



Q3 and YTD 2020

Financial report and status

CEO's perspective

As COVID-19 continues to impact the world economy and society at large, our key focus is safeguarding our employees, customers and business. Whereas the impact of the global pandemic is hitting our key markets at different levels, the general trend world-wide is clear: the need for retail technology to make shopping both more efficient and safer continues to grow. Financially, the surge in demand for retail technology positively impacted our third quarter of 2020 and our focus on the resilient grocery retail market continues to be a source of immediate and long-term value creation. I am more confident than ever that we are on the right path towards achieving our 2025 strategic ambitions.



Jacob Tveraabak
CEO of StrongPoint

At StrongPoint, we continue to enforce robust measures to withstand COVID-19. To date, we have had no severe cases amongst our workforce despite operating at a higher activity level than ever before and the engagement level and motivation amongst our employees is record high. I am immensely proud of the way our employees continue to serve our customers despite the virus rebound this quarter, contributing to our societal obligations to provide efficient and safe shopping.

Our Norwegian and Swedish Retail Technology operations have shown very strong performance - and this more than outweighs the negative impact of COVID-19 on our non-grocery business in Spain and the Baltics. Around 40 % top-line growth in both Norway and Sweden is unprecedented and serves as a testament to our achievable operating leverage. For Retail Technology in total, the top-line growth amounted to 14 % this quarter. The demand for our e-commerce logistics solutions continues to be strong across multiple geographies and the e-commerce business constituted 10 % of StrongPoint's total revenue in Q3, up from 5 % as a whole in 2019. More importantly, the level of interest for our e-commerce solutions is higher than ever and getting attention from some of the world's premier grocery retail companies.

Our Cash Security and Labels businesses also saw very healthy top and bottom line growth. Cash Security's financial performance improvement stems mainly from delivering on Sberbank's order announced in Q2. Our Labels business unit continued growing its footprint whilst its lean operations yielded very healthy margins.

In our Retail Technology business, approximately 80 % of revenue stems from grocery retail customers. Although COVID-19 has led to a surge in online shopping and demand for our solutions, it has also led to challenges for our non-grocery retail customers and this is set to continue. The rebound of the virus in Spain has prolonged mobility restrictions and this has put the business revival at a halt. It is currently unclear how long the virus will continue to negatively impact our non-grocery retail operations. At the same time, we are focusing our resources and efforts on the grocery retail sector.

We are on the path to achieving our 2025 strategic ambitions to grow and focus on retail technology. To better reflect this we have decided to refresh our brand identity and started with the launch of a new logo and color scheme. This better represents who we are: a forward-thinking, technology-driven and customer-centric retail technology company.

The COVID-19 pandemic has shifted shopping behavior online and resulted in a substantial increase in demand for e-commerce solutions. That, combined with the new precautionary in-store safety measures, point to long-lasting changes in customer behavior. With our broad suite of world-class e-commerce solutions, our in-store technology products and our proven track record of providing outstanding customer service, I continue to believe we have all the reasons to be optimistic about achieving our strategic objectives.

Stay safe and strong!

Highlights 3rd quarter

Strong performance in Retail Technology and overall

- Total revenue grew by 19 % to 283 MNOK (237) in the quarter, of which Retail Technology grew by 14 % to 218 MNOK (191).
- EBITDA almost doubled in the quarter, up 16.7 MNOK to 34.5 MNOK (17.8).
- Cash Flow from operating activities increased to 35.4 MNOK (0.1).

Continued sales success in priority areas

- Order of Pricer ESL for NorgesGruppen estimated at ~70 MNOK to be delivered in H2 2020.
- Click & Collect delivered to key markets and several proof of concepts progressing.
- Continued strong demand internationally for our e-commerce picking solutions.

Steady progress on key pillars of 2025 strategic ambitions

- Proven operational leverage in Norway, Sweden and the Baltics.
- Initial delivery on required supporting elements of Strategy 2025, including recruitment of sales and marketing resources and implementation of CRM system.
- Proposed dividend for 2019 at Extraordinary General Meeting October 22, 2020.

Key figures (MNOK)

	Q3 2020	Q3 2019	YTD 2020	YTD 2019	Year 2019
Operating revenue	282.8	237.3	850.4	812.7	1.111.7
EBITDA	34.5	17.8	76.5	67.6	98.2
EBITDA margin	12.2 %	7.5 %	9.0 %	8.3 %	8.8 %
Operating profit (EBIT)	22.7	5.5	40.7	27.9	45.4
Ordinary profit before tax (EBT)	21.2	4.0	33.2	29.4	43.1
Cash flow from operational activities	35.4	0.1	19.5	57.3	80.6
Disposable funds	116.5	63.7	116.5	63.7	74.2
Earnings per outstanding shares (NOK)	0.34	0.06	0.54	0.53	0.72
Earnings per share, adjusted *	0.40	0.13	0.70	0.78	1.03

*) Earnings per share, adjusted for depreciation of intangible assets, mainly from M&A.

StrongPoint Group

StrongPoint helps retailers to stand out, sustain growth and spur productivity, leveraging the arising opportunities within e-commerce and in-store technology. The Group consists of three business areas: Retail Technology, Cash Security and Labels.

Revenue	Q3		YTD		Year
MNOK	2020	2019	2020	2019	2019
Retail Technology	218.0	191.0	665.0	625.3	843.5
Cash Security	25.9	16.1	61.6	76.8	123.5
Labels	41.7	40.4	136.5	125.3	163.8
Elim / ASA	-2.8	-10.2	-12.7	-14.6	-19.1
Total	282.8	237.3	850.4	812.7	1 111.7

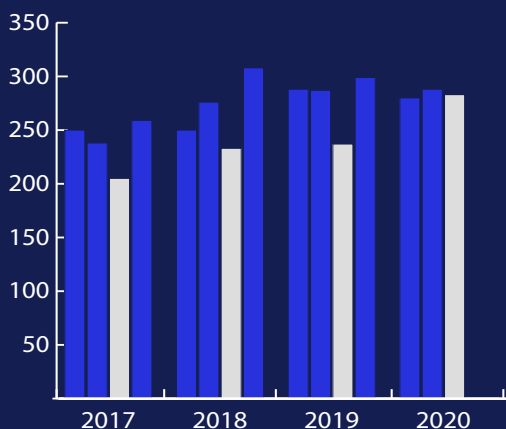
EBITDA	Q3		YTD		Year
MNOK	2020	2019	2020	2019	2019
Retail Technology	29.0	25.9	71.1	74.4	96.3
Cash Security	6.1	-5.1	5.6	2.1	13.5
Labels	7.1	6.1	22.0	16.1	21.9
Elim / ASA	-7.7	-9.1	-22.2	-25.1	-33.4
Total	34.5	17.8	76.5	67.6	98.2

