



**StrongPoint**

Presentation of  
**3<sup>rd</sup> quarter 2016**

October 21<sup>st</sup>

8:15 am

# Agenda

- 🏆 Highlights 3<sup>rd</sup> quarter 2016 & YTD 2016
- 🏆 Financial status
- 🏆 South East Asia update
- 🏆 New solutions update
- 🏆 Marketing update
- 🏆 Q & A



# StrongPoint Mission

**Driving retailers' productivity  
by providing innovative integrated  
technology solutions**



**StrongPoint**

# Highlights 3<sup>rd</sup> quarter 2016

- **Revenues MNOK 258,0 (288,9) - 10,7 per cent**
  - Proprietary Technologies: 139,5 (120,9)
  - 3rd Party Technologies: 82,0 (129,4).
  - Alimerka project – 387 systems installed - Cash Management as a service
  - All-time-high CashGuard systems (2 225) delivered YTD - 1367 outside Norway & Sweden
- **EBITDA MNOK 36,2 (26,8) + 35,2 per cent**
  - All-time-high EBITDA margin of 14,0 per cent (9,3 per cent)
  - High capacity utilization in StrongPoint Cash Security – all-time-high EBITDA YTD MNOK 20,4
- **Excellent cash flow from operations MNOK 23,8 (1,5)**

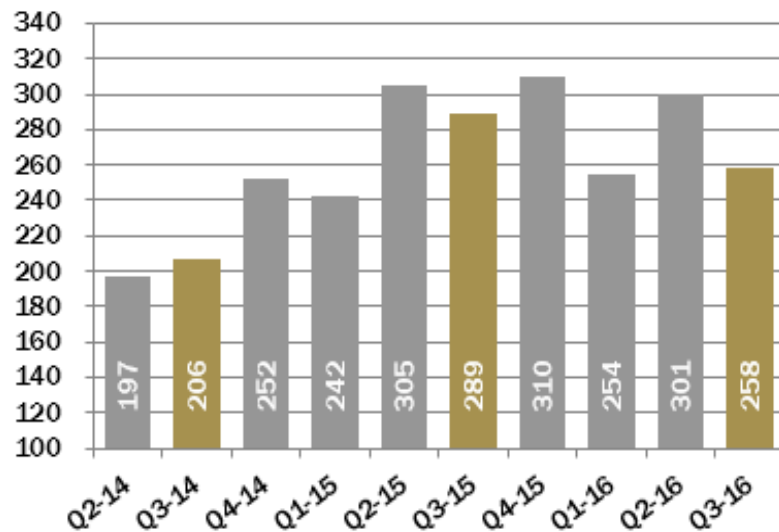
# Highlights YTD 2016

- Group operating revenues: MNOK 813.1 (MNOK 836.5)
- Group EBITDA: MNOK 80.8 (MNOK 70.5)
- Good cash flow from operations MNOK 80.5 (MNOK 0.1)

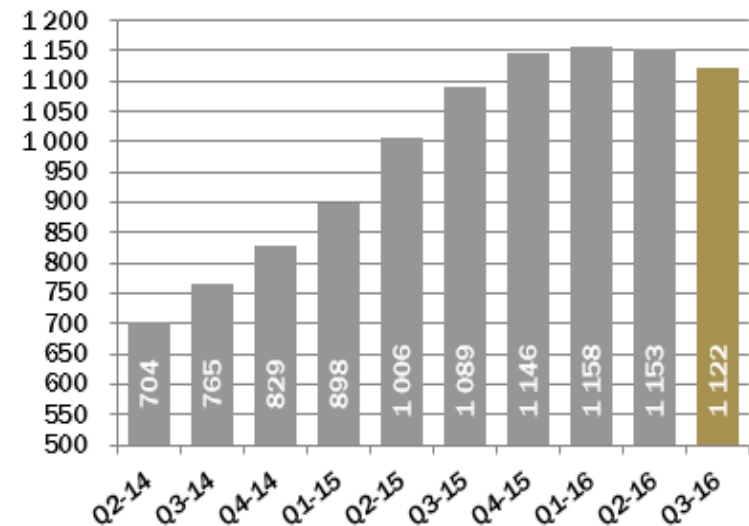
MNOK	YTD 2016			YTD 2015		
	Revenue	EBITDA	EBT	Revenue	EBITDA	EBT
Proprietary Technologies	413,3	55,3	45,7	359,9	46,2	37,8
3rd party Technologies	271,3	22,6	16,9	350,9	21,4	15,7
Labels	139,0	15,9	5,1	138,3	16,5	6,1
Eliminations / ASA	-10,5	-12,9	-11,6	-12,7	-13,6	-16,6
<b>Total</b>	<b>813,1</b>	<b>80,8</b>	<b>56,2</b>	<b>836,5</b>	<b>70,5</b>	<b>43,0</b>



