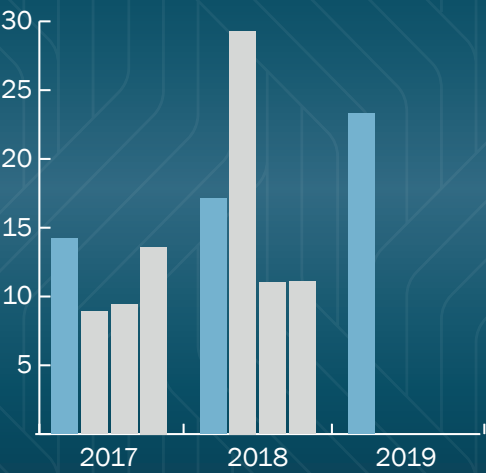
Our new Retail Suite was installed by a Spanish customer. This is a software developed by StrongPoint to manage the group’s solutions and is an important component for offering Cash Management as-a-service.

Retail Technology

Operating revenue per quarter (MNOK)



EBITDA per quarter (MNOK)



Cash Security

Cash Security offers solutions for Cash In Transit (CIT). The business area focuses on innovative IBNS (Intelligent Banknote Neutralisation System) technology, which protects cash without the need for weapons or costly armored vehicles.

MNOK	Q1		YTD		Year
	2019	2018	2019	2018	2018
Product sales	25,4	10,1	25,4	10,1	100,8
Service and licenses	9,7	11,4	9,7	11,4	46,3
Revenue	35,1	21,5	35,1	21,5	147,1
EBITDA	5,8*	-5,4	5,8*	-5,4	2,9
EBITDA-margin	16,5 %	-25,2 %	16,5 %	-25,2 %	2,0 %
EBT	4,6	-5,3	4,6	-5,3	0,8

*) The transition to IFRS 16 had a positive effect on the EBITDA of MNOK 0,9.

The business area had yet a very strong quarter. The deliveries to a leading European CIT company was the most important contributor to the growth this quarter, compared to last year. The turnover in the business area is largely driven by projects, and the activity could fluctuate widely from quarter to quarter. In addition, all products generate aftermarket revenue.

During the quarter, Cash Security delivered 100 CIT bags to Fidelitas. This is the largest single agreement for StrongPoint in Italy.

A number of smaller agreements have been signed, including deliveries to Serbia, Italy and the UK.

The business area has its own sales and service

organization in Sweden, Russia, France, Belgium and Norway, as well as partners in several countries, including Italy, Croatia, Serbia and the UK. The CIT cases have the highest level of security in the market, and regardless of the expertise, time, methods and tools used in a robbery attempt, the contents of the cases will always be permanently stained. In addition, the products have an ergonomic design and are the industry’s lightest CIT cases with IBNS.

Ink and battery waste from StrongPoint’s production of security solutions for CIT and ATM solutions are sent for destruction to a certified supplier.

Labels

Labels has leading expertise in the design and production of adhesive labels. The business area is well adapted to today’s market situation with efficient work processes, new technology and modern facilities.

MNOK	Q1		YTD		Year
	2019	2018	2019	2018	2018
Revenue	43,1	40,6	43,1	40,6	165,6
EBITDA	6,1*	4,1	6,1*	4,1	22,9
EBITDA-margin	14,2 %	10,2 %	14,2 %	10,2 %	13,9 %
EBT	1,5	0,6	1,5	0,6	9,0

*) The transition to IFRS 16 had a positive effect on the EBITDA of MNOK 1,3.

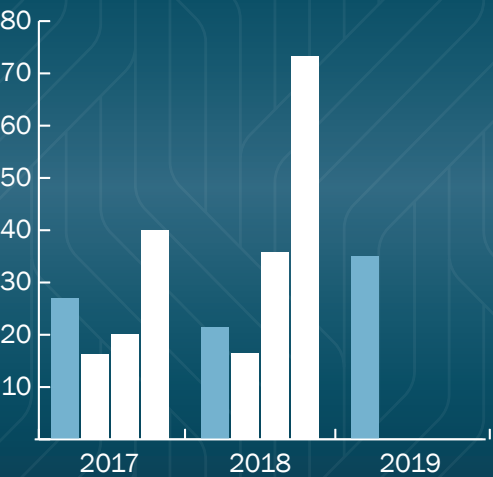
Labels has started offering adhesive labels with RFID and NFC. During the quarter, the first label solutions with RFID technology was delivered in cooperation with Retail Technology. These customers use Shop-Flow Logistics, to ensure that they always have the correct inventory and a complete overview of where the goods are located in the store.