StrongPoint financial results

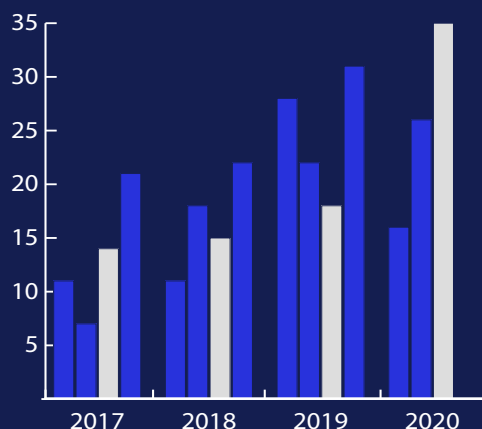
Total revenue grew by an overall 19 % compared to last quarter, reflecting positive growth in all three business areas. Aggregated, the grocery retail markets and food production customers have experienced an increased demand driven by the pandemic, hence positively contributed to StrongPoint's activity level. Only the Spanish operations, to date characterized by a large portion of non-grocery retail sales, have been severely negatively impacted by COVID-19 in Q3. The delivery of CIT-cases to Sberbank and high service revenues contributed to a 61 % revenue growth in Cash Security. Overall EBITDA almost doubled to 34.5 MNOK, resulting in an EBITDA margin of 12.2 % (7.5 %). Compensation for temporary layoffs was the only government support received during the COVID-19 period and this had a positive effect of approximately 1 MNOK for the quarter in Sweden. The total compensation year to date was 4 MNOK, mainly provided by the Swedish and Spanish governments. Lower travel and marketing expenses reduced the overall costs in the period for the company.

StrongPoint Group

Operating revenue per quarter (MNOK)



EBITDA per quarter (MNOK)



Retail Technology segments

Instore Productivity

The Instore Productivity segment grew to a relative share of 29 % in the quarter. The biggest contributor to the growth was the delivery and installation of Electronic Shelf Labels to a large customer in Norway.

Payment Solutions

Service revenue for the Cash Management systems was stable, while new product sales have been influenced by the lock-down, especially for the Spanish market and sales partners in other parts of EMEA. Year to date this still was the second largest segment within Retail Technology.

E-commerce logistics

The Q3 revenue within e-commerce was at the same level as in Q2, but the figures show that the delivery of StrongPoint products (Click & Collect and Pick & Collect) increased compared to the last quarter, while products from other suppliers declined. The increased use of the StrongPoint Pick & Collect software in Q3 led to a growth in license revenue by 38 % from Q2. This is still small numbers, but it underpins the increase in online shopping. The segment reached 10 % relative share in the quarter, up from 5 % as a whole in 2019.

Check Out Efficiency

Check Out Efficiency ended up with the same relative share as for 2019, largely influenced by installations in the Baltics. Year to date the segment plays a more important part.

Other retail technology

Other retail technology, mainly software projects, showed a decline in relative share per quarter in 2020, but was still above last year's 6 %.

Cash Security

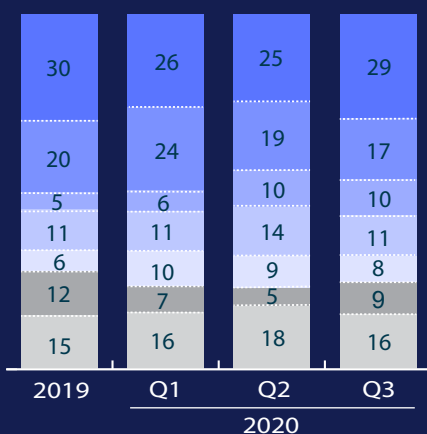
Cash Security had a delivery of CIT-cases to Sberbank and increased relative share to 9 % in the quarter.

Labels

The market demand for self-adhesive labels declined a little during Q3, and the relative share fell to 16 % in the quarter.

StrongPoint Group

Operating revenue relative share (%)



Retail Technology

- In-store Productivity
 - Payment Solutions
 - E-commerce logistics
 - Check Out Efficiency
 - Other retail technology
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- Cash Security
 - Labels

Solutions within each segment have been changed compared to earlier reports.



Continued sales success in priority areas

In July, StrongPoint received an order from NorgesGruppen for Electronic Shelf Labels (ESL) deliveries to 200 stores. The order has a total value of approximately 70 MNOK for installation during Q3 and Q4, with an option of additional stores in 2021.

StrongPoint E-commerce logistics includes solutions for efficient picking of goods for online grocery shopping, for different delivery options such as Click & Collect lockers both mobile or stationary, as well as software for optimal delivery routes for home deliveries. During the 3rd quarter strong interest from customers continued and led to deliveries in multiple markets. One of the retail chains in Spain installed over 20 Click & Collect lockers. Proof of concept installations have been rolled out to new customers/ countries. Existing customers have continued to increase the number of stores using Pick & Collect. Since the pandemic started in March approximately 100 stores and 1500 users have been added as users of the system. The 3rd generation of the Pick & Collect software will be launched as planned in Q4.

