

# INTERIM REPORT FOR Q3 2018/19

(the period 01.04.2019 - 30.06.2019)

## ANNOUNCEMENT

to Nasdaq Copenhagen A/S and the media  
Nørresundby, 27 August 2019  
Announcement no. 39/2019  
No. of pages: 13



## RTX CONTINUES ON GROWTH PATH WITH 30 % REVENUE GROWTH IN Q3

The financial performance in both Q3 2018/19 and the first nine months of 2018/19 continues to be strong with revenue growth of 30.4 % and 25.3 % respectively and EBITDA growth of 89.2 % to DKK 29.7 million in Q3. The execution of RTX's strategy continues to lead to growth in both business areas. RTX upgraded its financial outlook for 2018/19 on 19 August 2019 and maintains this upgraded outlook.

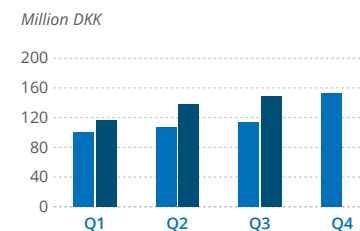
## SUMMARY FOR THE THIRD QUARTER OF 2018/19 FOR THE RTX GROUP

- **Net revenue** increased by 30.4 % to DKK 148.9 million in Q3 2018/19 (Q3 2017/18: DKK 114.2 million) due to strong organic growth in both Business Communications and Design Services:
  - **Business Communications:** Revenue grew 31.6 % to DKK 102.3 million. With the execution of its strategy, Business Communications achieved growth both in the handset related product ranges and in the headset product range. Revenue from the two larger framework agreements announced during 2017/18 continue to gain momentum and contribute significantly to the growth.
  - **Design Services:** Revenue grew 27.9 % to DKK 46.6 million especially driven by growth in product sales (customized modules) in line with the strategy to increase recurring revenue and strengthen resource scalability within Design Services.

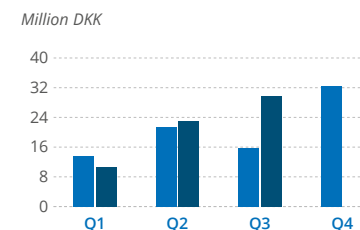
FX corrected revenue growth amounted to 23.3 % as revenue, compared to last year, was positively impacted by the USD exchange rate development. Conversely, revenue in Q3 was negatively impacted compared to last year by the implementation of IFRS 15 regarding timing of revenue recognition.

- **Gross profit** increased by 32.7 % to DKK 83.9 million in Q3 2018/19 (Q3 2017/18: DKK 63.3 million). Gross margin increased by 1.0 %-point to 56.4 % (Q3 2017/18: 55.4 %).
- **Operating performance** improved with EBITDA increasing by 89.2 % to DKK 29.7 million in Q3 2018/19 (Q3 2017/18: DKK 15.7 million). EBIT increased by 94.7 % to DKK 26.2 million in Q3 2018/19 (Q3 2017/18: DKK 13.5 million). The improvement in operating performance highlights the effect of RTX's growth strategy where, as expected, the revenue growth in Q3 more than outweighs the increasing capacity costs. The planned increase in capacity costs is related to the ramping-up of activities for the two major framework agreements announced during 2017/18, increasing the average number of FTEs to 281 in Q3 2018/19 compared to 247 in Q3 2017/18.
- **Cash flows from operating activities** (CFFO) amounted to DKK 34.5 million in Q3 2018/19 compared to DKK 18.1 million in Q3 2017/18 aided by the earnings growth and the working capital development.

