

## INTERIM REPORT FOR

# Q1 2018/19

(the period 01.10.2018 - 31.12.2018)

## REVENUE INCREASED IN THE FIRST QUARTER. FULL YEAR EXPECTATIONS MAINTAINED.

The Board of Directors of RTX A/S has today considered and adopted the Group's interim report for the first quarter of 2018/19 (covering the period 01.10.2018 – 31.12.2018)

## SUMMARY FOR THE FIRST QUARTER OF 2018/19 FOR THE RTX GROUP

Net revenue increased in Q1 by DKK 15.5 million to DKK 116.4 million corresponding to a growth of 15.4 % compared to Q1 of 2017/18. Both Business Communications and Design Services contributed to the growth with headset sales starting to gain momentum in Business Communications and continued high demand for customer financed projects in Design Services. Further, the revenue development was positively influenced by the USD/EUR FX development and accordingly the FX corrected revenue corresponded to a growth of 12.5%. In addition, the revenue was positively impacted by implementation of IFRS 15 slightly advancing the point in time of revenue recognition in some situations.

The revenue apportioned across the business units with Business Communications reaching a revenue of DKK 77.3 million corresponding to an increase of DKK 11.5 million or 17.4% (corrected for exchange rate effect the growth was 13.7%), while Design Services reached a revenue of DKK 39.2 million reflecting a DKK 4.1 million increase or 11.6% (corrected for exchange rate effect the increase was 10.2%).

Gross profit increased by DKK 9.7 million and accordingly reached DKK 66.7 million in Q1 2018/19 as compared to the same period last year. Driven by the product mix the gross margin was improved by 0.8 %-points reflecting a gross margin of 57.3% in Q1 of 2018/19.

In Q1 of 2018/19, capacity costs increased by DKK 13.2 million reflecting a significantly higher activity level as compared to Q1 of 2017/18. Especially, ramp-up and investments in capacity related to the two major framework agreements announced in Q1 and Q3 of 2017/18 increased the level of FTEs during the year and accordingly the average number of FTEs reached 267 in Q1 of 2018/19 as compared to an average of 234 FTEs in Q1 of 2017/18. Further, capitalization amounted to DKK 4.0 million in Q1 of 2018/19 compared to DKK 3.4 million in the same period last year, driven by a continued increasing number of own financed development projects.

## ANNOUNCEMENT

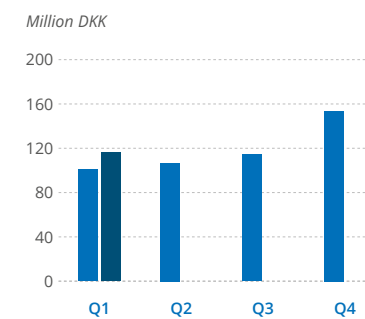
to Nasdaq Copenhagen A/S and the media

Nørresundby, 24 January 2019

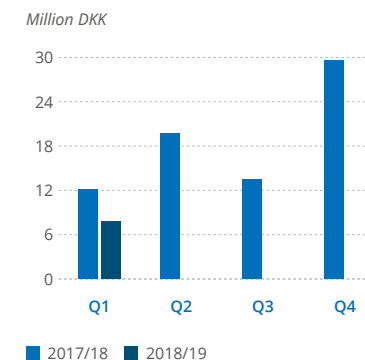
Announcement no. 05/2019

No. of pages: 12

## REVENUE PER QUARTER



## EBIT PER QUARTER





Operating profit (EBIT) decreased to DKK 7.8 million compared to DKK 12.1 million in the same period last year. The decline in operating profit (EBIT) despite the higher revenue, is according to plan and must be seen in the light of an increased investment level and expansion of capacity to meet future growth.

Cash flows from operations amounted to DKK 12.9 million in Q1 of 2018/19 compared to DKK 20.2 million in Q1 of 2017/18.

## OUTLOOK FOR 2018/19

Combined with the continued investment in a broader product portfolio and technology platform, Management maintains the expectations for revenue between DKK 520-550 million, EBITDA between DKK 85-100 million and Operating Profit (EBIT) between DKK 65-80 million, where especially EBIT should be seen in the light of an increased investment level supporting the defined strategic directions of RTX.