Steady progress on key pillars of 2025 strategic ambitions

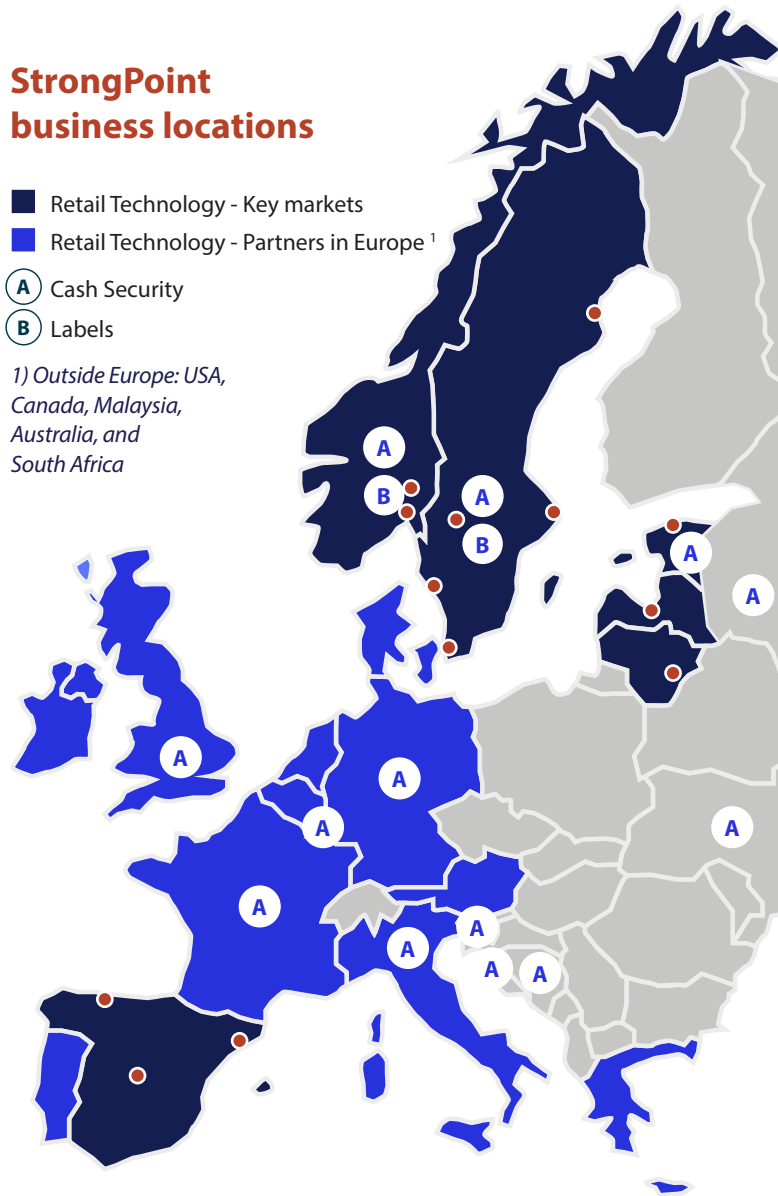
Operational leverage has increased in Norway, Sweden and the Baltics, and contributes well to the increased profitability this quarter. Spain, our fourth key market, was still under social distancing measures, and this negatively affects the profitability of the local company.

During the strategy update session in February 2020, StrongPoint outlined that the 2025 ambitions requires the best sales and service resources, infrastructure and margin and cost control. The company also stated that 2020 would be a year of investment within these areas. This has to some degree been delayed due to the extraordinary situation in 2020. To make sure we can continue to sell and promote our market leading solutions, we have launched recruitment for sales resources in all key markets, focusing especially on E-commerce, Self Checkout, Workforce Management and Instore Operation.

StrongPoint business locations

- Retail Technology - Key markets
- Retail Technology - Partners in Europe ¹
- Ⓐ Cash Security
- Ⓑ Labels

1) Outside Europe: USA, Canada, Malaysia, Australia, and South Africa



The financial position of the group continues to be stable, and the net interest bearing debt decreased in the quarter. In total, the leverage declined to 1.06, which is in the lower end of covenants. Based on the performance year-to-date, expected outlook and solid liquidity position, the Board of Directors have proposed a dividend payment of 0.60 NOK per share at the extraordinary general meeting 22 October 2020.

2025 ambition

StrongPoint announced its updated strategy on February 12, 2020. Following the spread of the COVID-19 global pandemic, the relevance of the strategic shift of focus has been strengthened and the company growth ambitions for 2025 are on track.

StrongPoint's strategic direction is to focus on the resilient grocery retail sector. At the core of the strategy is to be a key partner for grocery retail companies in a set of markets, namely Norway, Sweden, Spain and the Baltic countries. In addition, we have a significant opportunity to roll-out our world-class E-commerce logistics solution portfolio to new markets. The plans to roll-out our cash management solutions remain but have been postponed due to the lock-down in our core markets. The demand for safe and hygienic in-store solutions means that our products are more relevant than ever before. Lastly, StrongPoint's additional in-store solutions, such as contactless check-out equipment are likely to become even more relevant for many customers due to the restrictions put in place to tackle the COVID-19 pandemic.



 <p>Strong local expertise and presence in key markets²</p>	 <p>Roll-out of proprietary technology in selected markets³</p>	 <p>Market access platform for global technology providers in key markets⁴</p>	 <p>Best-in-class sales, service and support</p>	 <p>Profitable growth, cost control and a solid balance sheet</p>
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1) Organic growth ambition

2) Norway, Sweden, the Baltics and Spain

3) Cash Management solutions in e.g., Italy and Greece, and E-commerce solutions globally

4) The Nordics and the Baltics

StrongPoint business areas

Retail Technology

In-store

In-store Productivity

- Pricer Electronic Shelf Labels
- ShopFlow Logistics *
- Digi Scales and Wrapping Systems
- Reflexis Task and Labour Management

Payment Solutions

- CashGuard Cash Management *

Check Out Efficiency

- Self-Checkout *
- Self-Scanning
- Vensafe Tobacco Sales Automation *



E-commerce logistics

- Pick & Collect *
- Last-Mile Solutions *
- Click & Collect lockers *

Cash Security



Labels



* Proprietary technologies

Retail Technology

StrongPoint develops and sells technology solutions that streamline store operations, enable E-commerce logistics, and simplify the shopping experience. The Group delivers proprietary solutions within In-store Productivity, E-commerce, Payment Solutions and Check Out Efficiency, as well as tailor-made retail solutions from leading third-party suppliers, including Pricer Electronic Shelf Labels (ESL), POS, ERP, consulting services, Reflexis Workforce Management System (WMS) and Task Management System, and Digi scales and wrapping systems.

MNOK	Q3		YTD		Year
	2020	2019	2020	2019	2019
Product Sales	142.3	119.9	434.5	407.0	547.8
Service	75.7	71.1	230.4	218.3	295.7
Revenue	218.0	191.0	665.0	625.3	843.5
EBITDA	29.0	25.9	71.1	74.4	96.3
EBITDA-margin	13.3 %	13.6 %	10.7 %	11.9 %	11.4 %
EBT	22.9	18.7	51.0	50.6	66.1

The Retail Technology delivered a positive revenue growth of 14 % in the quarter. Product sales had a growth of 19 %, mostly driven by Norway and Sweden. The business area was negatively influenced by the COVID-19 measures in Spain.