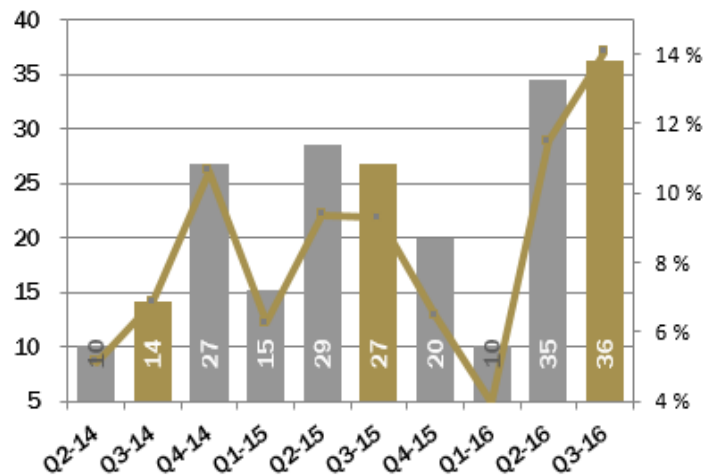
## Revenues per quarter



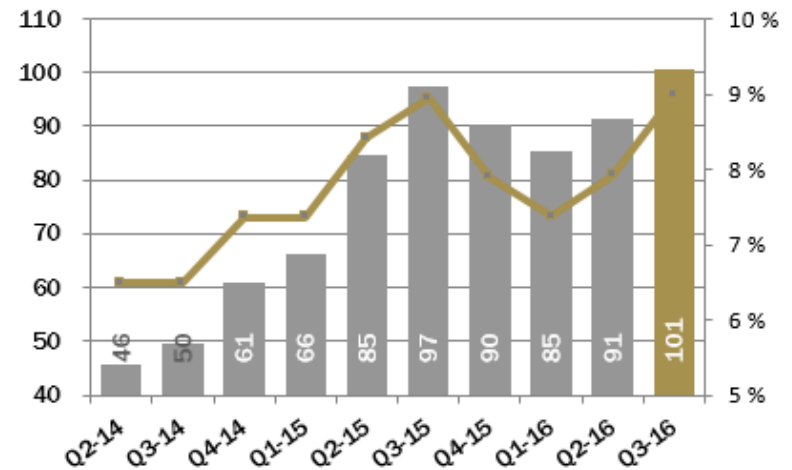
## 12 months rolling



## EBITDA per quarter



## 12 months rolling



## 3<sup>rd</sup> quarter & YTD revenues by category

MNOK	Q3 2016		Q3 2015		YTD 2016		YTD 2015	
	New sales	Recurring sales	New sales	Recurring sales	New sales	Recurring sales	New sales	Recurring sales
Proprietary Technologies	91,7	47,7	66,6	54,2	258,0	155,3	229,7	130,3
3rd party Technologies	59,0	23,0	112,2	17,2	197,3	74,0	270,9	80,1
Labels	0,0	39,5	0,0	43,4	0,0	139,0	0,0	138,3
Eliminations / ASA	-3,0	0,0	-4,8	0,0	-10,5	0,0	-12,7	0,0
<b>Total</b>	<b>147,8</b>	<b>110,2</b>	<b>174,1</b>	<b>114,9</b>	<b>444,8</b>	<b>368,3</b>	<b>487,8</b>	<b>348,6</b>



## 3<sup>rd</sup> quarter & YTD revenues by geography

MNOK	Q3 2016			Q3 2015			YTD 2016			YTD 2015		
	Norway	Sweden	Other markets	Norway	Sweden	Other markets	Norway	Sweden	Other markets	Norway	Sweden	Other markets
Proprietary Technologies	45,5	64,3	29,7	33,5	55,6	31,8	144,5	144,0	124,7	92,6	158,3	109,1
3rd party Technologies	29,2	35,3	17,5	80,5	24,2	24,8	100,8	108,7	61,9	185,4	97,1	68,5
Labels	13,3	25,6	0,6	14,2	27,9	1,3	45,2	91,5	2,2	48,8	85,9	3,6
Eliminations / ASA	-0,1	-2,8	-0,0	-0,2	-4,0	-0,6	-0,1	-10,4	-0,0	-0,9	-11,3	-0,6
<b>Total</b>	<b>87,9</b>	<b>122,4</b>	<b>47,8</b>	<b>127,9</b>	<b>103,7</b>	<b>57,3</b>	<b>290,4</b>	<b>333,9</b>	<b>188,7</b>	<b>325,9</b>	<b>330,0</b>	<b>180,6</b>







# Group balance sheet - Total assets – 30.9.2016

- Inventory down by MNOK 10.3 from end Q2
- A/R up by MNOK 15.9 compared to Q2
- Goodwill write-down NV

KNOK	30.09.2016	30.09.2015	30.06.2016
<b>ASSETS</b>			
Intangible assets	55 138	77 924	60 919
Goodwill	116 199	150 914	145 643
Tangible assets	53 666	51 302	54 462
Long term investments	1 546	481	1 346
Other long term receivables	-	1 950	-
Deferred tax	19 563	29 217	19 493
<b>Non-current assets</b>	<b>246 111</b>	<b>311 787</b>	<b>281 863</b>
Financial investments	-	58	-
Goods	92 582	102 700	102 922
Accounts receivable	198 841	246 366	182 912
Prepaid expenses	11 479	11 479	12 091
Other receivables	11 286	19 614	12 866
Bank deposits	11 781	14 099	18 082
<b>Current assets</b>	<b>325 968</b>	<b>394 316</b>	<b>328 874</b>
<b>TOTAL ASSETS</b>	<b>572 079</b>	<b>706 103</b>	<b>610 737</b>