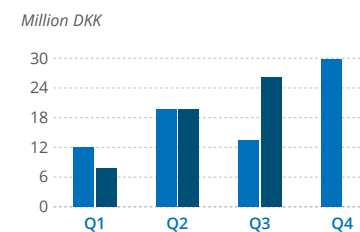
### REVENUE PER QUARTER



### EBITDA PER QUARTER



### EBIT PER QUARTER



■ 2017/18 ■ 2018/19



## SUMMARY FOR THE FIRST NINE MONTHS OF 2018/19 FOR THE RTX GROUP

- **Net revenue** increased by 25.3 % to DKK 403.2 million in the first nine months (9M) of 2018/19 (9M 2017/18: DKK 321.8 million). Both Business Communications and Design Services have achieved revenue growth:
  - **Business Communications:** Revenue growth of 27.8 % to DKK 271.3 million. Growth is driven by both the handset related product ranges as well as headsets as the new adjacency expansion. The two larger framework agreements announced during 2017/18 have both contributed to the growth.
  - **Design Services:** Revenue growth of 20.4 % to DKK 131.9 million primarily driven by growth in product sales (customized modules) in line with strategy and secondarily by continued high activity within customer financed projects. FX corrected revenue growth amounted to 19.2 % as revenue compared to last year was positively impacted by the USD exchange rate development. In addition, revenue for the first nine months was positively impacted, compared to last year, by the implementation of IFRS 15 regarding timing of revenue recognition.
- **Gross profit** increased by 23.7 % to DKK 229.0 million in 9M 2018/19 (9M 2017/18: DKK 185.1 million). The gross margin decreased by 0.7 %-points to 56.8 % (9M 2017/18: 57.5 %) due to changes in the revenue mix with relatively higher product sale revenues compared to revenues from customer financed projects (engineering revenues).
- **Operating performance** improved with **EBITDA** increasing by 25.2 % to DKK 63.4 million in 9M 2018/19 (9M 2017/18: DKK 50.6 million). **EBIT** increased by 18.6 % to DKK 53.6 million in 9M 2018/19 (9M 2017/18: DKK 45.2 million). EBITDA and EBIT are impacted by the growth in revenue and gross profit and by increasing capacity costs related to ramp-up of activities and investments in capacity related to the two major framework agreements announced in 2017/18. Thus, the average number of FTEs reached 273 in 9M 2018/19 compared to 241 in 9M 2017/18.
- **Cash flows from operating activities** (CFFO) amounted to DKK 62.4 million in 9M 2018/19 compared to DKK 56.3 million in 9M 2017/18.

## OUTLOOK FOR 2018/19

- RTX confirms its financial outlook for 2018/19, which was upgraded on 19 August 2019 in company announcement 37/2019. The financial outlook is now expected revenue between DKK 550-565 million, expected EBITDA between DKK 90-100 million and expected EBIT between DKK 77-87 million.

## NEW SHARE BUY-BACK PROGRAMME INITIATED AS ANNOUNCED

- As announced in company announcement 31/2019, RTX has initiated a new share buy-back programme for an amount up to DKK 20 million. The programme is executed during the period 1 August 2019 to 31 December 2019.

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 Q3 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

### INVESTOR AND ANALYST MEETING

On Friday, 30 August 2019 at 9.00 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 third quarter of 2018/19.

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

# Group financial highlights and key ratios

(non-audited)

Amounts in DKK million	Q3 2018/19	Q3 2017/18	9M 2018/19	9M 2017/18	FY 2017/18
<b>INCOME STATEMENT ITEMS</b>					
Revenue	148.9	114.2	403.2	321.8	475.3
Gross profit	83.9	63.3	229.0	185.1	264.8
EBITDA	29.7	15.7	63.4	50.6	83.1
EBITDA %	19.9%	13.8%	15.7%	15.7%	17.5%
Operating profit/loss (EBIT)	26.2	13.5	53.6	45.2	74.9
Net financials	-0.8	2.3	2.0	0.7	1.4
Profit/loss before tax (EBT)	25.4	15.8	55.6	45.9	76.3
Profit/loss for the period	20.0	12.2	43.7	35.8	60.0
<b>BALANCE SHEET ITEMS</b>					
Cash and current asset investments	190.0	150.4	190.0	150.4	182.6
Total assets	441.8	352.1	441.8	352.1	422.7
Equity	324.1	285.2	324.1	285.2	312.0
Liabilities	117.7	66.9	117.7	66.9	110.7
<b>OTHER KEY FIGURES</b>					
Development costs (own) before capitalization	10.4	9.4	29.3	26.8	34.3
Capitalized development costs	5.1	4.8	14.3	14.5	16.3
Depreciation, amortization and impairment	3.4	2.2	9.7	5.4	8.3
Cash flow from operations	34.5	18.1	62.4	56.3	95.7
Cash flow from investments <sup>1)</sup>	-7.2	-7.8	-50.6	-22.0	-29.2
Investments in property, plant and equipment	1.7	2.3	3.6	6.3	8.4
Increase/decrease in cash and cash equivalents <sup>1)</sup>	18.2	10.4	-25.3	-1.9	30.3