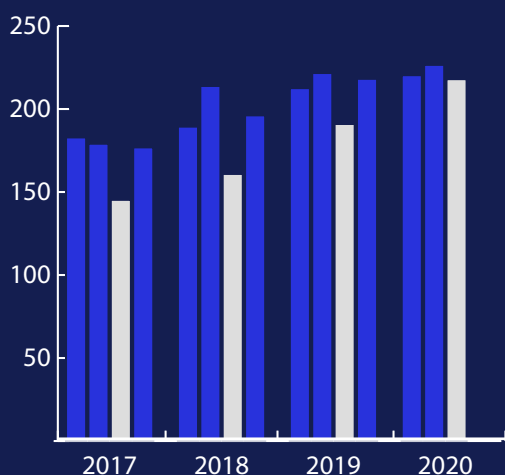
Product mix and currency influenced the gross profit negatively, while lower payroll cost and travel expenses

reduced the cost in the period. This led to an increase in EBITDA in Q3 by 3.1 MNOK to 29.0 MNOK (25.9).

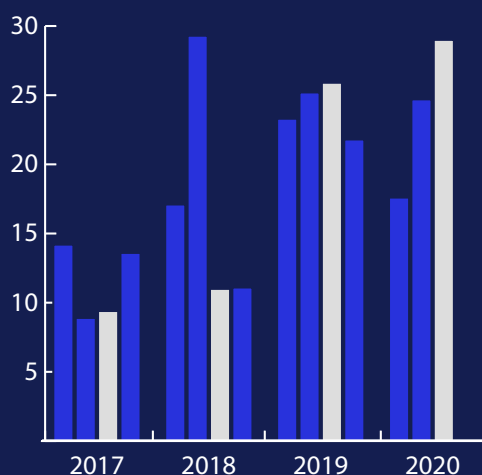
Retail Technology business area represented 77 % of the total group revenue, and 84 % of EBITDA, in the quarter.

Retail Technology

Operating revenue per quarter (MNOK)



EBITDA per quarter (MNOK)



Norway

MNOK	Q3		YTD		Year
	2020	2019	2020	2019	2019
Product Sales	52.7	29.8	149.0	129.5	176.2
Service	27.2	26.0	81.3	78.0	109.2
Revenue	79.8	55.7	230.3	207.5	285.4

The announced Pricer ESL project for NorgesGruppen started in August, and the first stores received the new Pricer installation already in September. This contributed to a considerably growth compared to the same quarter last year. The growth was mainly related to product sales with a substantial increase of 77 %. The order is expected to be delivered in full in 2020. At the same time, other deliveries to Norwegian customers were maintained and in total the revenue grew by 43 % compared to the periode last year. Two Click & Collect lockers were delivered during Q3. The expected decline in service revenue from installed base of Cash Management is to date not seen in Norway.

Sweden

MNOK	Q3		YTD		Year
	2020	2019	2020	2019	2019
Product Sales	42.1	28.8	117.5	105.0	145.8
Service	32.5	24.8	95.4	80.1	106.5
Revenue	74.5	53.6	212.9	185.1	252.3

The Swedish organization delivered a significant 39 % growth in the quarter compared to the same quarter last year. The product sales consist to a large degree of Pricer ESL and Click & Collect lockers and the product revenue increased by a total of 46 %. The growth in service revenues were linked to installation fee for the same products. The e-commerce software revenue also increased as existing customers have rolled out the solution to several additional stores in the quarter. Year to date, the Swedish operation has grown by 15 %.

Baltics

MNOK	Q3		YTD		Year
	2020	2019	2020	2019	2019
Product Sales	24.5	22.2	77.1	76.8	107.7
Service	14.5	13.8	43.4	41.1	54.8
Revenue	39.0	36.0	120.5	117.9	162.5

The Baltic organization delivered a 8 % growth in the quarter compared to last year, mainly due to increased deliveries of Self-Checkout solutions to large grocery customers. Implementation of a new fiscal law led to very high growth in Latvia last year, and this has been replaced with especially Self-Checkout sale. The year to date figures now show a growth of 2 %. The Baltic customers have called for proof of concept for several parts of the StrongPoint solutions, exemplified to Pricer ESL. StrongPoint has received an order to deploy Reflexis workforce management solutions to 228 stores and 5,000 employees from a large grocery retail chain in Lithuania.

EMEA/Partners

MNOK	Q3		YTD		Year
	2020	2019	2020	2019	2019
Product Sales	23.1	39.2	90.9	95.6	118.1
Service	1.5	6.5	10.3	19.2	25.2
Revenue	24.6	45.7	101.2	114.8	143.3

The Spanish cash management-market has been highly affected by the pandemic, while the willingness to invest in e-commerce solutions resulted in the delivery of over 20 Click & Collect lockers to a retail grocery chain. The revenue in Spain was reduced by 18 % compared to the same quarter last year. The country is experiencing a second wave of infection which continues to negatively influence the sale of cash management to the hospitality segment. The local sales teams are pivoting from former sales focus to bars, restaurants, canteens and hospitality to less COVID-19 vulnerable segments. These segments include pharmacies, tobacco store and petrol stations.

Cash Security

Cash Security offers solutions for Cash In Transit (CIT). The business area focuses on innovative IBNS (Intelligent Banknote Neutralisation System) technology, which protects cash without the need for weapons or costly armored vehicles.

MNOK	Q3		YTD		Year
	2020	2019	2020	2019	2019
Product Sales	13.7	10.0	29.8	51.7	87.9
Service	12.2	6.1	31.9	25.1	35.6
Revenue	25.9	16.1	61.6	76.8	123.5
EBITDA	6.1	-5.1	5.6	2.1	13.5
EBITDA-margin	23.6 %	-31.7 %	9.1 %	2.8 %	10.9 %
EBT	4.0	-6.2	0.2	-1.2	7.8

The announced order of up to 357 CIT-cases to Sberbank in Russia were fully delivered in the quarter. The positive trend from previous quarters on service continued in the period, and in total the revenue came to 25.9 MNOK. The quarterly comparisons are highly dependent on the large CIT-orders, so also in Q3 2020 where the revenue increased by 61 %. This development underlines the volatile nature of the business.

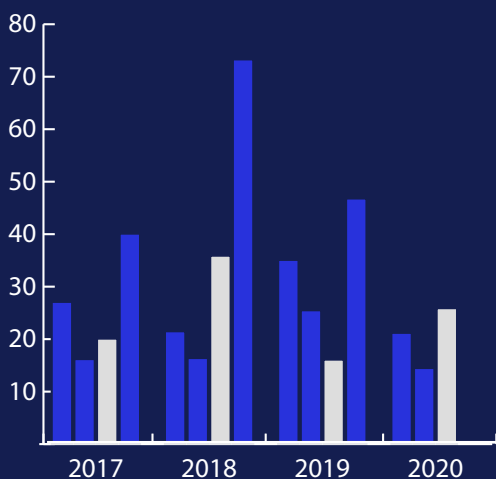
The EBITDA increased by 11.2 MNOK compared to last year due to the high number of cases being delivered in the quarter. Temporary layoffs were at the lowest level since the pandemic started, and compensation from the Swedish government amounted to less than 1 MNOK in the quarter.

