



Q1 2021

Financial report and status

CEO's perspective

The global COVID-19 pandemic continues to impact the world and continues to have ramifications on our operations at the start of 2021. As a retail technology company, the sum of the impact on our business is positive. This is evident within grocery e-commerce as both established grocery retail companies and new entrants fiercely compete for customer's favor. Simultaneously, it is clear that grocery retailers are bracing for the year to come in their brick and mortar stores. As economies are slowly opening up again, grocery retailer's top line growth will be challenged. This stimulates in-store technology investments to ensure stores' competitiveness going forward. All in all, I feel we are capitalizing well on the opportunities arising within both grocery e-commerce and in-store efficiency – "the double opportunity" for StrongPoint. As such, I believe we continue to be on track to achieving our 2025 strategic ambitions.



Jacob Tveraabak
CEO of StrongPoint

Comparing our first quarter in 2021 with a predominantly pre-COVID first quarter last year, we achieved a 15% topline growth in our continued operations resulting in revenues of 296 MNOK. E-commerce constituted a very important growth driver with a more than 80% revenue growth compared to same quarter last year. Our check-out efficiency portion also grew significantly and now constitutes 18% of total revenue in the first quarter vs. 12% last year. Our EBITDA ended at 19.6 MNOK (6.6%), up from 16.5 MNOK (6.4%).

One of the key announcements in this quarter was the Glovo partnership. Glovo is one of the leading delivery platforms in Europe with operations in more than 20 countries. Like most other similar companies, Glovo has really stepped up the game within grocery deliveries following the pandemic. The realization of the complexity of e-grocery led them to choose StrongPoint for their in-store grocery order picking. The fact that a technology unicorn such as Glovo opts for our solution proves the strength and potential of our e-commerce order picking solution.

Additionally, in this quarter, we announced a large-scale rollout of Pricer's Electronic Shelf Labels (ESLs) with NorgesGruppen worth around 110 MNOK. I am very proud of our ability to continue receiving the confidence from such important and long-standing customers, in particular in these pivotal moments where important investments for the future competitiveness of the brick and mortar stores are taking place.

Lastly, I should also mention our investment and partnership with the robotics company, Halodi Robotics, that was announced in March. I believe that we will

experience a significant growth of automation – and as such also robotics solutions – in grocery retail stores. This really is a key lever to increase the brick and mortar stores' competitiveness. We have some exciting times ahead in working with our customers and Halodi Robotics to unlock the next level of in-store efficiency.

In mid-February, Lorena Gómez assumed the role as SVP and MD of Spain. I am very pleased to observe that yet again we are attracting high performing individuals from respected and relevant organizations. Following many quarters with challenging financial results in Spain, I believe that we now are in a better position to change the trend.

Having completed Q1, I am confident that StrongPoint is stronger than ever. We continue our solid growth, in particular in areas with strong underlying fundamentals, and we prove our organization's and solutions' uniqueness with the announcements of top customer wins. StrongPoint's 'double opportunity' – delivering in-store efficiency solutions and e-commerce logistics to grocery retailers – is greater today than ever before.

More and more so it becomes evident that the shift of shopping behavior, accelerated by the COVID-19 pandemic, will provide ample opportunities for StrongPoint going forward. 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 2025 strategic ambitions.

Stay safe and strong.

Highlights 1th quarter

Strong financial performance

- Revenue growth 14.5% to 296 MNOK (259) in the quarter, of which Retail Technology grew by 14.6% to 253 MNOK (220).
- EBITDA was 20 MNOK (16) in the quarter.
- Continued strong financial position, net leverage multiple 0.15 and cashflow increased to 22 MNOK (-5).

Continued customer success in priority areas

- Delivery platform Glovo chose StrongPoint's Order Picking solution as their preferred grocery order picking solution.
- NorgesGruppen orders electronic shelf labels worth around 110 MNOK.
- Temperature-controlled Click & Collect grocery lockers pilots installed in the US and UK.

Steady progress on 2025 strategic ambitions

- Investment and partnership with Halodi Robotics.
- Strengthened management and increased resources within sales and marketing.
- Strategy Update Session held February 11, 2021 outlining and confirming our refreshed strategy to achieve our 2025 strategic ambitions.