Amounts in DKK million	Q3 2018/19	Q3 2017/18	9M 2018/19	9M 2017/18	FY 2017/18
<b>KEY RATIOS</b>					
Growth in net turnover (percentage)	30.4	-8.2	25.3	0.7	9.7
Profit margin (percentage)	17.6	11.8	13.3	14.1	15.7
Return on invested capital (percentage) <sup>2)</sup>	69.8	72.2	69.8	72.2	69.5
Return on equity (percentage) <sup>2)</sup>	22.3	22.5	22.3	22.5	20.2
Equity ratio (percentage)	73.4	81.0	73.4	81.0	73.8
<b>EMPLOYMENT</b>					
Average number of full-time employees	281	247	273	241	246
Revenue per employee (DKK '000) <sup>3)</sup>	530	462	1,477	1,335	1,932
Operating profit per employee (DKK '000) <sup>3)</sup>	93	55	197	188	304
<b>SHARES</b>					
Average number of shares in circulation ('000)	8,528	8,568	8,562	8,552	8,556
Average number of diluted shares ('000)	8,598	8,683	8,654	8,691	8,691
<b>SHARE DATA. DKK PER SHARE AT DKK 5</b>					
Profit/loss for the period (EPS), per share <sup>3)</sup>	2.3	1.4	5.1	4.2	7.0
Profit/loss for the period, diluted (DEPS), per share <sup>3)</sup>	2.3	1.4	5.1	4.1	6.9
Dividends, per share (DKK)	-	-	-	-	2.0
Equity value, per share	38.1	33.3	38.1	33.3	36.4
Listed price, per share	158.0	191.0	158.0	191.0	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> Including acquisition of current securities in the trading portfolio.

<sup>2)</sup> Calculated over a 12 months' period.

<sup>3)</sup> Not annualized.

# Management report

The Board of Directors of RTX A/S has today considered and adopted the Group's interim report for the third quarter of 2018/19 (covering the period 1 April 2019 to 30 June 2019). Comments on developments for the third quarter (Q3) and first nine months (9M) of the 2018/19 financial year follow below.

## SUCCESSFUL EXECUTION OF GROWTH STRATEGY

In Q3 2018/19, the Group posted **revenue** of DKK 148.9 million corresponding to an increase of 30.4 % (Q3 2017/18: DKK 114.2 million). Corrected for exchange rate effects the increase equals 23.3 % compared to last year. Both Business Communications and Design Services contributed positively to the revenue growth based on the successful implementation of the Group's growth strategy. In 9M 2018/19, revenue increased by 25.3 % to DKK 403.2 million (9M 2017/18: DKK 321.8 million) also positively influenced by growth in both Business Communications and Design Services. While revenue in Q3 was negatively impacted by the implementation of IFRS 15, revenue in the first nine months was positively influenced by the implementation of IFRS 15 (slightly advancing the point of time for revenue recognition in some situations) when compared to last year.

**Business Communications** realized revenue growth of 31.6 % in Q3 2018/19, reaching DKK 102.3 million (Q3 2017/18: DKK 77.8 million). Corrected for exchange rate effects the growth was 23.1 %. The growth in Business

Communications is driven by the execution of the two-fold strategy to continue to increase market share in the Enterprise market for handsets and base stations (primarily call centers and offices) through product innovations and by increasing the customer base and to execute the adjacency expansion into headsets for the Enterprise market. The new major framework agreements entered into during 2017/18 for handsets and headsets respectively are important growth contributors in Q3. In 9M 2018/19 revenue increased by 27.8 % to DKK 271.3 million (2017/18: DKK 212.3 million).

In Q3 of 2018/19, **Design Services** posted revenue of DKK 46.6 million, reflecting a growth of 27.9% compared to the same period last year (Q3 2017/18: DKK 36.4 million). Corrected for exchange rate effects the growth was 23.9 %. The strategy within Design Services to increase recurring revenues and thus the scalability of resources through increased product sales and royalties within the Pro Audio and Healthcare segments is the driver of the growth, while revenues from customer financed projects (engineering revenues) are on a similar level as last year. In 9M 2018/19, revenue increased by 20.4 % to DKK 131.9 million (9M 2017/18: DKK 109.5 million) primarily driven by increased recurring revenues from product sales and royalties and secondarily from increased revenues from customer financed projects.

