

COMPANY ANNOUNCEMENT

Nr. 22/2018

Correction: Minor adjustment of EBITDA of DKK 0.4 million and 0.2%-point in EBITDA margin in key figures and ratios in tables in the attached Q1 2018 interim report.

Tvis, 9 May 2018

Interim report Q1 2018 (January 1 - March 31)

Our growth journey continues in 2018

Financial highlights Q1 2018:

(All figures in brackets refer to the corresponding period in 2017)

- Revenue DKK 213.6 million (DKK 206.4 million). Underlying organic growth adjusted mainly for the number of production days was around 10%, while reported organic growth quarter on quarter was 3.5%.
- Adjusted EBITA up DKK 4.1 million to DKK 28.4 million (DKK 24.3 million), corresponding to an adjusted EBITA margin of 13.3% (11.8%)
- Non-recurring items had a negative impact of DKK 2.0 million (negative DKK 0.7 million) due to costs related to integration of Nettoline.
- EBIT up DKK 2.8 million to DKK 24.5 million (DKK 21.7 million), corresponding to an EBIT margin of 11.5% (10.5%)
- Free cash flow excl. acquisitions of operations was DKK 24.6 million (DKK 16.1 million)
- Cash conversion ratio was 109.4% (104.3%)
- Net profit up 23.3% to DKK 18.0 million (DKK 14.6 million)
- Outlook for the financial year 2018 is unchanged. Revenue is expected to be in the range DKK 870-900 million, adjusted EBITA in the range DKK 130-140 million and EBIT of DKK 120-130 million.

CEO Ole Lund Andersen:

"We continue our growth journey in 2018 with an underlying growth adjusted for e.g. the number of production days of around 10% in the first quarter. The Q1 result was in line with our expectations and we maintain our full-year financial outlook.

The 2018 RAW collection from Svane has in particular been very well received by the market and it underlines the importance of our focus on innovation. We are pleased that we are able to attract new dealers in both Denmark and Norway, and thereby further expand our store network."

Contact:

For further information, please contact:

CEO Ole Lund Andersen +45 97435200

CFO Mogens Elbrønd Pedersen +45 97435200

IR Contact - ir@tcmgroup.dk

About TCM Group

TCM Group is Scandinavia's third largest manufacturer of kitchens and furniture for bathrooms and storage. The products are Danish design, produced in Denmark and rooted in a proud tradition of good quality and good craftsmanship. TCM Group pursues a multi-brand strategy, under which the main brand is Svane Køkkenet and the other brands are Tvis, Netto-line and kitchn. Combined, the brands cater for the entire price spectrum, and are sold through c. 125 dealers in Denmark and the rest of the Scandinavia. In addition, TCM Group sells private label kitchens through DIY stores in Denmark and independent kitchen stores in Norway. See www.tcmgroup.dk for more information.

This interim report contains statements relating to the future, including statements regarding the TCM Group's future operating results, financial position, cash flows, business strategy and future targets. Such statements are based on management's reasonable expectations and forecasts at the time of release of the interim report. Forward-looking statements are subject to risks and uncertainties and a number of other factors, many of which are beyond the TCM Group's control. This may have the effect that actual results may differ significantly from the expectations expressed in the interim report. Without being exhaustive, such factor include general economic and commercial factors, including market and competitive conditions, supplier issues and financial and regulatory issues.