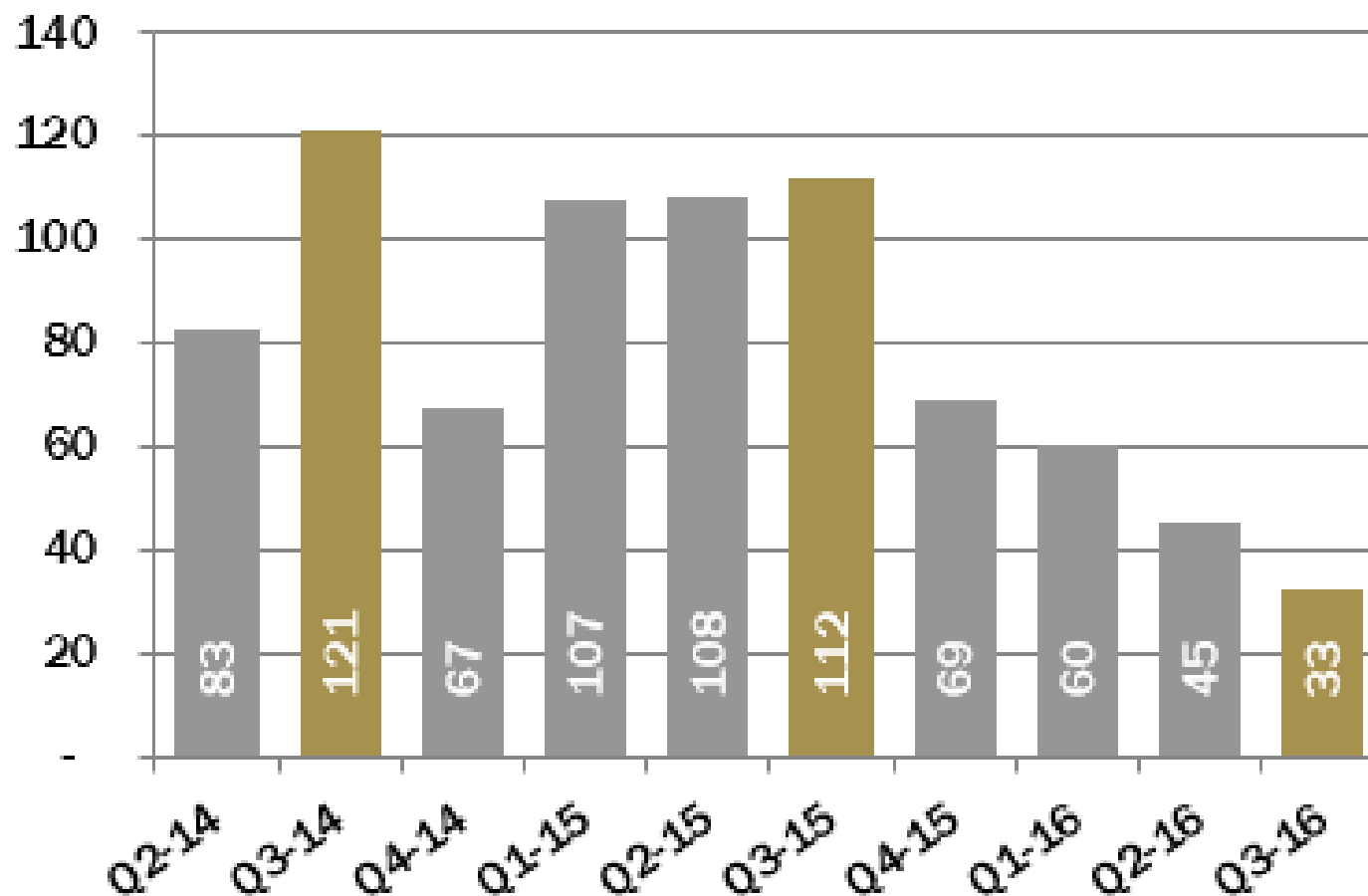
# Group balance sheet – Total equity & liabilities

-  Total net interest bearing debt MNOK 32.5 – down by 12.6 from end Q2
-  Disposable liquidity MNOK 71.4
-  104 544 own shares, representing 0.2 per cent
-  A/P MNOK 97.3 – up by 11.2 from end Q2