The business area is among the largest suppliers of adhesive labels in the Swedish and Norwegian markets. Labels uses FSC-certified material from EU/EEA/UK in its label production to ensure that the paper is produced in a sustainable manner, and that the production meets the regulations for health and safety in the EU.

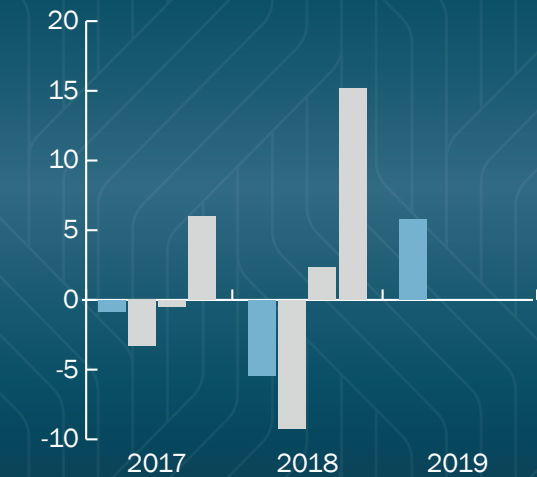
StrongPoint works actively to reduce the waste from the manufacturing of labels using modern printing techniques and upgraded machines with the latest software. Efforts are also being made to work with suppliers on environmental measures, and to use thinner label liners which consist of alternative materials that reduce waste, volume and weight. Ink and dye waste from StrongPoint’s label production is sent to a certified supplier for destruction and the destruction is carried out in Scandinavia.

Cash Security

Operating revenue per quarter (MNOK)

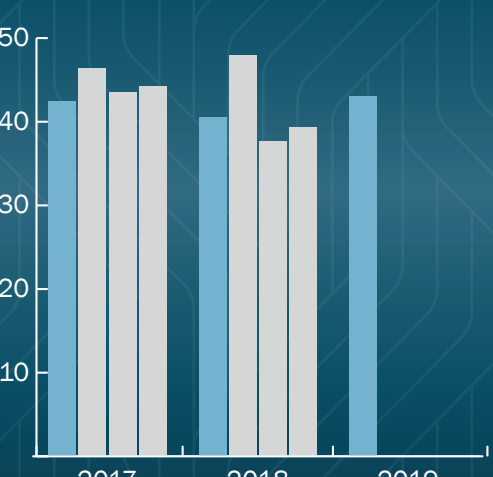


EBITDA per quarter (MNOK)

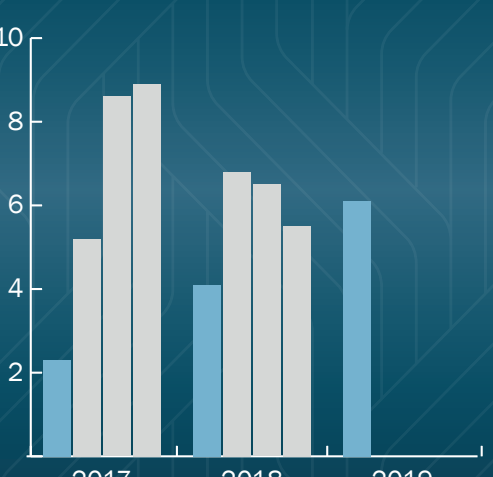


Labels

Operating revenue per quarter (MNOK)



EBITDA per quarter (MNOK)



Cash flow and equity

Cash flow from operational activities in the first quarter was MNOK 10.7 (- 6.3). Disposable funds were MNOK 79.1 per March 31, 2019. The net interest-bearing debt increased by MNOK 0.5 compared with the end of the last quarter and totaled MNOK 55.1. The Board will at the next General Assembly propose a dividend of NOK 0.55 per share, that will be proposed paid in May 2019. The Groups holding of own shares amounted to 94,914, which represents 0.2 per cent of the outstanding shares. The Group has a shareholder program for the Group executive management and the employees. Through these programs, employees subscribed for a total of 127,238 shares in 2018 and 45,775 shares so far in 2019.