RTX A/S

**PETER THOSTRUP**  
Chairman

**PETER RØPKE**  
CEO

### ENQUIRIES AND FURTHER INFORMATION:

CEO  
Peter Røpke, tel +45 96 32 23 00

### APPENDICES

Interim report for Q1 2018/19  
comprising:

- Group financial highlights and key ratios
- Management report
- Group income statement
- Statement of comprehensive income
- Group balance sheet
- Group equity statement
- Group cash flow statement
- Notes

On Friday, 25 January 2019 at 9 am, RTX will hold a meeting for investors and analysts at

ABG Sundal Collier,  
Forbindelsesvej 12,  
2100 Copenhagen.

At this meeting, the Company's management will comment on the interim report for the first quarter of 2018/19.

To register for the meeting, please email  
[ABGSCEvents-Copenhagen@abgsc.dk](mailto:ABGSCEvents-Copenhagen@abgsc.dk).

# Group financial highlights and key ratios

(non-audited)

Amounts in DKK million	Q1 2018/19	Q1 2017/18	FY 2017/18
<b>INCOME STATEMENT ITEMS</b>			
Revenue	116.4	100.9	475.3
Gross profit	66.7	57.0	264.8
EBITDA	10.6	13.5	83.1
EBITDA %	9.1%	13.4%	17.5%
Operating profit/loss (EBIT)	7.8	12.1	74.9
Net financials	0.7	-0.3	1.4
Profit/loss before tax (EBT)	8.5	11.8	76.3
Profit/loss for the period	6.5	9.2	60.0
<b>BALANCE SHEET ITEMS</b>			
Cash and current asset investments	190.4	148.7	182.6
Total assets	410.4	325.5	422.7
Equity	321.0	275.7	312.0
Liabilities	89.3	49.8	110.7
<b>OTHER KEY FIGURES</b>			
Development costs (financed by RTX) before capitalization	8.7	7.4	34.3
Capitalized development costs	4.0	3.4	16.3
Depreciation, amortization and impairment	2.8	1.4	8.3
Cash flow from operations	12.9	20.2	95.7
Cash flow from investments	-5.4	-5.8	-29.2
Investments in property, plant and equipment	0.9	1.7	8.4
Increase/decrease in cash and cash equivalents	7.5	-2.9	30.3

Amounts in DKK million	Q1 2018/19	Q1 2017/18	FY 2017/18
<b>KEY RATIOS</b>			
Growth in net turnover (percentage)	15.4	-9.3	9.7
Profit margin (percentage)	6.7	12.0	15.7
Return on invested capital (percentage) <sup>2)</sup>	66.0	60.9	69.5
Return on equity (percentage) <sup>2)</sup>	19.2	19.8	20.2
Equity ratio (percentage)	78.2	84.7	73.8
<b>EMPLOYMENT</b>			
Average number of full-time employees	267	234	246
Revenue per employee (DKK '000) <sup>1)</sup>	436	431	1,932
Operating profit per employee (DKK '000) <sup>1)</sup>	29	52	304
<b>SHARES</b>			
Average number of shares in circulation ('000)	8,568	8,544	8,556
Average number of diluted shares ('000)	8,678	8,702	8,691
<b>PER SHARE DATA, DKK PER SHARE AT DKK 5</b>			
Profit/loss for the period (EPS), per share <sup>1)</sup>	0.8	1.1	7.0
Profit/loss for the period, diluted (DEPS), per share <sup>1)</sup>	0.8	1.1	6.9
Dividends, per share (DKK)	-	-	2.0
Equity value, per share	37.5	32.5	36.4
Listed price, per share	162.0	148.0	179.6

Note: The Group's financial year runs from 1 October to 30 September.

Definitions of the key ratios used are stated in the annual report for 2017/18 in the accounting policies.

<sup>1)</sup> Not annualized.

<sup>2)</sup> Calculated over a 12 months' period. Key ratios regarding previous periods were restated.

# Management report

Comments on developments for the first quarter of the 2018/19 financial year

## WITH REFERENCE TO THE GROUP'S FINANCIAL FIGURES FOR THE FIRST QUARTER OF 2018/19

In Q1 of 2018/19, the Group posted revenue of DKK 116.4 million equivalent to an increase of 15.4% compared to DKK 100.9 million in the same period last year. Corrected for exchange rate effects the increase equals 12.5% compared to last year. The growth was contributed by both Business Communications and Design Services and positively affected by the implementation of IFRS 15.