KNOK	30.09.2016	30.09.2015	30.06.2016
<b>EQUITY AND LIABILITIES</b>			
Share capital	27 513	27 513	27 513
Holding of own shares	-65	-65	-65
Other equity	262 862	254 262	248 544
<b>Total equity</b>	<b>290 310</b>	<b>281 711</b>	<b>275 992</b>
Long term interest bearing liabilities	22 122	47 794	26 414
Other long term liabilities	-	30 240	-
<b>Total long term liabilities</b>	<b>22 122</b>	<b>78 035</b>	<b>26 414</b>
Short term interest bearing liabilities	22 160	78 342	36 729
Accounts payable	97 268	145 504	86 087
Taxes payable	-	38	-
Other short term liabilities	140 219	122 474	185 515
<b>Total short term liabilities</b>	<b>259 647</b>	<b>346 358</b>	<b>308 331</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>572 079</b>	<b>706 103</b>	<b>610 737</b>



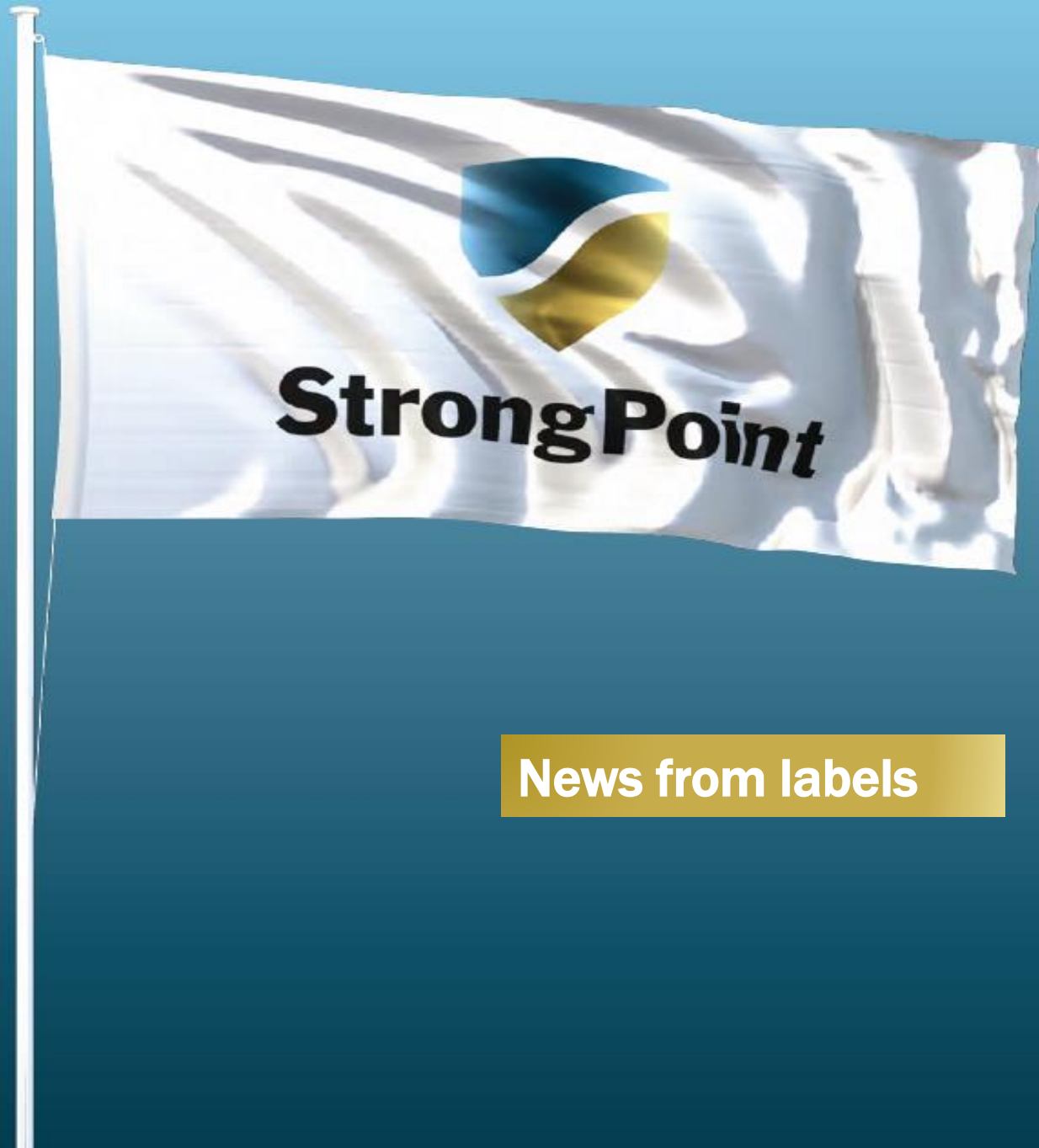
## Net interest bearing debt end of quarters



## 3<sup>rd</sup> quarter & YTD – Cash flow statement

KNOK	Q3 2016	Q3 2015	YTD 2016	YTD 2015	Year 2015
Net cash flow from operation	23 782	1 493	80 450	74	54 268
Net cash flow from investment	-9 087	-978	-18 227	-14 095	-23 024
Net cash flow from financing	-20 170	21	-71 311	8 520	-28 483
<b>Net change in cash</b>	<b>-5 475</b>	<b>535</b>	<b>-9 088</b>	<b>-5 501</b>	<b>2 762</b>
Effect of foreign exchange rate fluctuations on foreign currency deposits	-826	836	-1 741	627	875
Cash and cash equivalents at the start of the period	18 082	12 728	22 610	18 973	18 973
<b>Cash and cash equivalents at the end of the period</b>	<b>11 781</b>	<b>14 099</b>	<b>11 781</b>	<b>14 099</b>	<b>22 610</b>