StrongPoint is monitoring the second wave of the virus' spread and expects this to influence the business area also in the months to come.

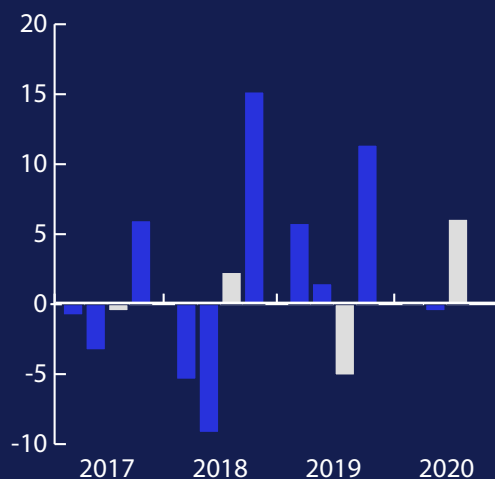
The business area has its own sales and service organization in Sweden, Russia, France, Belgium and Norway, as well as partners in several countries, including Italy, Bosnia, Croatia, Serbia, Cyprus and the UK.

Cash Security

Operating revenue per quarter (MNOK)



EBITDA per quarter (MNOK)



Labels

Labels has leading expertise in the design and production of adhesive labels. The business area is well adapted to today's market situation with efficient work processes, new technology and modern facilities.

MNOK	Q3		YTD		Year
	2020	2019	2020	2019	2019
Revenue	41.7	40.4	136.5	125.3	163.8
EBITDA	7.1	6.1	22.0	16.1	21.9
EBITDA-margin	16.9 %	15.2 %	16.1 %	12.9 %	13.4 %
EBT	3.0	1.7	9.6	2.6	4.2

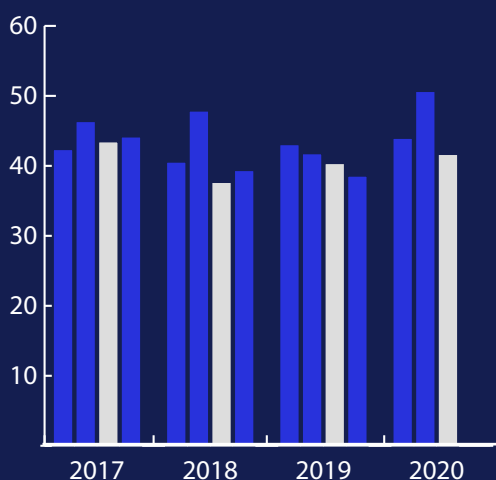
Operating revenue in Q3 2020 increased by 3 % compared to last year, which represents a decline in growth rate compared to previous quarters in 2020. During the start of the pandemic, the demand from the food industry increased remarkably within a short period of time and put pressure on raw material available on the market. StrongPoint Labels experienced that customers procured some security stock in Q2 to ensure own production, and Q3 falls somewhat behind. Because of this EBITDA grew by 1.0 MNOK from Q3 2019 to Q3 2020, reflecting the increased profitability as a consequence of higher volume.

StrongPoint has accepted an initial offer for compensation from BaneNor of 55.6 MNOK to relocate its label facility in Norway. The compensation fee and time of payment is subject to finalization of the agreement between the parties.

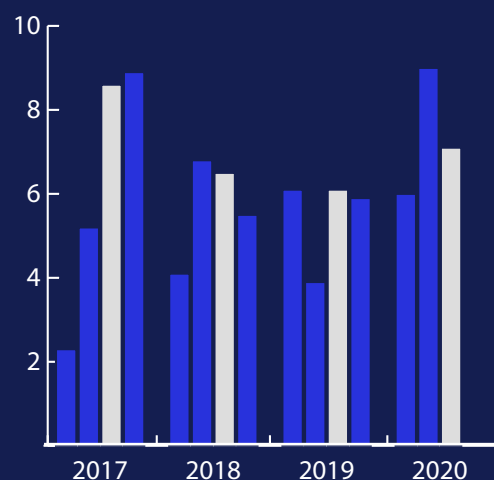
The business area is among the largest suppliers of adhesive labels in the Swedish and Norwegian markets. Labels uses FSC-certified material from EU/ EEA/UK in its label production to ensure the paper is produced in a sustainable manner, and the production meets EU health and safety regulations.

Labels

Operating revenue per quarter (MNOK)



EBITDA per quarter (MNOK)



Cash flow and equity

Cash flow from operational activities in the third quarter was 35.4 MNOK (0.1). The positive cash flow from operations stems primarily from a strong ordinary profit and changes in the working capital in the quarter.

Disposable funds were 116.5 MNOK per September 30, 2020. The net interest-bearing debt decreased by 28.6 MNOK compared with the end of the last quarter and totaled 113.6 MNOK.

The Group's holding of own shares amounted to 95.717, which represents 0.2 per cent of the outstanding shares.

The Group has shareholder programs for the board of directors, the Group executive management and the employees. Through these programs a total of 89,706 shares were bought in 2019 and 251.943 shares have been subscribed so far in 2020.

The Board decided 19 March 2020 to postpone the decision on dividend for 2019 due to the COVID-19 situation. The Board of Directors has now called for an extraordinary general meeting October 22, and has proposed a dividend of NOK 0.60 per share.

Accounting year	General meeting		Dividend per share
2019	22.10.2020	Proposed	0,60
2018	26.04.2019		0,55
2017	24.04.2018		0,50
2016	20.04.2017		0,50
2016	05.01.2017	Extraordinary	1,00
2015	28.04.2016		0,45
2014	30.04.2015		0,35
2013	25.04.2014		0,30
2012	26.04.2013		0,25
2011	08.05.2012		0,25

Statement from the Board

The Board and group CEO have today considered and approved StrongPoint's financial statements for the third quarter and year to date 2020, including comparative consolidated figures for the third quarter and year to date 2019. This report has been prepared in accordance with IAS 34 on interim financial reporting as determined by the European Union, and with supplementary requirements pursuant to the Norwegian Securities Trading Act. The Board and CEO hereby declare, to the best of their knowledge, that the financial statements for the third quarter and year to date 2020 have been prepared in accordance with prevailing accounting principles and that the information in the financial statements gives a true and fair view of the assets, liabilities, financial position and profit of the group taken as a whole at 30 September 2020 and 30 September 2019. To the best of their knowledge, the report gives a true and fair overview of important events during the accounting period and the impact of these events on the financial statements.

