



# TRADING UPDATE

for the period 01.01.2019 - 31.12.2019

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

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- **Turnover growth of 9%**
- **Earnings of mDKK 3,5**
- **Optimized production**
- **Expectations of continued growth**

#### **Turnover**

The group turnover has increased from mDKK 148,8 in 2018 to mDKK 162,6 in 2019, equivalent to a 9,27 % increase, which is considered to be satisfactory but below the level of ambition.

The turnover growth is shared among the group's markets, and is caused by increased sales to existing customers and an increase in new customers, especially in the international markets.

The general growth in the market is stagnating, except in North America, hence the growth on group-level primarily comes from increased market shares.

#### **Earnings**

The stated expectations to the profit for the year in the previous annual report was an expectation of continued growth and improved earnings.

The profit before tax, mDKK 3,5 is significantly above the level of last year, but meets the expectations.

In Esoft Systems A/S, which is the group company, further Tech-talents have been employed during 2019, hence the total investments in Tech continues to increase.

On the european market, the growth of the group matches the market development.

The group performed slightly better than the same period last year, and there is still momentum in new customer relations and increased market shares.

The product groups in Esoft Creative Solutions S.L. have been challenged on profitability, therefore the production has been moved elsewhere in the group resulting in a significantly improved quality, efficiency and profitability. The expenses regarding the liquidation of the company was incurred in the accounting year.

There was great activity and development in the group's market shares on the North American real estate market. There is a substantial demand for the basic products, and the interest in our new solutions are rising as well.

The Shine solution for digital marketing of properties is still experiencing growth and work is focused on implementing and launching several customers on the European and the North American market.

The group employed 782 employees in average in 2019 compared to 675 the year before. Especially in Esoft Vietnam the number of employees has risen due to the growth in the North American market.

#### **Expectations for the future**

The group expects a turnover growth of 10 % in the following year, realized across the companies and markets of the group. The profit for the year will continue to be impacted by investments.

The reorganization of the production activities from Esoft Creative Solutions S.L. is expected to contribute positively to the profit for the year, due to the achievement of a higher profitability.

There is an escalating technological development in the group's markets. It is still the group's assessment, that it will be crucial to the entrants of the real estate market to cooperate with parties that are able to add significant value and competitive advantages through technological edge. As a consequence, Esoft is expecting increased growth.

**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 205.055 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 200 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 April 30<sup>th</sup> 2020

**Further information:**

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**About Esoft:**

Esoft is a Tech company in the real estate industry, with offerings for both brokerage chains and individual brokers around the world.

Esoft specializes in innovative solutions in picture editing, 3D-visualisations and online marketing.

Customers choose Esoft for the fast service, the innovative and inventive solutions, as well as the consistently high quality of the services provided by Esoft.

Since Esoft was founded in the year 2000, the company has had continuous growth, and today consists of more than 650 colleagues in offices in Denmark, Sweden, Spain and Vietnam.

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