 Working capital decreased by MNOK 5.6 during 3rd quarter



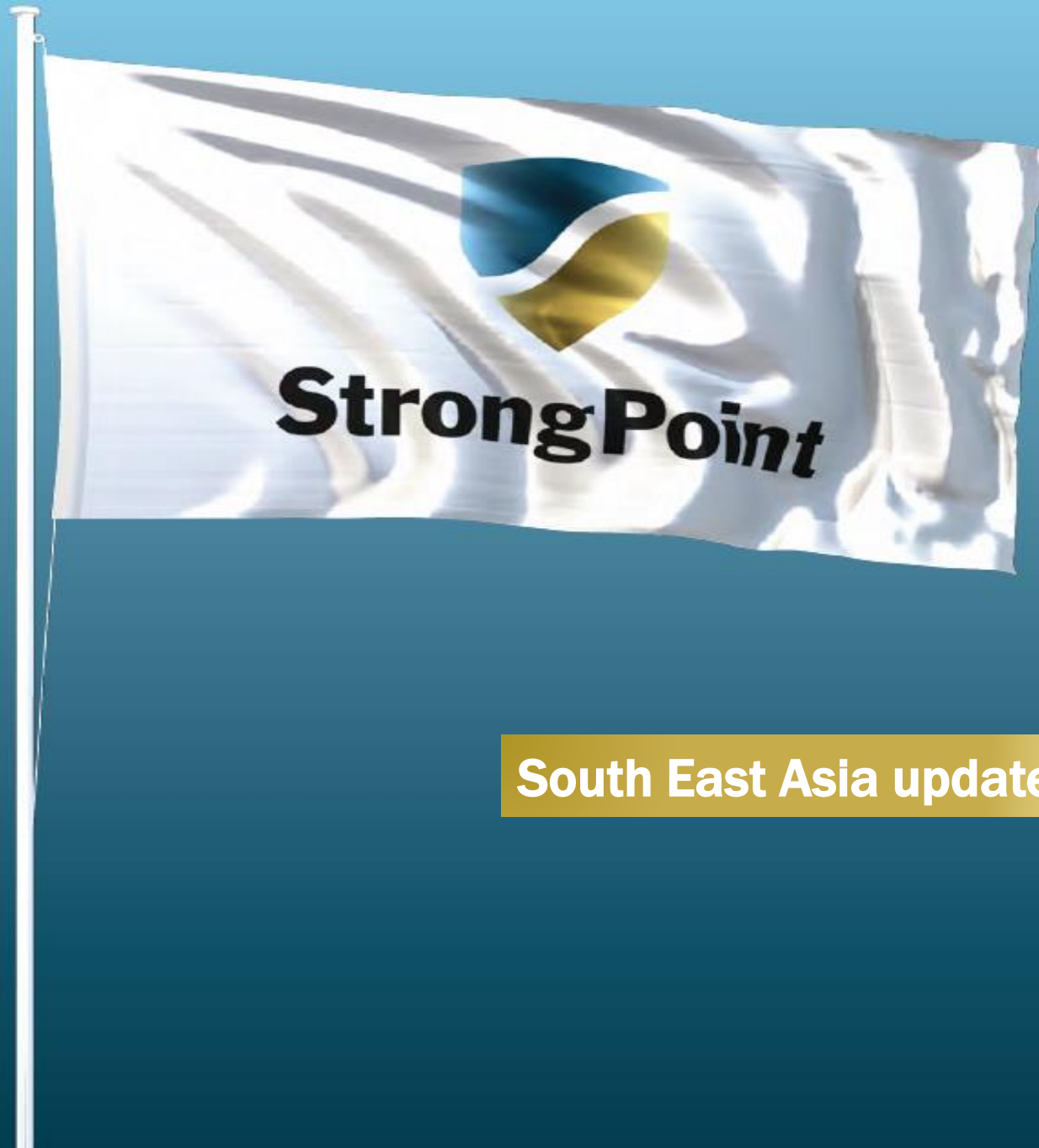
**News from labels**

**ONE factory in Sweden**



# First in Europe with HP8000 – enabling ONE factory





**South East Asia update**

## Progress in SEA

 First CashGuard order Singapore – Flower shop



**Making the business flourish with CashGuard**

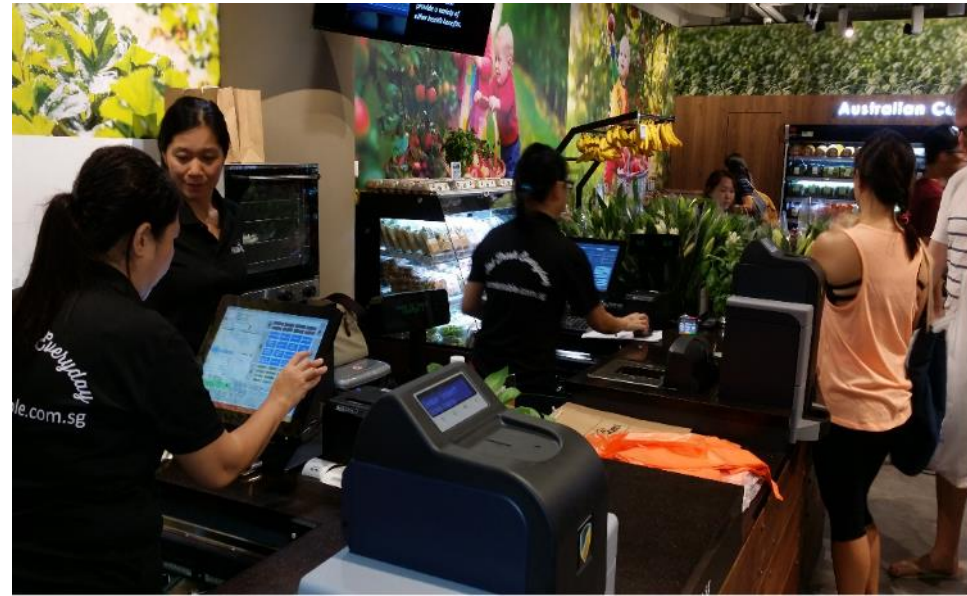
## Progress in SEA

- First CashGuard order Kuala Lumpur,  
Parkson department stores



# Progress in SEA

🏆 Second CashGuard order Singapore - Farm to Table,



## Progress in SEA

- ❖ Second CashGuard order Kuala Lumpur - Restaurant



