

# TRADING UPDATE

for the period January 1st 2018 to September 30th 2018

This announcement is a translation of the original Danish version.  
In case of discrepancies, the Danish version prevails.

- **Increase at 10% in the turnover compared to the same period in 2017**
- **Adjustments of the strategic course in the second half of 2018**
- **Expectations for full year 2018**

#### Turnover

In the first three quarters, the Esoft Group realized a 10% turnover growth compared to the same period in 2017.

The growth, which is smaller than the last years, is considered less satisfactory compared to history and level of ambition.

The increased turnover is due to a generally increased level of activity across the Group's markets where a continuing growth in demand is seen.

In the Danish market, there is still a continuing growth in demand compared to last year. The growth is realized in a combination of customer approach and a broader product penetration.

In 2018, the Swedish market has been marked by a slowdown and in certain areas a distinct drop in activities due to adjustments in the legislation regarding the financing of trading real estate. These adjustments have also slowed down the growth for Esoft even though the turnover in spite of the market conditions is still increasing. However,

we still believe in further growth for the Swedish market in the future.

In the Vietnamese subsidiary, which serves large parts of the global market, the turnover continues to grow.

The Spanish subsidiary is still challenged in regards to profitability due to known challenges with achieving a cost-effective production. We continue to work on improving this.

#### Adjustments of the strategic course in the last six months of 2018

As a result of the development in the Group's markets and the technological evolution, Esoft has chosen to invest more in IT capability and innovation resources during Q3.

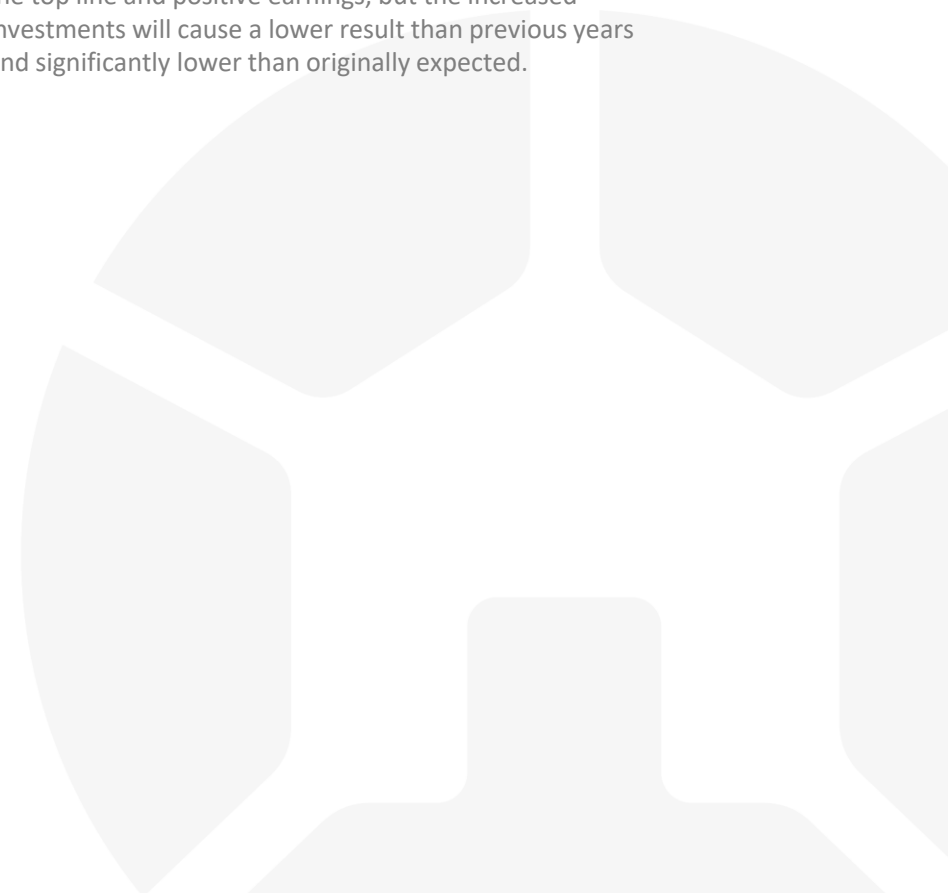
The increased investment is considered to be fundamental to achieve the Groups long-term goals, but it isn't expected to bring out a yield within the first 2-3 years.

The board of directors in Esoft expects that the adjustments in the strategy will lead to the gearing of the Group where

all free reserves will be invested, which will cause changes in the organizational structure and in the long term, the Groups services for the market, over time.

#### Expectations for entire 2018

The company still expects that 2018 will result in growth in the top line and positive earnings, but the increased investments will cause a lower result than previous years and significantly lower than originally expected.



**The board of directors**

The Esoft systems a/s board of directors is composed of:

- Torben Frigaard Rasmussen, chairman of the board
- Michael Vinther
- René Dines Hermand

**Board decisions**

Except for the messages already communicated through First North, no fundamental decisions have been made during the period in question.

**The company's shareholdings**

Esoft systems a/s holds no shares in the company.

**The board and management – direct and indirect shareholdings**

Group CEO René Dines Hermand, 2.500.000 shares.

The company had an average of approximately 225 shareholders during the period in question.

**Certified Adviser and the adviser's employees – direct and indirect shareholdings**

Certified Adviser holds no shares in the company.

**Next trading update**

Next trading update will be published on February 25th, 2019

**Further information:**

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**About Esoft:**

Esoft, headquartered in Odense, provides solutions and services for the real estate sector and independent brokers around the world.

Esoft develops intelligent solutions specifically targeting real estate brokers.

The combination of a strong service attitude around response time and support, as well as a broad range of digital marketing content products, is core to providing a quality and service that is second to none.

Esoft continues to grow, and currently employs more than 650 people, ready, engaged and service minded.

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