Accounting year	General assembly		Dividend per share
2018	26.04.2019	Proposed	0,55
2017	24.04.2018		0,50
2016	20.04.2017		0,50
2016	05.01.2017	Extraordinary	1,00
2015	28.04.2016		0,45
2014	30.04.2015		0,35
2013	25.04.2014		0,30
2012	26.04.2013		0,25
2011	08.05.2012		0,25

Statement from the Board

The Board and group CEO have today considered and approved StrongPoint’s financial statements for the first quarter and YTD 2019, including comparative consolidated figures for the first quarter and YTD 2018. This report has been prepared in accordance with IAS 34 on interim financial reporting as determined by the European Union, and with supplementary requirements pursuant to the Norwegian Securities Trading Act. The Board and CEO hereby declare, to the best of their knowledge, that the financial statements for the first quarter and YTD 2019 have been prepared in accordance with prevailing accounting principles and that the information in the financial statements gives a true and fair view of the assets, liabilities, financial position and profit of the group taken as a whole at 31 March 2019 and 31 March 2018. To the best of their knowledge, the report gives a true and fair over-view of important events during the accounting period and the impact of these events on the financial statements.

The Board of Directors of StrongPoint ASA

Rælingen 25 April 2019

Morthen Johannessen
Chairman

Klaus de Vibe
Director

Camilla AC Tepfers
Director

Inger Johanne Solhaug
Director

Peter Wirén
Director

Jacob Tveraabak
CEO



Consolidated income statement

KNOK	Q1 2019	Q1 2018	Chg. %	YTD 2019	YTD 2018	Chg. %	Year 2018
Operating revenue	288 240	249 948	15,3 %	288 240	249 948	15,3 %	1 067 468
Profit from AC, Service companies	-17	118		-17	118		215
Cost of goods sold	149 949	120 558	24,4 %	149 949	120 558	24,4 %	534 661
Payroll	83 201	83 917	-0,9 %	83 201	83 917	-0,9 %	331 908
Other operating expenses	27 388	34 109	-19,7 %	27 388	34 109	-19,7 %	133 658
Total operating expenses	260 538	238 585	9,2 %	260 538	238 585	9,2 %	1 000 227
EBITDA	27 685*	11 481	141,1 %	27 685*	11 481	141,1 %	67 457
Depreciation tangible assets	4 162	4 254	-2,2 %	4 162	4 254	-2,2 %	18 531
Depreciation leasing IFRS 16	5 358	-	0,0 %	5 358			
Depreciation intangible assets	4 093	5 289	-22,6 %	4 093	5 289	-22,6 %	19 056
EBIT	14 071	1 938	626,0 %	14 071	1 938	626,0 %	29 870
Interest expenses	533	513	3,8 %	533	513	3,8 %	3 129
Interest expenses leasing IFRS 16	325	-	0,0 %	325			
Other financial expenses	-3 558	-5 009	29,0 %	-3 558	-5 009	29,0 %	724
EBT	16 772	6 434	160,7 %	16 772	6 434	160,7 %	26 017
Taxes	3 503	1 000		3 503	1 000		12 570
Profit/loss after tax	13 269	5 434	144,2 %	13 269	5 434	144,2 %	13 447
Earnings per share							
Number of shares outstanding	44 376 040	44 376 040		44 376 040	44 376 040		44 376 040
Av. Number of shares - own shares	44 274 385	44 271 496		44 274 385	44 271 496		44 271 496
Earnings per share	0,30	0,12		0,30	0,12		0,30
Diluted earnings per share	0,30	0,12		0,30	0,12		0,30
EBITDA per share	0,63	0,26		0,63	0,26		1,52
Diluted EBITDA per share	0,63	0,26		0,63	0,26		1,52
Total earnings	Q1 2019	Q1 2018	Chg. %	YTD 2019	YTD 2018	Chg. %	Year 2018
Profit/loss after tax	13 269	5 434	144,2 %	13 269	5 434	144,2 %	13 447
Exchange differences on foreign operations	-12 880	-19 680	34,6 %	-12 880	-19 680	34,6 %	-7 187
Total earnings	389	-14 246	102,7 %	389	-14 246	102,7 %	6 260