The revenue growth translated into increasing **gross profit** reaching DKK 83.9 million in Q3 2018/19 (Q3 2017/18: DKK 63.3 million). The gross margin increased by 1.0 %-point to 56.4 % (Q3 2017/18: 55.4 %) aided by the product mix but partially counterbalanced by an overall higher share proportion product sales relative to customer financed projects compared to last year. In 9M 2018/19, gross profit amounted to DKK 229.0 million which is a growth of 23.7 %

## FINANCIAL DEVELOPMENT

DKK million	Q3 18/19	Q3 17/18	Change (%)
<b>Group revenue</b>	<b>148.9</b>	<b>114.2</b>	<b>30.4%</b>
BC <sup>1)</sup> revenue	102.3	77.8	31.6%
DS <sup>2)</sup> revenue	46.6	36.4	27.9%
<b>EBITDA</b>	<b>29.7</b>	<b>15.7</b>	<b>89.2%</b>
<b>EBIT</b>	<b>26.2</b>	<b>13.5</b>	<b>94.7%</b>
<b>CFFO<sup>3)</sup></b>	<b>34.5</b>	<b>18.1</b>	<b>90.0%</b>

DKK million	9M 18/19	9M 17/18	Change (%)
<b>Group revenue</b>	<b>403.2</b>	<b>321.8</b>	<b>25.3%</b>
BC <sup>1)</sup> revenue	271.3	212.3	27.8%
DS <sup>2)</sup> revenue	131.9	109.5	20.4%
<b>EBITDA</b>	<b>63.4</b>	<b>50.6</b>	<b>25.2%</b>
<b>EBIT</b>	<b>53.6</b>	<b>45.2</b>	<b>18.6%</b>
<b>CFFO<sup>3)</sup></b>	<b>62.4</b>	<b>56.3</b>	<b>10.9%</b>

<sup>1)</sup> Business Communications

<sup>2)</sup> Design Services

<sup>3)</sup> Cash flow from operations



## FINANCIAL CALENDAR

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

**26 NOVEMBER 2019**

Annual report for 2018/19

compared to last year (9M 2017/18: DKK 185.1 million). The gross margin during 9M 2018/19 was 56.8 % which is 0.7 %-points below 9M 2017/18 due to a higher proportion of product sales relative to customer financed projects and due to the product mix.

**Capacity costs** in Q3 amounted to DKK 59.4 million compared to DKK 52.3 million (before capitalization of development costs) in the same period last year. As in the previous quarters, the higher capacity cost level compared to last year is predominantly driven by ramping-up capacity in order to execute the newest major framework agreements announced during 2017/18 and by continuing to build the organization and infrastructure necessary for further growth. Reflecting this, the average number of FTEs increased to 281 in Q3 2018/19 (Q3 2017/18: 247).

The Group **capitalized development costs** of DKK 5.1 million in Q3 2018/19 (Q3 2017/18: DKK 4.8 million) as the strategy of laying the foundation for further growth through own financed development projects in both business units continued. A part hereof is the continued product development activities within headsets for enterprise customers with a focus on wireless models.

Operating performance before depreciations and amortizations (**EBITDA**) improved by 89.2 % to DKK 29.7 million in Q3 2018/19 (Q3 2017/18: DKK 15.7 million). The EBITDA margin in Q3 reached 19.9% (Q3 2017/18: 13.8 %). For 9M 2018/19 EBITDA increased by 25.2 % to DKK 63.4 million (9M 2017/18: DKK 50.6 million).

**Depreciations and amortizations** amounted to DKK 3.4 million in Q3 2018/19 (Q3 2017/18: DKK 2.2 million) with the development primarily caused by amortization of

further own financed development projects such as the headset product series as well as the gaming platform.

Operating profit (**EBIT**) increased to DKK 26,2 million in Q3 2018/19 (Q3 2017/18: DKK 13.5 million), an increase of 94.7%. For 9M 2018/19 EBIT increased by 18.6 % to DKK 53.6 million (Q3 2017/18: DKK 45.2 million).

**Profit before tax** for Q3 of 2018/19 amounted to DKK 25.4 million (Q3 2017/18: DKK 15.8 million). **Profit after tax** amounted to DKK 20.0 million in Q3 of 2018/19 (Q3 2017/18: DKK 12.2 million).

### EQUITY, ASSETS AND CASH FLOW

At the end of the third quarter of 2018/19, the Group's **equity ratio** amounted to 73.4 % (Q3 2017/18: 81.0 %) which is on par with the level at the end of FY 2017/18. The **total assets** were DKK 441.8 million at the end of the third quarter in 2018/19 corresponding to an increase of 25.5 % compared to the same time last year (Q3 2017/18: DKK 352.1 million) primarily due to higher trade receivables due to the higher activity level compared to last year.

