

COMPANY ANNOUNCEMENT

No. 61/2020

Tvis, 6 May 2020

Interim report Q1 2020 (January 1 - March 31)

(All figures in brackets refer to the corresponding period in 2019)

Organic growth of 1.8% in Q1 2020, in line with expectations.

CEO Torben Paulin:

“ In Q1 2020, revenue grew organically by 1.8%, in line with expectations. Q1 2020 compares to an exceptionally strong Q1 LY with 17% revenue growth. The growth was driven by the B2C market through branded stores and non-branded DIY stores in both Denmark and Norway.

The outbreak of Covid-19 and the authorities' measures to reduce the spread of the virus has had limited impact on the Q1 results. Our key priorities are to protect the health and safety of our employees, customers and business partners, and we are following the recommendations and instructions from the government and have taken the necessary safety precautions. I am very proud of our employees and their exemplary approach and the flexibility they have shown in this extraordinary situation.

In late March, we suspended the financial outlook for 2020 as a consequence of Covid-19 outbreak. As an order producing company our order pipeline provides comforting visibility for Q2 2020. Due to continued uncertainties regarding the medium to long term impact, we are unable to accurately assess the magnitude of this impact. We will provide guidance once we have more visibility. Our setup is flexible, which allows us to adjust our production and cost base to the demand situation and thereby safeguarding long-term profitability.”

Financial highlights Q1:

- Revenue DKK 254.2 million (DKK 249.7 million) corresponding to a revenue growth of 1.8%.
- EBITDA down DKK 1.0 million to DKK 35.0 million (DKK 36.0 million), corresponding to a decrease of 2.8%. EBITDA margin was 13.8% (14.4%).
- EBIT down DKK 1.3 million to DKK 29.7 million (DKK 31.0 million), corresponding to an EBIT margin of 11.7% (12.4%).
- Net profit down 3.3% to DKK 22.6 million (DKK 23.4 million).
- Free cash flow was DKK (22.4) million (DKK 2.3 million).
- Cash conversion ratio was 87.3% (94.3%).

Conference call

A conference call for investors and analysts will be held today at 9:30 CEST. The presentation for the conference call will be available on www.investor-en.tcmgroup.dk

Dial-in numbers for the conference call:

Confirmation Code: 2045238

Denmark: +45 32728042

Sverige: +46 (0)850692180

United Kingdom: +44 (0)844 571 8892

Contact

For further information, please contact:

CEO Torben Paulin +45 21210464

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 Køkkener, Nettoline and kitchn. Combined, the brands cater for the entire price spectrum, and are sold through c. 135 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.