Business Communications posted revenue of DKK 77.3 million, reflecting a growth of 17.4% or DKK 11.5 million in Q1 2018/19 as compared to the same period last year. Corrected for exchange rate effects the growth was 13.7%. The growth in Business Communications is mainly contributed by enterprise customers as well as a major customer launch of the business headset program, which are expected to get further momentum in the months to come. Further, the revenue was positively influenced by IFRS 15 slightly advancing the point in time of revenue recognition in some situations. The development of complementary product series such as the headsets for call centers and offices continued at the same level as Q1 last year.

In Q1 of 2018/19, Design Services realized a revenue growth of 11.6% or DKK 4.1 million, reaching DKK 39.2 million compared to DKK 35.1 million in the same period last year. Corrected for exchange rate effects the

growth was 10.2%. As in previous quarters, the business unit experienced increasing demand for customized modules, while majority of the revenue still is contributed by customer financed projects. Further, the revenue was positively influenced by IFRS 15 slightly advancing the point of time for revenue recognition in some situations.

The positive development in revenue and the realized product mix increased gross profit to DKK 66.7 million in Q1 2018/19 as compared to DKK 57.0 million in the same period last year, reflecting a gross margin improvement of 0.8 %-point.

Capacity costs increased during the period, reaching DKK 60.1 million in Q1 2018/19 compared to DKK 46.9 million in the same period last year. The higher capacity cost level is predominantly driven by ramp-up and investment in capacity related to activities anchored in the latest signed framework agreements. Accordingly, a significantly higher number of average FTEs was realized in Q1 of 2018/19 amounting to 267. Further, the increasing capacity cost level was driven by growing demand for customer financed projects in Design Services combined with one-time costs related to strategic prioritization of internal projects exploring further acceleration of growth.

As a result of the rise in investments in own financed development projects we capitalized DKK 4.0 million in Q1 of 2018/19 in line with our expectations.

As planned, depreciations and amortizations reached DKK 2.8 million in Q1 of 2018/19 from DKK 1.4 million in Q1 of 2017/18 primarily driven by own financed development projects exemplified by the headset product series.

Operating profit (EBIT) amounted to DKK 7.8 million compared to DKK 12.1 million in the same period last year. The decline must be seen in the light of an increased investment in capacity to meet the future growth potential in the latest signed framework agreements within headset and handsets.

Net financial income resulted in an income of DKK 0.7 million compared to a cost of DKK 0.3 million in the same period last year, predominantly driven by exchange rate fluctuations.

Profit before tax for Q1 of 2018/19 amounted to DKK 8.5 million compared to DKK 11.8 million in the same period last year.

Profit after tax amounted to DKK 6.5 million in Q1 of 2018/19 compared to DKK 9.2 million for the same period last year, reflecting a lower EBIT level.

The equity ratio amounted to 78.2% at the end of the first quarter compared to 84.7% in Q1 last year. The Group's balance sheet total was DKK 410.4 million at the end of the first quarter compared to DKK 325.5 million in the same period last year corresponding to an increase of DKK 84.9 million. Increased activity has resulted in higher accounts receivables and cash at bank explaining the higher balance sheet total.

The Group realized a positive cash flow from operations in Q1 of 2018/19 of DKK 12.9 million compared to DKK 20.2 million in Q1 of 2017/18, reflecting a lower EBIT level as well as less favorable development in payables and receivables due to timing of sales.



The Group's total cash funds and current securities less bank debt amounted to DKK 190.4 million at the end of Q1 of 2018/19, i.e. an increase of DKK 41.7 million compared to the same period last year. The positive development is primarily driven by generated profits in 2018 and the latest share buy-back programme was completed in January 2018.

## OUTLOOK FOR THE 2018/19 FINANCIAL YEAR

The company maintains the expectations for revenue to be in the range of DKK 520-550 million, EBITDA in the range of DKK 85-100 million and EBIT in the range of DKK 65-80 million for the financial year 2018/19.

## INITIATION OF SHARE BUY-BACK PROGRAMME

The Board of Directors have today decided (cf. company announcement no 03/2019) to initiate a share buy-back programme as authorized at the general meeting in January 2018. The share buy-back programme runs from 25 January 2019 to 30 June 2019. In this period RTX will acquire shares with a value of up to DKK 20 million. The share buy-back programme is initiated and structured in compliance with EU Market Abuse Regulation, EU Regulation no. 596/2014 of 14 April 2014 and EU Delegated Regulation 1052/2016 of 8 March 2016 (together referred to as the "Safe Harbour Regulation").