In Q3 2018/19, the Group continued to realize positive **cash flow from operations** (CFFO) of DKK 34.5 million (Q3 2017/18: DKK 18.1 million). In 9M 2018/19, cash flow from operations reached DKK 62.4 million (9M 2017/18: DKK 56.3 million) impacted by the earnings growth and by increased working capital due to the revenue growth.

The Group's **total cash funds and current securities less bank debt** increased to DKK 190.0 million at the end of Q3 2018/19 (Q3 2017/18: DKK 150.4 million). The level is positively impacted by cash generated by operations in Q3 and negatively impacted by the share buy-back programme

finalized during Q3 (cf. company announcement 03/2019 (initiation of programme) and company announcement 30/2019 (conclusion of programme)). Under the concluded share buy-back programme, RTX A/S acquired 124,468 shares for a total value of DKK 20.0 million. Hereof 54,360 shares for a total value of DKK 8.6 million were acquired during Q3 2018/19 (Q3 2017/18: DKK 0). At the end of Q3 2018/19, RTX A/S held 435,869 treasury shares of a nominal value of DKK 5 which equals 4.87 % of the share capital.

## OUTLOOK FOR THE 2018/19 FINANCIAL YEAR

RTX maintains its financial outlook for 2018/19, which was upgraded and narrowed on 19 August 2019 in company announcement 37/2019. The outlook for the financial year 2018/19 is now expected revenue between DKK 550-565 million, expected EBITDA between DKK 90-100 million and expected EBIT between DKK 77-87 million.

## NEW SHARE BUY-BACK PROGRAMME INITIATED AS ANNOUNCED

As announced in company announcement 31/2019, RTX has initiated a new share buy-back programme for an amount up to DKK 20 million. The programme is executed during the period 1 August 2019 to 31 December 2019. The share buy-back programme is executed in compliance with EU Market Abuse Regulation, EU Regulation no. 596/2014 of 16 April 2014 and EU Delegated Regulation 2016/1052 of 8 March 2016 (together referred to as the "Safe Harbour Regulation"). The purpose of the share buy-back programme is a continued adjustment of RTX's capital structure and to meet the obligations arising from employee share-based remuneration programmes or other allocations of shares to employees of RTX.

## 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-DA and 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, 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 third quarter of the financial year 2018/19 (covering the period 1 April to 30 June 2019).

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 30 June 2019 and of its financial performance and cash flow for the third 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, 27 August 2019

## Executive Management

Peter Røpke  
CEO

Morten Axel Petersen  
CFO

## Board of Directors

Peter Thostrup  
Chairman

Jesper Mailind  
Deputy Chairman

Christian Engsted

Lars Christian Tofft

Henrik Schimmell

Kevin Harritsø  
Employee representative

Flemming Vendbjerg Andersen  
Employee representative

Kurt Heick Rasmussen  
Employee representative

# Income Statement

(non-audited)

Amounts in DKK '000	Note	Q3 2018/19	Q3 2017/18	9M 2018/19	9M 2017/18	FY 2017/18
Revenue	3	148,873	114,152	403,243	321,843	475,341
Value of work transferred to assets	4	5,143	4,774	14,252	14,487	16,305
Costs of sales etc.		-64,947	-50,887	-174,245	-136,761	-210,542
Other external expenses		-14,382	-13,806	-46,217	-36,826	-50,993
Staff costs		-44,989	-38,535	-133,676	-112,143	-146,988
<b>Operating profit/loss before depreciation and amortization (EBITDA)</b>		<b>29,698</b>	<b>15,698</b>	<b>63,357</b>	<b>50,600</b>	<b>83,123</b>
Depreciation, amortization and impairment	4	-3,449	-2,214	-9,710	-5,380	-8,257
<b>Operating profit/loss (EBIT)</b>		<b>26,249</b>	<b>13,484</b>	<b>53,647</b>	<b>45,220</b>	<b>74,866</b>
Financial income	5	414	2,379	2,740	1,790	2,305
Financial expenses	5	-1,257	-107	-770	-1,139	-909
<b>Profit/loss before tax</b>		<b>25,406</b>	<b>15,756</b>	<b>55,617</b>	<b>45,871</b>	<b>76,262</b>
Tax of profit/loss for the period		-5,433	-3,530	-11,893	-10,092	-16,308
<b>Profit/loss for the period</b>		<b>19,973</b>	<b>12,226</b>	<b>43,724</b>	<b>35,779</b>	<b>59,954</b>
<b>Earnings per share (EPS)</b>						
Earnings per share (DKK)		2.3	1.4	5.1	4.2	7.0
Earnings per share, diluted (DKK)		2.3	1.4	5.1	4.1	6.9