*) The transition to IFRS 16 had a positive effect on the EBITDA of MNOK 5,7

Consolidated balance sheet

KNOK	31.03.2019	01.01.2019	31.12.2018	31.03.2018
ASSETS				
Intangible assets	55 464	60 280	60 280	72 560
Goodwill	135 742	141 429	141 429	131 263
Tangible assets	55 573	58 086	58 086	75 895
Tangible assets leasing IFRS 16	65 225	70 584		
Long term investments	984	849	849	1 604
Deferred tax	10 233	13 601	13 601	19 742
Non-current assets	323 220	344 829	274 245	301 064
Goods	127 689	127 897	127 897	118 131
Accounts receivable	211 587	200 340	200 340	170 989
Prepaid expenses	19 988	11 641	11 641	18 491
Other receivables	6 155	14 278	14 278	12 981
Bank deposits	19 139	26 985	26 985	33 911
Current assets	384 557	381 141	381 141	354 503
TOTAL ASSETS	707 777	725 970	655 386	655 567
EQUITY AND LIABILITIES				
Share capital	27 513	27 513	27 513	27 513
Holding of own shares	-59	-65	-65	-65
Other equity	238 110	237 689	237 689	239 318
Total equity	265 564	265 137	265 137	266 767
Long term interest bearing liabilities	43 340	49 800	49 800	44 554
Liabilities leasing IFRS 16	65 225	70 584		
Other long term liabilities	9 289	20 694	20 694	24 261
Total long term liabilities	117 854	141 078	70 494	68 815
Short term interest bearing liabilities	30 879	31 789	31 789	51 655
Accounts payable	83 766	81 326	81 326	63 809
Taxes payable	1 100	2 990	2 990	1 051
Other short term liabilities	208 613	203 650	203 650	203 470
Total short term liabilities	324 359	319 755	319 755	319 985
TOTAL EQUITY AND LIABILITIES	707 777	725 970	655 386	655 567

Overview of changes in the equity

KNOK	Share capital	Treasury shares	Other paid-in equity	Translation variances	Other equity	Total equity
Equity 31.12.2017	27 513	-65	351 262	52 316	-150 013	281 013
Dividend 2017					-22 136	-22 136
Profit this year after tax					13 447	13 447
Other comprehensive income and expenses				-7 187		-7 187
Equity 31.12.2018	27 513	-65	351 262	45 130	-158 702	265 137
Sale of own shares		6			33	39
Profit this year after tax					13 269	13 269
Other comprehensive income and expenses				-12 880		-12 880
Equity 31.03.2019	27 513	-59	351 262	32 249	-145 400	265 564