The purpose of the share buy-back programme is to address the company's capital structure and to hedge share-based remuneration.

As of the 24 January 2019, RTX A/S holds 374,849 treasury shares of a nominal value of DKK 5, equal to 4.2% of the share capital.

## SHAREBASED REMUNERATION (RSU)

The Board of Directors of RTX A/S has decided (cf. company announcement no 04/2019) to continue the share-based incentive programme by allocating Restricted Stock Units to Executive Management and other specified senior management level positions as part of the company's long-term incentive program. The allocated Restricted Stock Units are governed by specific terms and conditions of the programme and subject to mandatory law. If a participant chooses to leave RTX before time of grant, the participants' right to receive share will generally lapse.

The allocated Restricted Stock Units are matured over a three-year period and can be exercised after the Annual General Assembly in January 2022 at the earliest.

## FINANCIAL CALENDAR

Expected publication of financial information for the financial year 2018/19:

### 30 APRIL 2019

Interim report for Q2 2018/19

### 27 AUGUST 2019

Interim report for Q3 2018/19

### 26 NOVEMBER 2019

Annual report for 2018/19

## RISKS AND UNCERTAINTIES FOR THE 2018/19 FINANCIAL YEAR

### STATEMENTS ON FUTURE CONDITIONS

The above statements on the Group's future conditions, including in particular, future revenue and operating profit (EBIT), reflect Management's current outlook and carry some uncertainty. These statements can be affected by a number of risks and uncertainties, which mean that actual developments can be different from the indicated outlook. These risks and uncertainties include – but are not limited to – general business and economic conditions, dependence on partners, the time of delivery of components, integration of acquired companies and foreign exchange and interest rate fluctuations.

# Statement by the Management on the interim report

The Board of Directors and the Executive Management have today considered and adopted the interim report of RTX A/S for the first quarter of the financial year 2018/19 (covering the period 1 October to 31 December 2018).

The interim report is prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU and additional Danish disclosure requirements for the interim reporting of listed companies. The interim report has not been audited or reviewed by the Company's auditor.

We consider the applied accounting policies appropriate for the interim report to provide, in our opinion, a true and fair view of the Group's assets, liabilities and financial position as at 31 December 2018 and of its financial performance and cash flow for the first quarter of 2018/19.

We consider Management's review to give a true and fair view of the Group's activities and finances, profit/loss for the period and the Group's financial position as a whole, as well as a true and fair description of the most material risks and uncertainties facing the Group.

Nørresundby, 24 January 2019

## Executive Management

Peter Røpke  
CEO

Kristian Frederiksen  
CFO

## Board of Directors

Peter Thostrup  
Chairman

Jesper Mailind  
Deputy Chairman

Christian Engsted

Lars Christian Tofft

Jens Hansen

Rune Strøm Jensen  
Employee representative

Flemming Vendbjerg Andersen  
Employee representative

Kurt Heick Rasmussen  
Employee representative

# Income Statement

(non-audited)

Amounts in DKK '000	Note	Q1 2018/19	Q1 2017/18	FY 2017/18
Revenue	3	116,433	100,923	475,341
Value of work transferred to assets	4	3,970	3,449	16,305
Costs of sales etc.	-	-49,691	-43,939	-210,542
Other external expenses	-	-16,730	-11,143	-50,993
Staff costs	-	-43,380	-35,784	-146,988
<b>Operating profit/loss before depreciation and amortization (EBITDA)</b>		<b>10,602</b>	<b>13,506</b>	<b>83,123</b>
Depreciation, amortization and impairment	-	-2,812	-1,414	-8,257
<b>Operating profit/loss (EBIT)</b>		<b>7,790</b>	<b>12,092</b>	<b>74,866</b>
Financial income	5	1,098	713	2,305
Financial expenses	5	-409	-999	-909
<b>Profit/loss before tax</b>		<b>8,479</b>	<b>11,806</b>	<b>76,262</b>
Tax of profit/loss for the period	-	-1,934	-2,597	-16,308
<b>Profit/loss for the period after tax</b>		<b>6,545</b>	<b>9,209</b>	<b>59,954</b>
<b>Earnings per share (EPS)</b>				
Earnings per share (DKK)	-	0.8	1.1	7.0
Earnings per share, diluted (DKK)	-	0.8	1.1	6.9