# Statement of Comprehensive Income

(non-audited)

Amounts in DKK '000	Note	Q3 2018/19	Q3 2017/18	9M 2018/19	9M 2017/18	FY 2017/18
Profit/loss for the period		19,973	12,226	43,724	35,779	59,954
Items that can be reclassified subsequently to the income statement						
Exchange rate adjustments of foreign subsidiaries		-282	1,817	627	360	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>-282</b>	<b>1,817</b>	<b>627</b>	<b>352</b>	<b>160</b>
<b>Comprehensive income for the period</b>		<b>19,691</b>	<b>14,043</b>	<b>44,351</b>	<b>36,131</b>	<b>60,114</b>



# Balance Sheet

(non-audited)

Amounts in DKK '000	30.06.19	30.06.18	30.09.18
<b>ASSETS</b>			
Own completed development projects	15,922	5,987	11,069
Own development projects in progress	27,305	25,979	22,281
Acquired license rights	1,319	-	2,110
Goodwill	7,797	7,797	7,797
<b>Intangible assets</b>	<b>52,343</b>	<b>39,763</b>	<b>43,257</b>
Plant and machinery	8,482	8,613	9,413
Other fixtures, tools and equipment	2,623	3,169	2,888
Leasehold improvements	3,474	2,966	3,190
<b>Total tangible assets</b>	<b>14,579</b>	<b>14,748</b>	<b>15,491</b>
Deposits	7,897	7,708	7,748
Deferred tax assets	-	15,444	6,548
<b>Other non-current assets</b>	<b>7,897</b>	<b>23,152</b>	<b>14,296</b>
<b>Non-current assets</b>	<b>74,819</b>	<b>77,663</b>	<b>73,044</b>
<b>Inventories</b>	<b>21,054</b>	<b>20,216</b>	<b>22,134</b>
Trade receivables	129,397	76,021	123,520
Contract development projects in progress	20,222	19,885	15,165
Other receivables	2,678	3,056	3,378
Prepaid expenses	3,695	4,773	2,906
<b>Receivables</b>	<b>155,992</b>	<b>103,735</b>	<b>144,969</b>
Current asset investments in the trading portfolio	153,086	120,469	120,528
<b>Total current asset investments</b>	<b>153,086</b>	<b>120,469</b>	<b>120,528</b>
<b>Cash at bank and in hand</b>	<b>36,868</b>	<b>29,973</b>	<b>62,073</b>
<b>Total current assets</b>	<b>367,000</b>	<b>274,393</b>	<b>349,704</b>
<b>Total assets</b>	<b>441,819</b>	<b>352,056</b>	<b>422,748</b>

Amounts in DKK '000	30.06.19	30.06.18	30.09.18
<b>EQUITY AND LIABILITIES</b>			
Share capital	44,714	44,714	44,714
Share premium account	252,367	252,367	252,367
Retained earnings	27,031	-11,924	14,918
<b>Equity</b>	<b>324,112</b>	<b>285,157</b>	<b>311,999</b>
Provisions	905	258	905
Deferred tax	3,382	-	-
<b>Non-current liabilities</b>	<b>4,287</b>	<b>258</b>	<b>905</b>
Prepayments received from customers	2,498	481	1,108
Trade payables	57,002	26,422	69,360
Contract development projects in progress	9,383	3,040	3,129
Income taxes	2,312	5,545	1,815
Provisions	1,115	1,263	1,115
Other payables	41,110	29,890	33,317
<b>Current liabilities</b>	<b>113,420</b>	<b>66,641</b>	<b>109,844</b>
<b>Total liabilities</b>	<b>117,707</b>	<b>66,899</b>	<b>110,749</b>
<b>Total equity and liabilities</b>	<b>441,819</b>	<b>352,056</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	-	-	35,779	35,779
Exchange rate adjustments of foreign subsidiaries	-	-	360	360
Fair value adjustment of current asset investments	-	-	-8	-8
<b>Other comprehensive income, net of tax</b>	-	-	<b>352</b>	<b>352</b>
<b>Comprehensive income for the period</b>	-	-	<b>36,131</b>	<b>36,131</b>
Share-based remuneration	-	-	3,965	3,965
Deferred tax on equity transactions	-	-	-1,743	-1,743
Cancellation of treasury shares	-1,000	-18,356	19,345	-11
Paid dividend for 2016/17	-	-	-16,959	-16,959
Acquisition of treasury shares	-	-	-19,201	-19,201
<b>Other transactions</b>	<b>-1,000</b>	<b>-18,356</b>	<b>-14,593</b>	<b>-33,949</b>
<b>Equity at 30 June 2018</b>	<b>44,714</b>	<b>252,367</b>	<b>-11,924</b>	<b>285,157</b>

