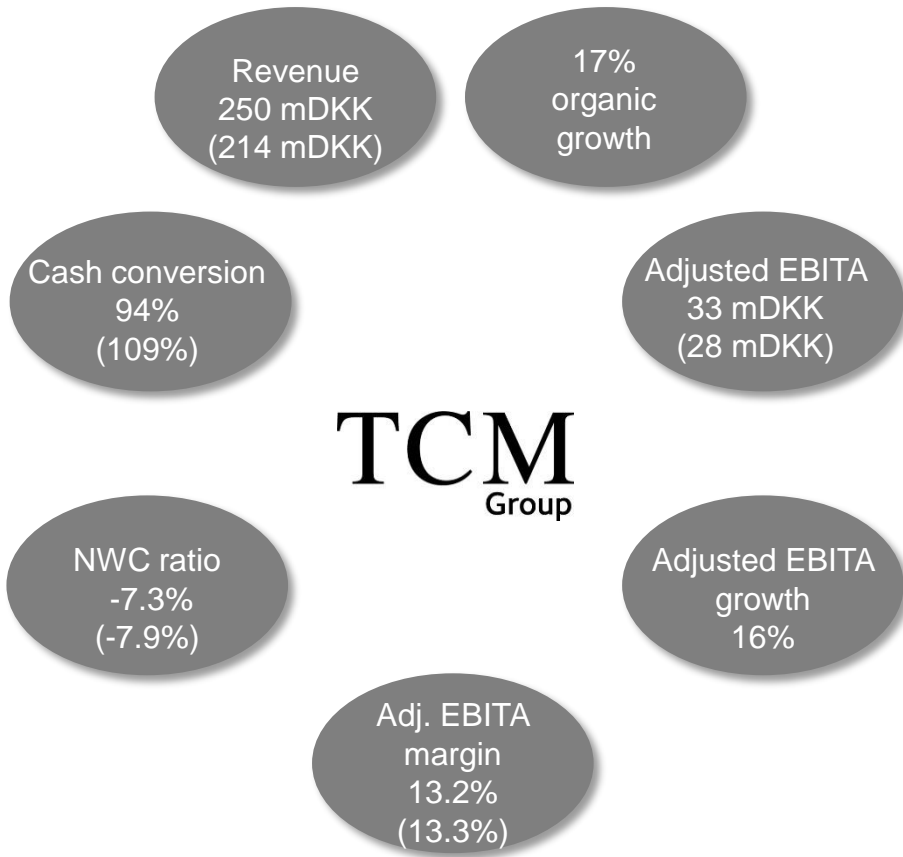




TCM Group A/S

Interim Report January-March 2019

May 7, 2019



- ❑ Positive Danish market development in 2019 of 1-2%, but continued good activity in Q1. TCM Group continued to gain market share with organic growth in Denmark of 19%
- ❑ Growth in B2C and B2B, however B2B with the highest growth rate
- ❑ Number of branded stores increased to 66 (62)
- ❑ Good reception of Svane Køkkenets new kitchen line S19
- ❑ We confirm our full-year guidance



Q1 2019

- ❑ Net revenue 250 mDKK (214)
- ❑ Organic growth of 17%
- ❑ Growth in Q1 was supported by a higher number of production days compared to LY

- ❑ Adjusted EBITA 33 mDKK (28) – up 16%
- ❑ Adjusted EBITA margin 13.2% (13.3%)

- ❑ EBIT 31 mDKK (25) – up 26%
- ❑ EBIT margin 12.4% (11.5%)



	2019 Jan-Mar	2018 Jan-Mar
Net revenue (mDKK)	250	214
- Organic growth	17%	

Q1 comments

- ❑ Strong organic growth in DK +19%
- ❑ Growth in B2C and B2B, however B2B with the highest growth rate
- ❑ Higher share of revenue from 3rd party products
- ❑ Revenue outside Denmark increased by 3%

19% growth in DK
revenue

3% growth in
revenue outside
DK

	2019 Jan-Mar	2018 Jan-Mar
Net revenue (mDKK)	250	214
- <i>Gross Margin</i>	25.4%	26.2%
Adjusted EBITA (mDKK)	33	28
- <i>Adj. EBITA margin</i>	13.2%	13.3%
EBIT (mDKK)	31	25
- <i>EBIT margin</i>	12.4%	11.5%