Statement of cash flow

KNOK	Q1 2019	Q1 2018	YTD 2019	YTD 2018	Year 2018
Ordinary profit before tax	16 772	6 434	16 772	6 434	26 017
Net interest	858	513	858	513	3 129
Tax paid	-1 359	-	-1 359	-	2 092
Share of profit, associated companies	17	-118	17	-118	-215
Ordinary depreciation	8 255	9 543	8 255	9 543	37 587
Depreciation IFRS 16	5 358	-	5 358	-	-
Profit / loss on sale of fixed assets	-	-	-	-	-505
Realized los on financial investments	-	-	-	-	476
Change in inventories	-3 538	8 052	-3 538	8 052	1 781
Change in receivables	-16 653	-16 451	-16 653	-16 451	-41 955
Change in accounts payable	4 849	-26 026	4 849	-26 026	-10 424
Change in other accrued items	-3 830	11 745	-3 830	11 745	3 383
Cash flow from operational activities	10 729	-6 309	10 729	-6 309	21 365
Payments for fixed assets	-2 825	-3 883	-2 825	-3 883	-11 070
Payment from sale of fixed assets	-	-	-	-	38 882
Profit on sale to Alimerka	-	-	-	-	-21 299
Interest income	42	87	42	87	843
Cash flow from investment activities	-2 783	-3 797	-2 783	-3 797	7 356
Sale of own shares	39	-	39	-	-
Change in long-term debt	-7 866	22 359	-7 866	22 359	29 862
Change in overdraft	-505	-17 766	-505	-17 766	-46 830
Interest expenses	-575	-599	-575	-599	-3 972
Dividend paid	-	-	-	-	-22 136
Payment of leasing commitments IFRS 16	-5 358	-	-5 358	-	-
Interest expenses IFRS 16	-325	-	-325	-	-
Cash flow from financing activities	-14 590	3 993	-14 590	3 993	-43 076
Net change in liquid assets	-6 644	-6 113	-6 644	-6 113	-14 355
Cash and cash equivalents at the start of the period	26 985	41 503	26 985	41 503	41 503
Effect of foreign exchange rate fluctuations on foreign currency deposits	-1 202	-1 479	-1 202	-1 479	-163
Cash and cash equivalents at the end of the period	19 139	33 911	19 139	33 911	26 985

Key figures

KNOK	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	YTD 2019	YTD 2018
Income statement							
Operating revenue	288 223	307 913	233 304	276 401	250 066	288 223	250 066
EBITDA	27 685*	22 483	15 167	18 326	11 481	27 685*	11 481
Operating revenue EBIT	14 071	12 326	6 640	8 965	1 938	14 071	1 938
Ordinary profit before tax (EBT)	16 772	5 873	4 285	9 425	6 434	16 772	6 434
Profit for the year	13 269	-2 242	3 285	6 970	5 434	13 269	5 434
EBITDA-margin	9,6 %	7,3 %	6,5 %	6,6 %	4,6 %	9,6 %	4,6 %
EBT-margin	5,8 %	1,9 %	1,8 %	3,4 %	2,6 %	5,8 %	2,6 %
Balance sheet							
Non-current assets	323 220*	274 245	274 489	274 892	301 064	323 220*	301 064
Current assets	384 557	381 141	365 386	358 617	354 503	384 557	354 503
Total assets	707 777	655 386	639 875	633 508	655 567	707 777	655 567
Equity	265 564	265 137	248 422	242 823	266 767	265 564	266 767
Long-term debt	117 854*	70 494	58 451	67 223	68 815	117 854*	68 815
Short-term debt	324 359	319 755	333 002	323 462	319 985	324 359	319 985
Working capital	255 509	246 911	239 957	236 780	225 311	255 509	225 311
Equity ratio	37,5 %	40,5 %	38,8 %	38,3 %	40,7 %	37,5 %	40,7 %
Liquidity ratio	118,6 %	119,2 %	109,7 %	110,9 %	110,8 %	118,6 %	110,8 %
Net interest bearing debt	55 081*	54 604	71 819	71 050	62 298	55 081*	62 298
Cash Flow							
Cash flow from operational activities	10 729*	20 512	1 177	5 985	-6 309	10 729*	-6 309
Share information							
Number of shares	44 376 040	44 376 040	44 376 040	44 376 040	44 376 040	44 376 040	44 376 040
Weighted average shares outstanding	44 274 385	44 271 496	44 271 496	44 271 496	44 271 496	44 274 385	44 271 496
EBT per shares	0,38	0,13	0,10	0,21	0,15	0,38	0,15
Earnings per share	0,30	-0,05	0,07	0,16	0,12	0,30	0,12
Equity per share	6,0	6,0	5,6	5,5	6,0	6,0	6,0
Dividend per share				0,50			
Employees							
Number of employees (end of period)	525	538	570	564	567	525	567
Average numbers of employees	532	554	567	566	574	532	574

*) The transition to IFRS 16 had a positive effect of MNOK 5,7 on EBITDA and cash flow from operational activities.
Fixed assets and long-term liabilities include MNOK 65.2 regarding IFRS 16.
Net interest-bearing debt does not include the effect of IFRS 16.