The Board of Directors of StrongPoint ASA

Rælingen 21 October 2020

Morthen Johannessen
Chairman

Klaus de Vibe
Director

Camilla AC Tepfers
Director

Peter Wirén
Director

Ingeborg Molden Hegstad
Director

Jacob Tveraabak
CEO

Consolidated income statement

KNOK	Q3 2020	Q3 2019	Chg. %	YTD 2020	YTD 2019	Chg. %	Year 2019
Operating revenue	282 847	237 487	19,1 %	850 332	812 755	4,6 %	1 111 767
Profit from AC, Service companies	-58	-181		111	-77		-71
Cost of goods sold	150 738	122 973	22,6 %	458 344	421 854	8,6 %	579 457
Payroll	72 990	67 994	7,3 %	237 830	238 585	-0,3 %	324 092
Other operating expenses	24 542	28 518	-13,9 %	77 724	84 629	-8,2 %	109 927
Total operating expenses	248 270	219 486	13,1 %	773 898	745 068	3,9 %	1 013 477
EBITDA	34 519	17 820	93,7 %	76 545	67 610	13,2 %	98 219
Depreciation tangible assets	9 524	9 314	2,3 %	28 599	28 590	0,0 %	39 136
Depreciation intangible assets	2 277	2 982	-23,6 %	7 236	11 110	-34,9 %	13 700
EBIT	22 717	5 524	311,2 %	40 710	27 909	45,9 %	45 383
Interest expenses	936	991	-5,5 %	3 056	2 798	9,2 %	3 558
Other financial expenses/currency differences	542	546	-0,7 %	4 478	-4 337	203,3 %	-1 284
EBT	21 239	3 987	432,7 %	33 176	29 448	12,7 %	43 108
Taxes	6 017	1 127	433,8 %	9 357	6 183	51,3 %	11 238
Profit/loss after tax	15 221	2 860	432,2 %	23 819	23 265	2,4 %	31 870
Earnings per share							
Number of shares outstanding	44 376 040	44 376 040		44 376 040	44 376 040		44 376 040
Av. Number of shares - own shares	44 277 179	44 164 144		44 286 142	44 226 765		44 231 636
Earnings per share	0,34	0,06		0,54	0,53		0,72
Diluted earnings per share	0,34	0,06		0,54	0,53		0,72
EBITDA per share	0,78	0,40		1,73	1,53		2,22
Diluted EBITDA per share	0,78	0,40		1,73	1,53		2,22
Total earnings							
Profit/loss after tax	15 221	2 860	432,2 %	23 819	23 265	2,4 %	31 870
Exchange differences on foreign operations	4 305	2 880	49,5 %	36 641	-13 908	363,5 %	-8 123
Total earnings	19 527	5 739	240,2 %	60 460	9 357	546,2 %	23 748

Consolidated balance sheet

KNOK	30.09.2020	30.09.2019	30.06.2020	31.12.2019
ASSETS				
Intangible assets	44 916	48 332	46 511	46 747
Goodwill	152 926	135 433	151 415	137 929
Tangible assets	33 826	55 759	32 494	32 267
Right-of-use assets	73 966	56 111	79 235	81 175
Long term investments	1 664	547	1 722	1 553
Deferred tax	-	7 473	227	5 859
Non-current assets	307 299	303 655	311 604	305 530
Goods	188 304	127 049	159 885	138 366
Accounts receivable	235 853	183 700	211 196	180 412
Prepaid expenses	16 662	17 423	22 861	12 781
Other receivables	15 688	8 541	12 012	13 954
Bank deposits	27 787	49 618	31 159	39 498
Current assets	484 295	386 331	437 114	385 011
TOTAL ASSETS	791 594	689 986	748 717	690 542
EQUITY AND LIABILITIES				
Share capital	27 513	27 513	27 513	27 513
Holding of own shares	-59	-119	-67	-107
Other equity	298 066	221 894	278 329	236 498
Total equity	325 520	249 288	305 775	263 904
Long term interest bearing liabilities	17 397	15 284	22 192	10 715
Lease liabilities	45 058	50 225	49 931	51 131
Other long term liabilities	-	9 252	-	3 904
Deferred tax liabilities	3 682	-	-	-
Total long term liabilities	66 136	74 760	72 123	65 751
Short term interest bearing liabilities	49 994	67 168	71 872	50 418
Short term lease liabilities	28 908	29 104	29 304	30 044
Accounts payable	114 901	82 016	57 023	70 799
Taxes payable	307	178	372	1 091
Other short term liabilities	205 828	187 472	212 249	208 535
Total short term liabilities	399 938	365 938	370 819	360 887
TOTAL EQUITY AND LIABILITIES	791 594	689 986	748 717	690 542

Overview of changes in the equity

KNOK	Share capital	Treasury shares	Other paid in equity	Translation variances	Other equity	Total equity
Equity 31.12.2018	27 513	-65	351 262	45 130	-158 703	265 137
Sale of own shares	-	-42	-	-	-583	-625
Dividend 2018	-	-	-	-	-24 355	-24 355
Profit this year after tax	-	-	-	-	31 870	31 870
Other comprehensive income and expenses	-	-	-	-8 123	-	-8 123
Equity 31.12.2019	27 513	-107	351 262	37 007	-151 770	263 904
Purchase/sale of own shares	-	48	-	-	1 109	1 156
Profit this year after tax	-	-	-	-	23 819	23 819
Other comprehensive income and expenses	-	-	-	36 641	-	36 641
Equity 30.09.2020	27 513	-59	351 262	73 647	-126 842	325 520