Key figures (MNOK)

	Q1 2021	Q1 2020	Year 2020	Ex one- time items 2020
Revenue	296.2	258.6	1,182.9	1,127.2
EBITDA	19.6	16.5	152.4	99.2
EBITDA margin	6.6%	6.4%	12.9%	8.8%
Operating profit (EBIT)	9.9	5.9	86.5	56.6
Ordinary profit before tax (EBT)	10.8	4.1	77.6	47.6
Cash flow from operational activities	21.6	-4.9	131.8	126.7
Disposable funds	149.4	54.0	175.0	175.0
Earnings per share (NOK)	0.23	0.07	1.33	0.79
Earnings per share, adjusted ¹⁾	0.27	0.13	1.54	1.01
Earnings per share included discontinued operations (NOK)		0.02	2.21	

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

StrongPoint Group

StrongPoint makes retail technology part of every shopping experience for a smarter and better life. The Group consists of two business areas: Retail Technology and Labels.

Revenue MNOK	Q1		Year
	2021	2020	2020
Retail Technology	252.6	220.4	957.3
Labels	46.8	44.0	241.1
Elim / ASA	-3.2	-5.8	-15.4
Total	296.2	258.6	1 182.9

EBITDA MNOK	Q1		Year
	2021	2020	2020
Retail Technology	23.9	17.6	95.6
Labels	5.9	6.0	83.6
Elim / ASA	-10.2	-7.2	-26.9
Total	19.6	16.5	152.4

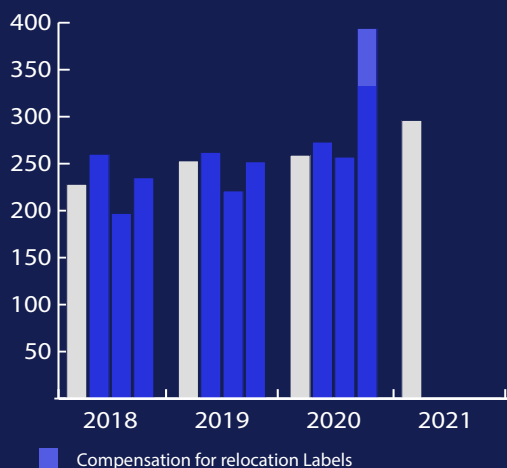
NOTE: The numbers for 2020 are not included discontinued operations. Compensation related to relocation for the labels business in Norway affected the revenue with 55.7 MNOK and EBITDA with 53.2 MNOK in Q4 2020.

Strong financial performance

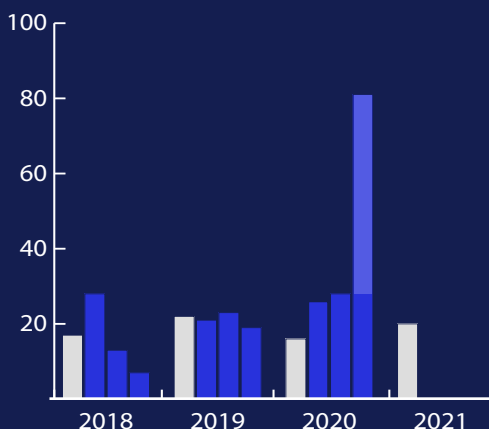
Total revenue grew by an overall 15% compared to the same quarter last year. Sweden and the Baltics show a tremendous growth, driven by large installation of Click & Collect grocery lockers and Self-Checkout solutions. Both these solutions experience increased demand driven by the pandemic. The Spanish operations continues to be severely impacted by COVID-19 and negatively influence the Groups EBITDA figures. Overall EBITDA grew by 3.1 MNOK to 19.6 MNOK, which constitutes an EBITDA margin of 6.6%. The cost level has slightly increased as an effect of increased activities and the planned and ongoing investments in resources, marketing and product development within e-commerce.

StrongPoint Group

Operating revenue per quarter (MNOK)



EBITDA per quarter (MNOK)



Continued customer success in priority areas

In February, StrongPoint announced that the technology unicorn Glovo had chosen StrongPoint as their preferred supplier for grocery picking technology. Glovo is an on-demand meal and grocery delivery platform, is available in over 20 countries and a leading European technology company.

Also in February, StrongPoint announced a Pricer Electronic Shelf Labels (ESL) contract with NorgesGruppen worth 110 MNOK excluding installation and support. The installation started slightly in Q1 2021, and it is expected that the rollout will last until Q4 2023.