Note 1 Confirmation of reporting framework

The condensed and consolidated quarterly financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The quarterly financial statements do not contain all the information required in an annual financial statement and should be read in connection with the Group financial statements for 2018.

Note 2 Key accounting principles

The accounting principles for the report are described in note 2 in the annual financial statements for 2018. The Group financial statements for 2018 were prepared in accordance with the IFRS principals and interpretations thereof, as defined by the EU, as well as other disclosure requirements pursuant to the Norwegian Accounting Act and the Oslo Stock Exchange regulations and rules applicable as at 31.12.2018. The quarterly report and the interim financial statements have not been revised by auditor. StrongPoint has conducted an assessment of IFRS 15, and its implementation will not have any significant impact on the Group. The Group has implemented IFRS 16 Leases beginning 1 January 2019 with a modified retrospective method. The effect of accounting for IFRS 16 is shown as an adjustment of the opening balance on 1 January 2019, without translating comparative figures. See note 5 for further information.

Note 3 Segmentinformation

Business areas

MNOK	Q1 2019			Q1 2018			YTD 2019			YTD 2018			Year 2018		
	Re-venue	EBITDA	EBT	Re-venue	EBITDA	EBT	Re-venue	EBITDA	EBT	Re-venue	EBITDA	EBT	Re-venue	EBITDA	EBT
Retail Tech	212,6	23,3	15,0	189,4	17,1	11,5	212,6	23,3	15,0	189,4	17,1	11,5	760,5	68,4	64,2
Cash Security	35,1	5,8	4,6	21,5	-5,4	-5,3	35,1	5,8	4,6	21,5	-5,4	-5,3	147,1	2,9	0,8
Labels	43,1	6,1	1,5	40,6	4,1	0,6	43,1	6,1	1,5	40,6	4,1	0,6	165,6	22,9	9,0
Elim / ASA	-2,6	-7,5	-4,3	-1,4	-4,3	-0,3	-2,6	-7,5	-4,3	-1,4	-4,3	-0,3	-5,5	-26,8	-48,0
Total	288,2	27,7*	16,8	250,1	11,5	6,4	288,2	27,7*	16,8	250,1	11,5	6,4	1 067,7	67,5	26,0

*) The transition to IFRS 16 had a positive effect on the EBITDA of MNOK 5,7

Operating revenue by geographical market

MNOK	Q1 2019			Q1 2018			YTD 2019			YTD 2018			Year 2018		
	NO	SE	Other	NO	SE	Other	NO	SE	Other	No	SE	Other	NO	SE	Other
Retail Tech	70,9	63,5	78,1	57,8	68,9	62,7	70,9	63,5	78,1	57,8	68,9	62,7	227,2	241,7	291,5
Cash Security	0,1	13,2	21,9	0,4	8,3	12,9	0,1	13,2	21,9	0,4	8,3	12,9	3,3	56,8	87,0
Labels	15,6	27,5	0,0	15,0	25,6	0,0	15,6	27,5	0,0	15,0	25,6	0,0	64,2	101,4	0,0
Elim / ASA	-0,4	-2,1	-0,1	0,0	-1,2	-0,1	-0,4	-2,1	-0,1	0,0	-1,2	-0,1	0,0	-5,2	-0,3
Total	86,2	102,1	99,9	73,1	101,6	75,4	86,2	102,1	99,9	73,1	101,6	75,4	294,8	394,7	378,2

Operating revenue by product and service

MNOK	Q1 2019		Q1 2018		YTD 2019		YTD 2018		Year 2018	
	Product	Service*	Product	Service*	Product	Service*	Product	Service*	Product	Service*
Retail Tech	138,9	73,7	117,4	72,0	138,9	73,7	117,4	72,0	483,5	277,0
Cash Security	25,4	9,7	10,1	11,4	25,4	9,7	10,1	11,4	100,8	46,3
Labels	43,1	0,0	40,6	0,0	43,1	0,0	40,6	0,0	165,6	0,0
Elim / ASA	-2,6	0,0	-1,4	0,0	-2,6	0,0	-1,4	0,0	-5,5	0,0
Total	204,8	83,4	166,7	83,3	204,8	83,4	166,7	83,3	744,4	323,3

*) Service and licenses

Note 4 Related parties

No significant transactions between the Group and related parties had taken place as at 31. March 2019.