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	-	-	43,724	43,724
Exchange rate adjustments of foreign subsidiaries	-	-	627	627
<b>Other comprehensive income, net of tax</b>	-	-	<b>627</b>	<b>627</b>
<b>Comprehensive income for the period</b>	-	-	<b>44,351</b>	<b>44,351</b>
Effect of change in accounting principles	-	-	726	726
Share-based remuneration	-	-	4,474	4,474
Deferred tax on equity transactions	-	-	-1,765	-1,765
Current tax on equity transactions	-	-	1,489	1,489
Paid dividend for 2017/18	-	-	-17,136	-17,136
Acquisition of treasury shares	-	-	-20,026	-20,026
<b>Other transactions</b>	-	-	<b>-32,238</b>	<b>-32,238</b>
<b>Equity at 30 June 2019</b>	<b>44,714</b>	<b>252,367</b>	<b>27,031</b>	<b>324,112</b>

Share capital of DKK 44,714,190 consists of 8,942,838 shares at DKK 5. The Group holds 435,869 treasury shares at 30 June 2019 (374,849 shares at 30 June 2018). There are no shares carrying special rights.

# Cash Flow Statement

(non-audited)

Amounts in DKK '000	Q3 2018/19	Q3 2017/18	9M 2018/19	9M 2017/18	FY 2017/18
Operating profit/loss (EBIT)	26,249	13,484	53,647	45,220	74,866
<b>Reversal of items with no effect on cash flow</b>					
Depreciation, amortization and impairment	3,449	2,214	9,710	5,380	8,257
Other items with no effect on cash flow	-303	2,956	3,478	3,725	6,305
<b>Change in working capital</b>					
Change in inventories	-5,782	3,026	1,570	3,371	343
Change in receivables	-11,955	-4,893	-11,023	3,101	-38,308
Change in trade payables etc.	22,412	-2,463	3,079	-7,084	39,997
<b>Cash flow from operating activities</b>	<b>34,070</b>	<b>14,324</b>	<b>60,461</b>	<b>53,713</b>	<b>91,460</b>
Financial income received	556	393	4,102	1,961	3,227
Financial expenses paid	-110	2,484	-384	-704	-774
Income taxes paid	-32	947	-1,742	1,318	1,746
<b>Cash flow from operations</b>	<b>34,484</b>	<b>18,148</b>	<b>62,437</b>	<b>56,288</b>	<b>95,659</b>
Investments in own development projects	-5,143	-4,774	-14,252	-14,487	-16,305
Acquisition of intangible assets	-	-	-	-	-3,165
Acquisition of property, plant and equipment	-1,691	-2,264	-3,623	-6,280	-8,406
Deposits on leaseholds	6	-46	-149	-12	-52
Acquisition and sale of current securities	-327	-709	-32,558	-1,212	-1,271
<b>Cash flow from investments</b>	<b>-7,155</b>	<b>-7,793</b>	<b>-50,582</b>	<b>-21,991</b>	<b>-29,199</b>