Q1 comments

- ❑ Revenue growth converted to growth in EBITA
- ❑ Gross margin adversely affected by a sales mix compared to Q1 2018
offset by a lower cost ratio
- ❑ EBIT Q1 2018 impacted by non-recurring costs of 2mDKK

	2019 Mar	2018 Mar
Net working capital (mDKK)	-68	-65
NWC ratio	-7.3%	-7.9%
NIBD (mDKK)	139	207
Leverage (x EBITDA)	0.85	1.50

Q1 comments

- ❑ NWC improved compared to last year, but NWC ratio was adversely impacted by the timing of Easter on debtor balances
- ❑ NIBD decreased primarily due to the positive cash flow from operating activities. NIBD was impacted by 47mDKK due to IFRS 16
- ❑ Solid balance sheet with a leverage at 0.85 compared to 1.50 last year
- ❑ Ordinary dividend distribution for 2018 of 47.5 mDKK has been distributed in April

	2019 Jan-Mar	2018 Jan-Mar
Operating profit (mDKK)	31	25
Depreciation and amortization (mDKK)	5	4
Change in NWC (mDKK)	-26	-16
Tax a.o (mDKK)	-5	-4
Capex excl. acquisitions (mDKK)	-2	16
Operating cash flow excl. acquisitions (mDKK)	2	25
Cash conversion	94%	109%

Q1 comments

- ❑ Profit increased compared to last year primarily driven by revenue growth and favorably impacted by non-recurring costs in Q1 2018
- ❑ Though NWC continues to improve compared to last year, the change in NWC in Q1 compared to last year has an adverse impact on cash flow
- ❑ Capex in Q1 last year impacted by the sale of a production site with 17mDKK
- ❑ Free cash flow excl. acquisitions was 2mDKK compared to 25mDKK Q1 2018
- ❑ Cash conversion continues to be high - close to 100%

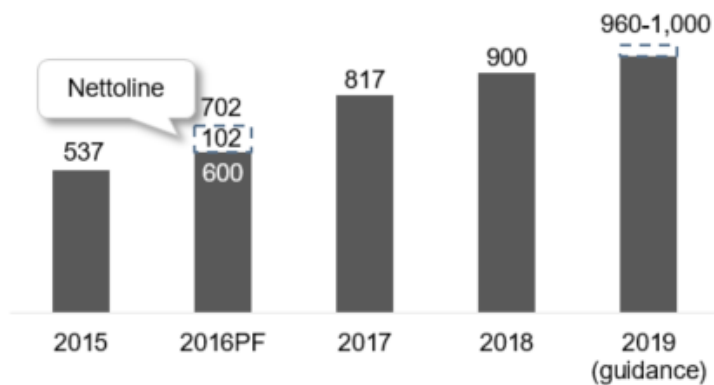
TCM Group

- ❑ We confirm our full-year guidance for 2019:
- ❑ Net revenue: 960-1,000 mDKK corresponding to growth of 7-11%. The Danish market is expected to grow by 1-2%.
- ❑ Adjusted EBITA: 155-165mDKK
- ❑ EBIT: 145-155mDKK



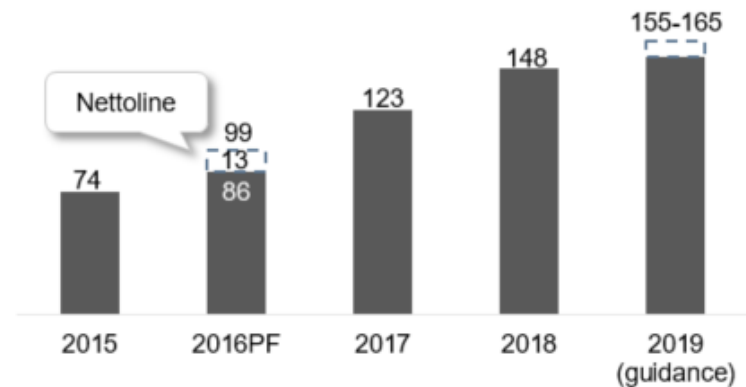
Revenue development

DKKm



Adjusted EBITA development

DKKm





Q&A