# Progress in Vilnius

 First CashGuard order – Express Market





**Marketing – Building  
StrongPoint**

# StrongPoint Vision

**Becoming a recognised  
global provider of  
retail technology solutions**

## StrongPoint marketing – London



# StrongPoint marketing – München

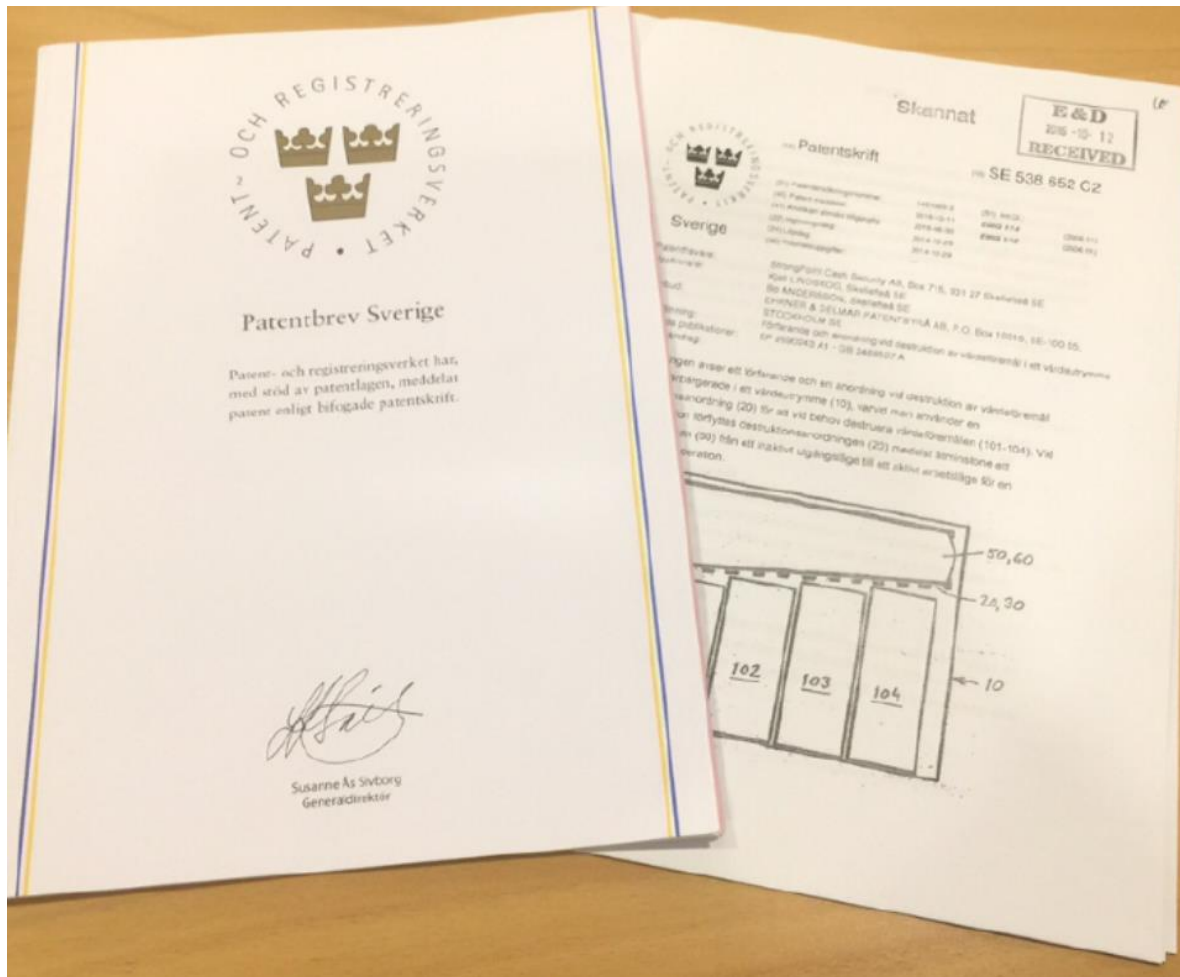


## StrongPoint marketing – Essen





# StrongPoint marketing – New patents



# StrongPoint marketing – Stockholm



# StrongPoint marketing - Follow us at our Retail blog



**StrongPoint** transforms  
the way retailers **do business**

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STRONGPOINT IS AN INTEGRATED TECHNOLOGY PROVIDER SPECIALISING  
IN THE RETAIL INDUSTRY.