# Statement of Comprehensive Income

(non-audited)

Amounts in DKK '000	Q1 2018/19	Q1 2017/18	FY 2017/18
Profit/loss for the period	6,545	9,209	59,954
Items that can be reclassified subsequently to the income statement			
Exchange rate adjustments of foreign subsidiaries	347	-453	666
Fair value adjustment of current asset investments	-	-8	-8
Reclassified gains on current asset investments	-	-	-498
<b>Other comprehensive income, net of tax</b>	<b>347</b>	<b>-461</b>	<b>160</b>
<b>Comprehensive income for the period</b>	<b>6,892</b>	<b>8,748</b>	<b>60,114</b>

# Balance Sheet

(non-audited)

Amounts in DKK '000	31.12.18	31.12.17	30.09.18
<b>ASSETS</b>			
Own completed development projects	10,033	448	11,069
Own development projects in progress	26,250	21,860	22,281
Acquired license rights	1,846	-	2,110
Goodwill	7,797	7,797	7,797
<b>Total intangible assets</b>	<b>45,926</b>	<b>30,105</b>	<b>43,257</b>
Plant and machinery	9,090	7,931	9,413
Other fixtures, tools and equipment	2,679	3,154	2,888
Leasehold improvements	3,164	1,684	3,190
<b>Total tangible assets</b>	<b>14,933</b>	<b>12,769</b>	<b>15,491</b>
Deposits	7,898	7,682	7,748
Deferred tax assets	5,276	20,174	6,548
<b>Other non-current assets</b>	<b>13,174</b>	<b>27,856</b>	<b>14,296</b>
<b>Non-current assets</b>	<b>74,033</b>	<b>70,730</b>	<b>73,044</b>
<b>Inventories</b>	<b>18,092</b>	<b>19,976</b>	<b>22,134</b>
Trade receivables	104,629	63,153	123,520
Contract development projects in progress	16,083	17,587	15,165
Other receivables	3,021	1,236	3,378
Prepaid expenses	4,158	4,056	2,906
<b>Receivables</b>	<b>127,891</b>	<b>86,032</b>	<b>144,969</b>
Current asset investments in the trading portfolio	120,873	119,806	120,528
<b>Total current asset investments</b>	<b>120,873</b>	<b>119,806</b>	<b>120,528</b>
<b>Cash at bank and in hand</b>	<b>69,483</b>	<b>28,941</b>	<b>62,073</b>
<b>Total current assets</b>	<b>336,339</b>	<b>254,755</b>	<b>349,704</b>
<b>Total assets</b>	<b>410,372</b>	<b>325,485</b>	<b>422,748</b>

Amounts in DKK '000	31.12.18	31.12.17	30.09.18
<b>EQUITY AND LIABILITIES</b>			
Share capital	44,714	45,714	44,714
Share premium account	252,367	270,723	252,367
Retained earnings	23,968	-40,707	14,918
<b>Equity</b>	<b>321,049</b>	<b>275,730</b>	<b>311,999</b>
Provisions	905	258	905
<b>Non-current liabilities</b>	<b>905</b>	<b>258</b>	<b>905</b>
Prepayments received from customers	2,044	799	1,108
Trade payables	45,987	22,850	69,360
Contract development projects in progress	4,387	968	3,129
Income taxes	2,026	323	1,815
Provisions	1,115	1,132	1,115
Other payables	32,859	23,425	33,317
<b>Current liabilities</b>	<b>88,418</b>	<b>49,497</b>	<b>109,844</b>
<b>Total liabilities</b>	<b>89,323</b>	<b>49,755</b>	<b>110,749</b>
<b>Total equity and liabilities</b>	<b>410,372</b>	<b>325,485</b>	<b>422,748</b>



# Equity Statement

(non-audited)

Amounts in DKK '000	Share capital	Share premium	Retained earnings	Total
Equity at 1 October 2017	45,714	270,723	-33,462	282,975
Profit/loss for the period	-	-	9,209	9,209
Exchange rate adjustments of foreign subsidiaries	-	-	-453	-453
Fair value adjustment of current asset investments	-	-	-8	-8
<b>Other comprehensive income, net of tax</b>	-	-	<b>-461</b>	<b>-461</b>
<b>Comprehensive income for the period</b>	-	-	<b>8,748</b>	<b>8,748</b>
Share-based remuneration	-	-	1,332	1,332
Acquisition of treasury shares	-	-	-17,325	-17,325
<b>Other transactions</b>	-	-	<b>-15,993</b>	<b>-15,993</b>
Equity at 31 December 2017	45,714	270,723	-40,707	275,730