Note 5 IFRS 16

The Group has implemented IFRS 16 Leases beginning 1 January 2019 with a modified retrospective method. The effect of accounting for IFRS 16 is shown as an adjustment of the opening balance on 1 January 2019, without translating comparative figures. At the transition to IFRS 16, the Group has listed KNOK 70 583.6 as a right of use in the balance sheet as an asset and correspondingly as a debt liability. StrongPoint leases several objects as buildings and cars that are affected by the transition, listed in the table below. Production equipment that is financially leased is not affected by the transition to IFRS 16 as this has already been carried out in accordance with the principles in IFRS 16.

TNOK	Retail	Cash Security	Labels	ASA/Elim	31.03.19	01.01.19
Rent	-2 732,9	-842,5	-1 149,1	-	-4 724,6	
Cars	-736,5	-70,7	-151,4	-	-958,7	
EBITDA	3 469,4	913,3	1 300,5	-	5 683,2	
Depreciation	3 285,8	871,6	1 200,9	-	5 358,3	
Interest	183,6	41,6	99,7	-	324,9	
EBT	-	-	-	-	-	
IFRS 16 rent					57 642,7	
IFRS 16 cars					7 582,6	
Total tangible assets IFRS 16					65 225,3	70 583,6
Total liabilities IFRS 16					65 225,3	70 583,6

Note 6 Top 20 shareholders as at 31 March 2019

No	Name	No. of shares	
1	STRØMSTANGEN AS	3 933 092	8,9 %
2	HOLMEN SPESIALFOND	3 650 000	8,2 %
3	HSBC TTEE MARLB EUROPEAN TRUST	1 976 000	4,5 %
4	AVANZA BANK AB	1 908 395	4,3 %
5	PROBITAS HOLDING AS	1 788 276	4,0 %
6	ZETTERBERG, GEORG (incl. fully owned companies)	1 640 000	3,7 %
7	NORDNET BANK AB	1 533 959	3,5 %
8	NORDNET LIVSFORSIKRING AS	1 529 753	3,4 %
9	V. EIENDOM HOLDING AS	1 462 610	3,3 %
10	VERDADERO AS	1 051 893	2,4 %
11	WAALER, JØRGEN (incl. fully owned companies)	1 000 000	2,3 %
12	GLAAMENE INDUSTRIER AS	873 549	2,0 %
13	RING, JAN	869 372	2,0 %
14	MP PENSJON PK	777 402	1,8 %
15	GRESSLIEN, ODD ROAR	640 000	1,4 %
16	SKANDINAVISKA ENSKILDA BANKEN AB	539 003	1,2 %
17	JOHANSEN, STEIN	450 000	1,0 %
18	NÆRINGSLIVETS HOVEDORGANISASJON	405 342	0,9 %
19	EVENSEN, TOR COLKA	400 000	0,9 %
20	JACOBSEN, SVEIN (incl. fully owned companies)	400 000	0,9 %
Total 20 largest shareholders		26 828 646	60,5 %
Total 1 600 other shareholders		17 547 394	39,5 %
Total all 1 620 shareholders		44 376 040	100,0 %

Definitions

Working capital	Inventories + accounts receivables – accounts payable
Equity per share	Book value equity / number of shares
Operating revenue	Sales revenue and profit from AC, Service companies
Operating revenue per employee	Operating revenue / average number of employees
Operating cost per employee	Operating cost / average number of employees
EBT	Profit before tax
EBT-margin	EBT / operating revenue
EBIT	Operating profit
EBITDA	Operating profit + depreciation fixed assets and tangible assets
EBITDA-margin	EBITDA / operating revenue
Equity ratio	Book value equity / total assets
Weighted average basic shares	Issued shares adjusted for own shares on average for the year
Liquidity ratio	Current assets / short term debt
Earnings per share	Paid dividend per share throughout the year





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