> WATCH VIDEO

<http://www.strongpoint.com/>

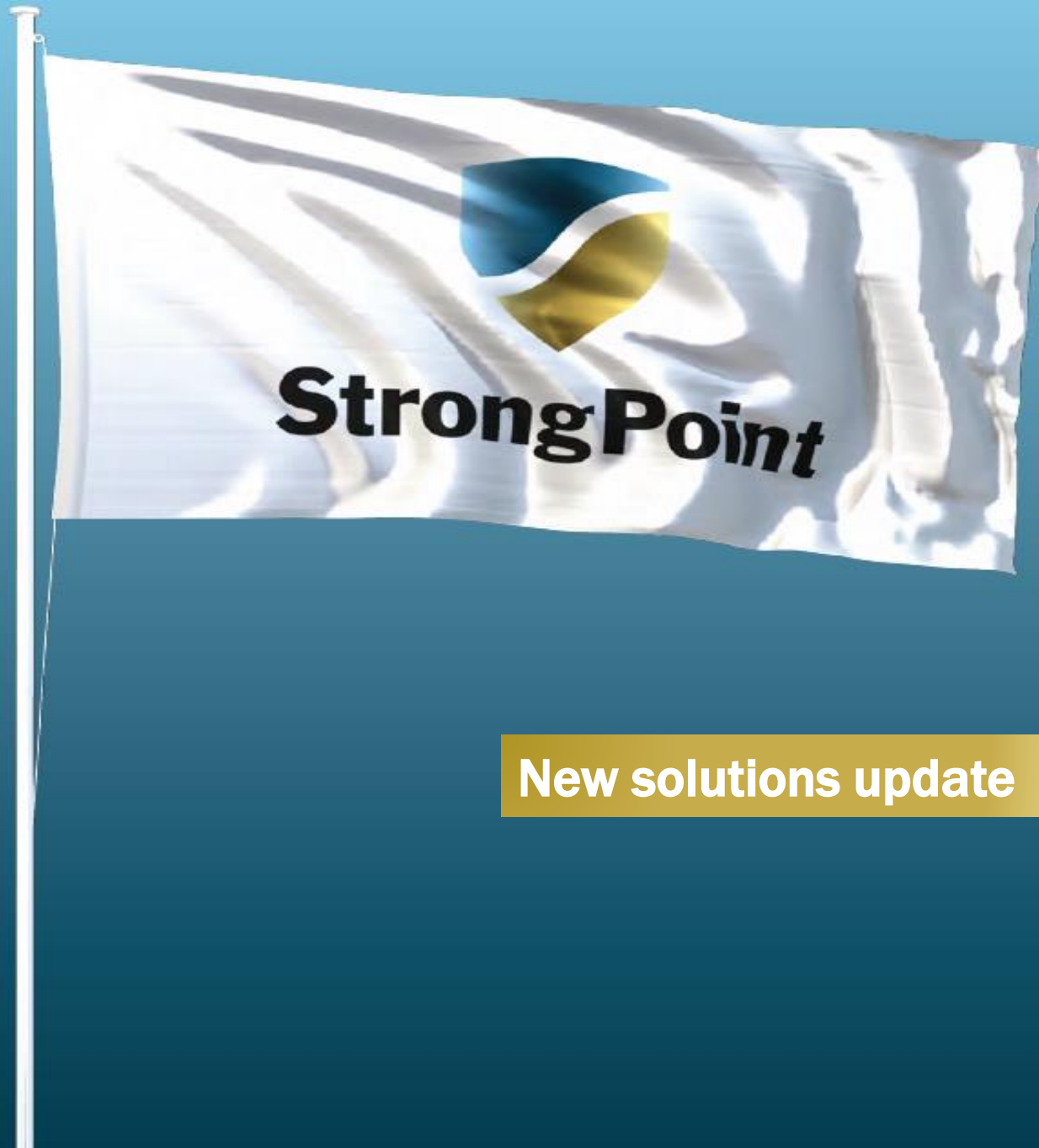
# **EuroShop 2017**

5. – 9<sup>th</sup> March - Düsseldorf



**StrongPoint reveals new solutions  
that will transform the way  
retailers do business**

**Experience the future of retail at EuroShop, booth No. 6I34**



**New solutions update**

# New Retail solutions – proprietary

## Click & Collect - StrongPoint



# New Retail solutions – proprietary

## Click & Collect - StrongPoint



The customer places  
the order online



The retailer puts the  
groceries in the  
pick-up station



The customer gets  
a notification on the  
phone



The customer picks  
up the groceries from  
the station

# New Retail solutions – proprietary

## Click & Collect - StrongPoint



**The steady growth of online sales is breathing new life into physical stores.**

# Top 50 shareholders per September 30<sup>th</sup> 2016

No	Name	No. of shares	%			
1	PINNÁS, ERIK (incl. fully owned companies)	4 929 917	11,1 %	28	JOHANNESSEN, JAN TOMMY	304 800 0,7 %
2	STRØMSTANGEN AS	3 933 092	8,9 %	29	SWEDBANK AB (PUBL)	297 551 0,7 %
3	SKAGEN VEKST	3 555 227	8,0 %	30	KONGSRUD, RUNE JACOB	274 577 0,6 %
4	HOLMEN SPESIALFOND	2 365 000	5,3 %	31	J.P. MORGAN CHASE BANK N.A. LONDON	267 599 0,6 %
5	AVANZA BANK AB	1 868 807	4,2 %	32	UGELSTAD, PER EINAR	254 000 0,6 %
6	ZETTERBERG, GEORG (incl. fully owned companies)	1 568 256	3,5 %	33	FANA ELEKTRIKEREN AS	225 000 0,5 %
7	NORDNET BANK AB	1 534 454	3,5 %	34	CK HOLDING AS	223 604 0,5 %
8	SKANDINAVISKA ENSKILDA BANKEN AB	1 472 554	3,3 %	35	MIDDELBOE AS	217 898 0,5 %
9	GLAAMENE INDUSTRIER AS	1 126 231	2,5 %	36	NORDNET LIVSFORSIKRING AS	200 001 0,5 %
10	WAALER, JØRGEN (incl. fully owned companies) <sup>1</sup>	1 060 000	2,4 %	37	BERNTSEN, HARALD	200 000 0,5 %