Amounts in DKK '000	Share capital	Share premium	Retained earnings	Total
Equity at 1 October 2018	44,714	252,367	14,918	311,999
Profit/loss for the period	-	-	6,545	6,545
Exchange rate adjustments of foreign subsidiaries	-	-	347	347
<b>Other comprehensive income, net of tax</b>	-	-	<b>347</b>	<b>347</b>
<b>Comprehensive income for the period</b>	-	-	<b>6,892</b>	<b>6,892</b>
Effect of change in accounting principles	-	-	726	726
Share-based remuneration	-	-	1,592	1,592
Deferred tax on equity transactions	-	-	-160	-160
<b>Other transactions</b>	-	-	<b>2,158</b>	<b>2,158</b>
Equity at 31 December 2018	44,714	252,367	23,968	321,049

Share capital of DKK 44,714,190 consists of 8,942,838 shares at DKK 5. The Group holds 374,849 treasury shares at 31 December 2018 (656,807 shares at 31 December 2017). There are no shares carrying special rights.

# Cash Flow Statement

(non-audited)

Amounts in DKK '000	Q1 2018/19	Q1 2017/18	FY 2017/18
Operating profit/loss (EBIT)	7,790	12,092	74,866
<b>Reversal of items with no effect on cash flow</b>			
Depreciation, amortization and impairment	2,812	1,414	8,257
Other items with no effect on cash flow	1,594	-1,280	6,305
<b>Change in working capital</b>			
Change in inventories	4,572	4,041	343
Change in receivables	17,078	20,079	-38,308
Change in trade payables etc.	-21,637	-17,332	39,997
<b>Cash flow from operating activities</b>	<b>12,209</b>	<b>19,014</b>	<b>91,460</b>
<b>Financial income received</b>	<b>616</b>	<b>713</b>	<b>3,227</b>
Financial expenses paid	712	-104	-774
Income taxes paid	-611	597	1,746
<b>Cash flow from operations</b>	<b>12,926</b>	<b>20,220</b>	<b>95,659</b>
<b>Investments in own development projects</b>	<b>-3,970</b>	<b>-3,449</b>	<b>-16,305</b>
Acquisition of intangible assets	-	-	-3,165
Acquisition of property, plant and equipment	-949	-1,673	-8,406
Deposits on leaseholds	-150	14	-52
Acquisition and sale of current securities	-345	-712	-1,271
<b>Cash flow from investments</b>	<b>-5,414</b>	<b>-5,820</b>	<b>-29,199</b>

Amounts in DKK '000	Q1 2018/19	Q1 2017/18	FY 2017/18
Acquisition of treasury shares	-	-17,325	-19,201
Paid dividend	-	-	-16,959
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-17,325</b>	<b>-36,160</b>
Increase/decrease in cash and cash equivalents	7,512	-2,925	30,300
Exchange rate correction on cash	-102	-179	-272
Cash and cash equivalents at the beginning of the period, net	62,073	32,045	32,045
<b>Cash and cash equivalents at the end of the period, net</b>	<b>69,483</b>	<b>28,941</b>	<b>62,073</b>
Cash and cash equivalents at the end of the period, net, are composed as follows:			
Cash at bank and in hand	69,483	28,941	62,073
<b>Cash and cash equivalents at the end of the period, net</b>	<b>69,483</b>	<b>28,941</b>	<b>62,073</b>

# Notes

## 1 ACCOUNTING POLICIES

The interim report is presented in accordance with IAS 34, Interim Financial Reporting, and additional Danish disclosure requirements for interim reporting of listed companies. An interim report has not been prepared for the Parent.

Starting 1 October 2018 RTX implemented IFRS 15 – Revenue from contracts with customers effective from the financial year 2018/19. As mentioned in the annual report 2017/18 RTX implement the standard using the modified retrospective method and only apply IFRS 15 to contracts not completed at 1 October 2018. The net effect of transition to IFRS 15 has been adjusted to the opening balance of retained earnings in equity at 1 October 2018.