Amounts in DKK '000	Q3 2018/19	Q3 2017/18	9M 2018/19	9M 2017/18	FY 2017/18
Acquisition of treasury shares	-9,138	-	-20,026	-19,201	-19,201
Paid dividend	-	-	-17,136	-16,959	-16,959
<b>Cash flow from financing activities</b>	<b>-9,138</b>	<b>-</b>	<b>-37,162</b>	<b>-36,160</b>	<b>-36,160</b>
Increase/decrease in cash and cash equivalents	18,191	10,355	-25,307	-1,863	30,300
Exchange rate correction on cash	320	573	102	-209	-272
Cash and cash equivalents at the beginning of the period, net	18,357	19,045	62,073	32,045	32,045
<b>Cash and cash equivalents at the end of the period, net</b>	<b>36,868</b>	<b>29,973</b>	<b>36,868</b>	<b>29,973</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	36,868	29,973	36,868	29,973	62,073
<b>Cash and cash equivalents at the end of the period, net</b>	<b>36,868</b>	<b>29,973</b>	<b>36,868</b>	<b>29,973</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 implements 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	390,026	13,217	403,243
Cost of sales	-167,573	-6,672	-174,245
Operating profit/loss (EBIT)	47,102	6,545	53,647
Financial expenses	-538	-232	-770
Tax on profit/loss	-10,504	-1,389	-11,893
Profit/loss for the period	38,568	5,156	43,724
<b>BALANCE SHEET</b>			
Inventories	28,365	-7,311	21,054
Trade receivables	116,889	12,508	129,397
Contract development projects in progress	17,850	2,372	20,222
Total assets	434,250	7,569	441,819
Retained earnings	21,381	5,650	27,031
Deferred tax	1,788	1,594	3,382
Other payables	40,785	325	41,110
Total equity and liabilities	434,250	7,569	441,819

The new accounting standard especially affects timing of revenue recognition from products triggered at transfer of control and revenue recognition from Non-Recurring-Engineering contracts. Implementing IFRS 15 increases the profit in the period 1 October 2018 to 30 June 2019 by DKK 5.2 million and increases equity at 30 June 2019 by DKK 5.7 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	Q3 2018/19	Q3 2017/18	9M 2018/19	9M 2017/18	FY 2017/18
<b>Revenue, business segments</b>					
Business Communications	102,315	77,751	271,347	212,326	325,002
Design Services	46,558	36,401	131,896	109,517	150,339
<b>Group</b>	<b>148,873</b>	<b>114,152</b>	<b>403,243</b>	<b>321,843</b>	<b>475,341</b>
<b>EBIT</b>					
Business Communications	21,980	12,518	49,022	40,768	73,732
Design Services	4,269	966	4,625	4,452	1,134
<b>Group</b>	<b>26,249</b>	<b>13,484</b>	<b>53,647</b>	<b>45,220</b>	<b>74,866</b>
<b>Segment assets</b>					
Business Communications	170,569	88,586	170,569	88,586	135,094
Design Services	79,145	55,648	79,145	55,648	96,018
Non-allocated items	192,105	207,822	192,105	207,822	191,636
<b>Group</b>	<b>441,819</b>	<b>352,056</b>	<b>441,819</b>	<b>352,056</b>	<b>422,748</b>
<b>Revenue, geographical segments</b>					
Denmark	748	2,787	5,906	9,396	10,121
Other Europe	98,581	66,544	252,190	195,763	280,856
Asia and Pacific	17,629	28,365	54,089	66,583	104,932
North and South America	31,043	16,400	88,197	46,828	72,761
Africa	872	56	2,861	3,273	6,671
<b>Total</b>	<b>148,873</b>	<b>114,152</b>	<b>403,243</b>	<b>321,843</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	Q3 2018/19	Q3 2017/18	9M 2018/19	9M 2017/18	FY 2017/18
Own development cost incurred before capitalization	10,387	9,383	29,261	26,815	34,318
Value of work transferred to assets (capitalized)	-5,143	-4,774	-14,252	-14,487	-16,305
Total amortization and impairment losses on development projects	1,658	866	4,375	1,604	2,039
<b>Development costs recognized in the profit/loss account</b>	<b>6,902</b>	<b>5,475</b>	<b>19,384</b>	<b>13,932</b>	<b>20,052</b>

## 5 FINANCIAL ITEMS

Amounts in DKK '000	Q3 2018/19	Q3 2017/18	9M 2018/19	9M 2017/18	FY 2017/18
Gains on current asset investments reclassified from other comprehensive income	-	-	-	-	498
Exchange rate gains (net)	-	1,508	-	-	-
Fair value adjustments of investments in trading portfolio	327	648	1,179	-	-
Other financial income	87	223	1,561	1,790	1,807
<b>Financial income</b>	<b>414</b>	<b>2,379</b>	<b>2,740</b>	<b>1,790</b>	<b>2,305</b>
Exchange rate losses (net)	1,147	-	386	435	135
Fair value adjustments of investments in trading portfolio	-	-	-	392	333
Other financial costs	110	107	384	312	441
<b>Financial expenses</b>	<b>1,257</b>	<b>107</b>	<b>770</b>	<b>1,139</b>	<b>909</b>