11	V. EIENDOM AS	976 887	2,2 %	38	HEIMDAL, MORTEN	195 000 0,4 %
12	GRESSLIEN, ODD ROAR	880 000	2,0 %	39	PARTREDERIET MAST ANS	192 750 0,4 %
13	RING, JAN	841 822	1,9 %	40	GAMMELSRØD, GUNNAR	187 355 0,4 %
14	MP PENSJON PK	692 074	1,6 %	41	GRANBERG, KARL TRYGVE	185 000 0,4 %
15	ROMULD, ARVE	600 000	1,4 %	42	NEVROKIRO INVEST AS	180 000 0,4 %
16	D. CARNEGIE AB	593 139	1,3 %	43	ALCHEMY TRADING AS	175 000 0,4 %
17	BUDVILAITIS, EVALDAS (incl. controlled companies) <sup>1</sup>	555 709	1,3 %	44	KAWA INVEST AS	168 000 0,4 %
18	SVENSKA HANDELSBANKEN AB	510 684	1,2 %	45	WEIBULL, JOAQUIM (incl. fully owned companies)	152 000 0,3 %
19	JOHANSEN, STEIN	450 000	1,0 %	46	RUUD, CHRISTIAN	150 000 0,3 %
20	JACOBSEN, SVEIN (incl. fully owned companies) <sup>1</sup>	400 000	0,9 %	47	NÆSS, BERNHARD	145 000 0,3 %
21	VERDADERO AS	377 777	0,9 %	48	G-EIENDOM AS	140 627 0,3 %
22	BJØRNSTAD, DANIEL	361 821	0,8 %	49	SKOGEN, JOHN INGE PANDURO	138 471 0,3 %
23	NISTAD GRUPPEN AS	338 300	0,8 %	50	BAKKEN, VIDAR	135 000 0,3 %
24	FARSTAD, PETTER HAAVARD	338 000	0,8 %		Sum 50 largest shareholders	36 902 446 83,2 %
25	ANDERSEN, BØRGE	334 250	0,8 %		Sum 1 332 other shareholders	7 473 594 16,8 %
26	FRANKMO, ÅGE	323 212	0,7 %		Sum all 1 382 shareholders	44 376 040 100,0 %
27	EVENSEN, TOR COLKA	306 000	0,7 %			

<sup>1</sup> Primary insiders

# Summary – growth strategy going forward

From Q4-2015 presentation

- Significant market investments in APAC & EMEA – consolidate offerings and organizations. “Must” win efforts essential.
- Consolidate R&D – common API/GUI – StrongPoint Retail Highway StrongPoint Retail Suite
- StrongPoint growth – combine organic with value based M&A
- StrongPoint e-Commerce footprint – Retail applications



**StrongPoint**

Questions?