Impact on Consolidated financial statements from implementing IFRS 15:

	Previous accounting policy	Impact of IFRS 15	New accounting policy
<b>INCOME STATEMENT</b>			
Revenue	107,155	9,278	116,433
Cost of sales	-44,235	-5,456	-49,691
Operating profit/loss (EBIT)	3,968	3,822	7,790
Tax on profit/loss	-1,093	-841	-1,934
Profit/loss for the period	3,564	2,981	6,545
<b>BALANCE SHEET</b>			
Deferred tax assets	6,322	-1,046	5,276
Inventories	24,512	-6,420	18,092
Trade receivables	93,456	11,173	104,629
Total assets	406,665	3,707	410,372
Retained earnings	20,261	3,707	23,968
Total equity and liabilities	406,665	3,707	410,372

The new accounting standard especially affect timing of revenue recognition from Non-Recurring-Engineering contracts and revenue recognition from products triggered at transfer of control. Implementing IFRS 15 increases the profit by DKK 3.0 million and equity by DKK 3.7 million. The implementation of additional new and amended standards has to a minor degree impacted the consolidated financial statement and balance sheet.

Except for effects mentioned above, the accounting policies applied in this interim report are consistent with those applied in the Company's annual report 2017/18. We refer to the annual report 2017/18 for a more detailed description of the accounting policies.

## 2 ESTIMATES AND ASSUMPTIONS

The preparation of interim reports requires management to make financial estimates and assumptions that affect the application of accounting policy and recognised assets, obligations, income and expenses. Actual results might be different from these estimates.

The material estimates that management make when applying the accounting principles of the Group and the material uncertainty connected with these estimates and assumptions are unchanged in the preparation of the interim report compared to the preparation of the annual report as per 30 September 2018.

# Notes

## 3 SEGMENT INFORMATION

Amounts in DKK '000	Q1 2018/19	Q1 2017/18	FY 2017/18
<b>Revenue, business segments</b>			
Business Communications	77,272	65,825	325,002
Design Services	39,161	35,098	150,339
<b>Group</b>	<b>116,433</b>	<b>100,923</b>	<b>475,341</b>
<b>EBIT</b>			
Business Communications	11,189	11,850	73,732
Design Services	-3,399	242	1,134
<b>Group</b>	<b>7,790</b>	<b>12,092</b>	<b>74,866</b>
<b>Segment assets</b>			
Business Communications	136,704	88,113	135,094
Design Services	75,388	51,553	96,018
Non-allocated items	198,280	185,819	191,636
<b>Group</b>	<b>410,372</b>	<b>325,485</b>	<b>422,748</b>
<b>Revenue, geographical segments</b>			
Denmark	2,216	2,183	10,121
Other Europe	66,440	67,847	280,856
Asia and Pacific	19,917	14,862	104,932
North and South America	25,994	15,349	72,761
Africa	1,866	682	6,671
<b>Total</b>	<b>116,433</b>	<b>100,923</b>	<b>475,341</b>

Revenue is broken down by geographical area according to customer location. The Group balance sheet illustrates that the Group's assets are mainly owned by the parent company in Denmark. The geographical split of the assets is thus mainly in Denmark.

## 4 DEVELOPMENT COSTS

Amounts in DKK '000	Q1 2018/19	Q1 2017/18	FY 2017/18
Own development cost incurred before capitalization	8,727	7,436	34,318
Value of work transferred to assets (capitalized)	-3,970	-3,449	-16,305
Total amortization and impairment losses on development projects	1,036	224	2,039
<b>Development cost recognized in the profit and loss account</b>	<b>5,793</b>	<b>4,211</b>	<b>20,052</b>

## 5 FINANCIAL ITEMS

Amounts in DKK '000	Q1 2018/19	Q1 2017/18	FY 2017/18
Exchange rate gains (net)	429	-	-
Gains on current asset investments reclassified from other comprehensive income	-	-	498
Other financial income	669	713	1,807
<b>Total financial income</b>	<b>1,098</b>	<b>713</b>	<b>2,305</b>
Exchange rate losses (net)	-	740	135
Fair value adjustments of investments in trading portfolio	258	155	333
Other financial costs	151	104	441
<b>Total financial expenses</b>	<b>409</b>	<b>999</b>	<b>909</b>