Statement of cash flow

KNOK	Q3 2020	Q3 2019	YTD 2020	YTD 2019	Year 2019
Ordinary profit before tax	21 239	3 987	33 176	29 448	43 108
Net interest	936	991	3 056	2 798	3 558
Tax paid	-2 263	3	-2 715	-2 212	799
Share of profit, associated companies	58	181	-111	77	71
Ordinary depreciation	11 801	12 296	35 835	39 701	52 837
Profit / loss on sale of fixed assets	-63	-	25	-	-298
Change in inventories	-27 665	-8 570	-36 569	-2 049	-12 384
Change in receivables	-23 008	18 133	-41 495	12 080	17 024
Change in accounts payable	57 135	-7 207	37 316	2 641	-9 274
Change in other accrued items	-2 778	-19 708	-9 023	-25 192	-14 806
Cash flow from operational activities	35 393	107	19 494	57 291	80 636
Payments for fixed assets	-3 769	-4 655	-8 471	-12 766	-14 544
Net payments for long term shares	-	-	-	-	-1 000
Payment from sale of fixed assets	2	-	93	-	344
Net effect acquisitions	-	-	-17 433	-	-
Dividends received from associated companies	-	302	-	302	225
Interest income	31	28	-71	133	43
Cash flow from investment activities	-3 736	-4 324	-25 882	-12 331	-14 932
Purchase/sale of own shares	218	202	1 156	-850	-625
Change in long-term debt	-12 107	-15 955	-977	-38 838	-48 984
Change in overdraft	-21 378	45 826	-4 629	45 076	24 875
Interest expenses	-701	-1 020	-2 164	-2 931	-3 600
Dividend paid	-	-	-	-24 355	-24 355
Cash flow from financing activities	-33 968	29 054	-6 613	-21 898	-52 689
Net change in liquid assets	-2 311	24 837	-13 002	23 063	13 015
Cash and cash equivalents at the start of the period	31 159	23 951	39 498	26 985	26 985
Effect of foreign exchange rate fluctuations on foreign currency deposits	-1 061	830	1 291	-430	-502
Cash and cash equivalents at the end of the period	27 787	49 618	27 787	49 618	39 498

Key figures

KNOK	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	YTD 2020	YTD 2019
Income statement							
Operating revenue	282 789	287 877	279 777	299 019	237 306	850 443	812 677
EBITDA	34 519	25 556	16 470	30 609	17 820	76 545	67 610
EBITA	24 995	15 990	6 961	20 064	8 506	47 946	39 019
Operating profit EBIT	22 717	13 448	4 545	17 473	5 524	40 710	27 909
Ordinary profit before tax (EBT)	21 239	9 931	2 007	13 660	3 987	33 176	29 448
Profit/loss after tax	15 221	7 502	1 096	8 606	2 860	23 819	23 265
EBITDA-margin	12,2 %	8,9 %	5,9 %	10,2 %	7,5 %	9,0 %	8,3 %
EBT-margin	7,5 %	3,4 %	0,7 %	4,6 %	1,7 %	3,9 %	3,6 %
Balance sheet							
Non-current assets	307 299	311 604	329 625	305 530	303 655	307 299	303 655
Current assets	484 295	437 114	456 233	385 011	386 331	484 295	386 331
Total assets	791 594	748 717	785 858	690 542	689 986	791 594	689 986
Total equity	325 520	305 775	301 995	263 904	249 288	325 520	249 288
Total long term liabilities	66 136	72 123	68 468	65 751	74 760	66 136	74 760
Total short term liabilities	399 938	370 819	415 395	360 887	365 938	399 938	365 938
Working capital	309 257	314 058	276 217	247 979	228 733	309 257	228 733
Equity ratio	41,1 %	40,8 %	38,4 %	38,2 %	36,1 %	41,1 %	36,1 %
Liquidity ratio	121,1 %	117,9 %	115,9 %	113,5 %	112,3 %	121,1 %	112,3 %
Net interest bearing debt	113 570	142 139	127 539	102 810	112 162	113 570	112 162
Net leverage multiples	1,06	1,57	1,47	1,05	1,24	1,06	1,24
Cash Flow							
Cash flow from operational activities	35 393	-10 962	-4 937	23 345	107	19 494	57 291
Net change in liquid assets	-2 311	4 482	-15 173	-10 048	24 837	-13 002	23 063
Share information							
Number of shares	44 376 040	44 376 040	44 376 040	44 376 040	44 376 040	44 376 040	44 376 040
Weighted average shares outstanding	44 277 179	44 306 354	44 274 990	44 196 649	44 164 144	44 286 142	44 226 765
EBT per shares	0,48	0,22	0,05	0,31	0,09	0,75	0,67
Earnings per share	0,34	0,17	0,02	0,19	0,06	0,54	0,53
Earnings per share, adjusted *	0,40	0,23	0,08	0,25	0,13	0,70	0,78
Equity per share	7,4	6,9	6,8	6,0	5,6	7,4	5,6
Dividend per share	-	-	-	-	-	-	0,55
Employees							
Number of employees (end of period)	521	512	519	531	519	521	519
Average number of employees	517	516	525	525	527	517	529
IFRS 16 effects							
Reduced OPEX	5 839	5 464	5 777	6 317	5 669	17 080	17 043
Increased Depreciation	5 573	5 199	5 487	5 969	5 419	16 259	16 187
Increased interest expenses	266	265	290	348	250	821	856
EBT	0	0	0	0	0	0	0
Cash flow from operational activities	5 839	5 464	5 777	6 317	5 669	17 080	17 043
Cash flow from financing activities	-5 839	-5 464	-5 777	-6 317	-5 669	-17 080	-17 043

*) Earnings per share, adjusted for depreciation of intangible assets, mainly from M&A

Note 1 Confirmation of reporting framework

The condensed and consolidated quarterly financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The quarterly financial statements do not contain all the information required in an annual financial statement and should be read in connection with the Group financial statements for 2019.

Note 2 Key accounting principles

The accounting principles for the report are described in note 2 in the annual financial statements for 2019. The Group financial statements for 2019 were prepared in accordance with the IFRS principles and interpretations thereof, as defined by the EU, as well as other disclosure requirements pursuant to the Norwegian Accounting Act and the Oslo Stock Exchange regulations and rules applicable as at 31.12.2019. The quarterly report and the interim financial statements have not been revised by auditor.

Note 3 Segment information

Business areas

MNOK	Q3 2020			Q3 2019			YTD 2020			YTD 2019			Year 2019		
	Re-venue	EBIT-DA	EBT	Re-venue	EBIT-DA	EBT	Re-venue	EBIT-DA	EBT	Re-venue	EBIT-DA	EBT	Re-venue	EBIT-DA	EBT
Retail Tech	218.0	29.0	22.9	191.0	25.9	18.7	665.0	71.1	51.0	625.3	74.4	50.6	843.5	96.3	66.1
Cash Security	25.9	6.1	4.0	16.1	-5.1	-6.2	61.6	5.6	0.2	76.8	2.1	-1.2	123.5	13.5	7.8
Labels	41.7	7.1	3.0	40.4	6.1	1.7	136.5	22.0	9.6	125.3	16.1	2.6	163.8	21.9	4.2
Elim / ASA	-2.8	-7.7	-8.7	-10.2	-9.1	-10.2	-12.7	-22.2	-27.6	-14.6	-25.1	-22.5	-19.1	-33.4	-35.0
Total	282.8	34.5	21.2	237.3	17.8	4.0	850.4	76.5	33.2	812.7	67.6	29.4	1 111.7	98.2	43.1

Operating revenue by geographical market

MNOK	Q3 2020			Q3 2019			YTD 2020			YTD 2019			Year 2019		
	NO	SWE	Other	NO	SWE	Other	NO	SWE	Other	NO	SWE	Other	NO	SWE	Other
Retail Tech	79.8	74.5	63.6	57.4	48.1	85.4	230.3	212.9	221.7	209.2	179.6	236.5	285.4	252.3	305.8
Cash Security	1.8	7.2	16.9	-	8.8	7.3	2.6	24.2	34.8	0.6	29.8	46.3	0.7	41.1	81.7
Labels	15.7	26.0	-	11.7	28.8	-	50.7	85.8	-	42.2	83.0	-	54.7	109.2	-
Elim / ASA	-	-2.8	-	-0.6	-9.8	0.1	-	-12.6	-	-1.3	-13.3	-	-2.5	-16.7	-
Total	97.4	105.0	80.4	68.5	75.9	92.8	283.6	310.3	256.6	250.8	279.1	282.8	338.3	385.9	387.5

Operating revenue by product and service

MNOK	Q3 2020		Q3 2019		YTD 2020		YTD 2019		Year 2019	
	New sales	Service *	New sales	Service *	New sales	Service *	New sales	Service *	New sales	Service *
Retail Technology	142.3	75.7	119.9	71.1	434.5	230.4	407.0	218.3	547.8	295.7
Cash Security	13.7	12.2	10.0	6.1	29.8	31.9	51.7	25.1	87.9	35.6
Labels	41.7	-	40.4	-	136.5	-	125.3	-	163.8	-
Elim / ASA	-2.8	-	-10.2	-	-12.7	-	-14.6	-	-19.1	-
Total	194.9	87.9	160.1	77.2	588.1	262.3	569.3	243.4	780.5	331.2

*) Service and licenses

Note 4 Related parties

No significant transactions between the Group and related parties had taken place as at 30 September 2020.

Note 5 Financial information

Due to the extraordinary situation the world has had the past months, additional financial information is added to this report to inform of the financial solidity of the company.

The net interest-bearing debt has increased during the year mainly due to changes in working capital and payment of earn-out related to the acquisition of CUB AB in 2017.

The majority of the receivables are not due, and are related to customers within the grocery segment.

Interest-bearing debt

KNOK	30.09.2020	31.12.2019
Bank overdraft CashPool	11 322	25 285
Financial leasing	17 292	20 365
Repayment loan	56 069	31 186
Short term debt	-	5 689
Liabilities leasing IFRS 16	56 674	59 784
Interest-bearing debt	141 357	142 309
Cash and bank deposits	27 787	39 498
Net interest-bearing debt	113 570	102 810
Total capital adjusted for goodwill	638 668	552 613
Debt ratio	18%	19%

Distribution of long-term and short-term interest-bearing debts

KNOK	30.09.2020	31.12.2019
Bank overdraft	11 322	25 285
Due within one year	67 581	55 177
Current interest-bearing liabilities	78 903	80 462
Due after one year	62 454	61 847
Total interest-bearing debts	141 357	142 309

Disposal funds

KNOK	30.09.2020	31.12.2019
Cash and bank deposits	27 787	39 498
Unused overdraft facilities	88 678	34 715
Disposal funds	116 465	74 213

Accounts receivables

Aging of accounts receivables (KNOK)	30.09.2020	31.12.2019
Not due	211 144	139 478
0-3 months	22 770	40 413
3-6 months	1 939	460
6-12 months		61
Older than 12 months		
Total	235 853	180 412

Note 6 Top 20 shareholders as at 30 September 2020

No.	Name	No. of shares	%
1	HOLMEN SPESIALFOND	4 200 000	9,5
2	STRØMSTANGEN AS	3 933 092	8,9
3	HSBC Bank Plc	1 976 000	4,5
4	V. EIENDOM HOLDING AS	1 824 009	4,1
5	SOLE ACTIVE AS	1 459 962	3,3
6	AVANZA BANK AB	1 350 500	3,0
7	NORDNET BANK AB	1 345 169	3,0
8	ZETTERBERG, GEORG (incl. fully owned companies)	1 331 989	3,0
9	VERDIPAPIRFONDET DNB SMB	1 153 692	2,6
10	VERDADERO AS	1 146 249	2,6
11	WAALER, JØRGEN (incl. fully owned companies)	900 000	2,0
12	RING, JAN	884 372	2,0
13	NORDNET LIVSFORSIKRING AS	796 707	1,8
14	MP PENSJON PK	777 402	1,8
15	HAUSTA INVESTOR AS	700 000	1,6
16	EVENSEN, TOR COLKA	629 000	1,4
17	JOHANSEN, STEIN	500 000	1,1
18	SKANDINAVISKA ENSKILDA BANKEN AB	469 132	1,1
19	MORGAN STANLEY & CO. INTERNATIONAL	459 266	1,0
20	NÆRINGSLIVETS HOVEDORGANISASJON	445 669	1,0
Sum 20 largest shareholders		26 282 210	59,2
Sum 2 160 other shareholders		18 093 830	40,8
Sum all 2 180 shareholders		44 376 040	100,0

Definitions

Working capital	Inventories + accounts receivables – accounts payable
Equity per share	Book value equity / number of shares
Operating revenue	Sales revenue and profit from AC, Service companies
Operating revenue per employee	Operating revenue / average number of employees
Operating cost per employee	Operating cost / average number of employees
EBITDA	Operating profit + depreciation fixed assets and intangible assets
EBITA	Operating profit + amortization of intangible assets
EBIT	Operating profit
EBITDA-margin	EBITDA / operating revenue
EBT	Profit before tax
EBT-margin	EBT / operating revenue
Equity ratio	Book value equity / total assets
Weighted average basic shares	Issued shares adjusted for own shares on average for the year
Liquidity ratio	Current assets / short term debt
Earnings per share	Profit after tax / number of shares
Earnings per share adjusted	Profit after tax + amortization of intangible assets / number of shares
Net leverage multiple	Net Debt / 12 months rolling operating revenue
Net change in liquid assets	The total changes in cash flow from operational activities, investment activities and financing activities





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