The global interest for e-commerce solutions reached new heights in the quarter when Click & Collect grocery locker pilots were installed in both the US and UK. The customers are now evaluating the lockers in terms of locker and software quality, customer utilization and food safety.

Steady progress on 2025 strategic ambitions

StrongPoint announced in March the investment in and partnership with Halodi Robotics, a Norwegian company developing humanoid robots for security industry and retail. The partnership ambition is to develop a robotic solution for the grocery retail sector, of which StrongPoint will become the exclusive distributor in key areas of Europe.

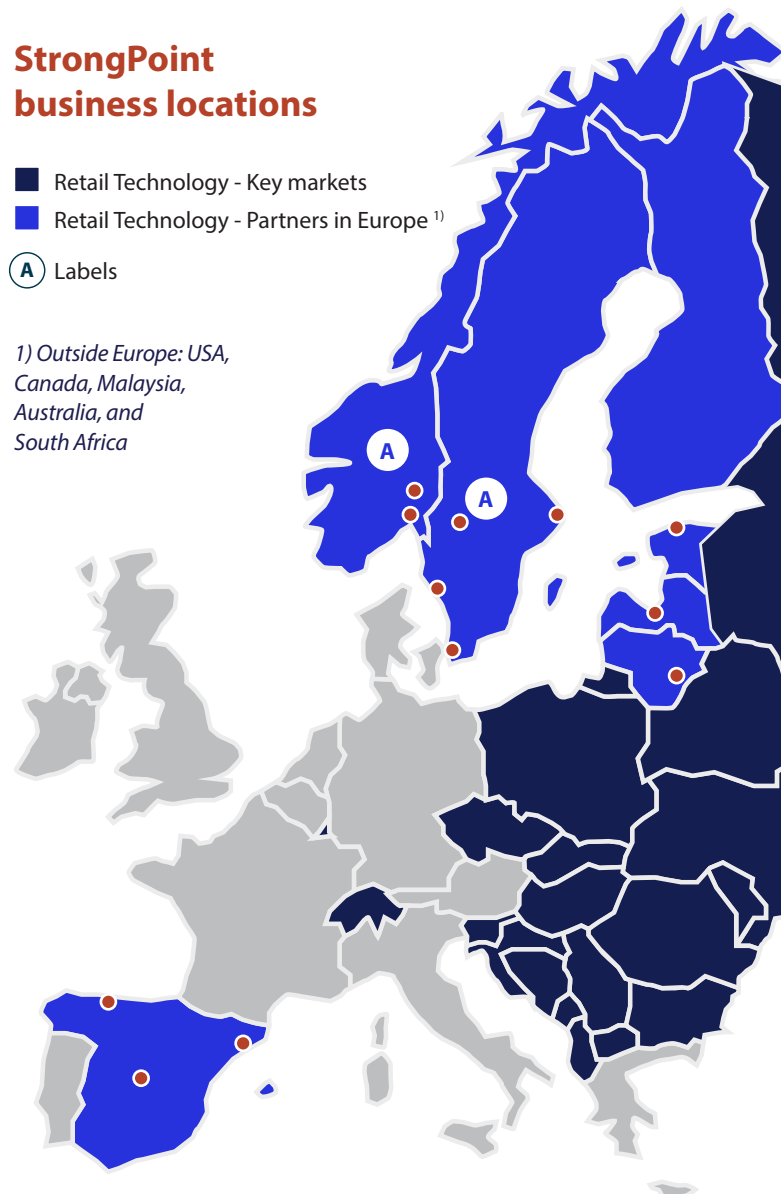
The 2025 growth ambitions requires additional high-caliber resources in place across markets and functions. In mid-February Lorena Gómez, whom has extensive experience in managing and scaling retail sales operations across Europe, started as SVP and MD of Spain. In addition, we have strengthened the sales and marketing teams as well as digital marketing serving the entire company and expansion markets.

On February 11, StrongPoint held the annual Strategy Update Session. In the session, the strong ambitions for the year 2025 were confirmed, with high topline

StrongPoint business locations

- Retail Technology - Key markets
- Retail Technology - Partners in Europe ¹⁾
- Ⓐ Labels

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



growth rates and improved profitability. The pandemic has created enhanced demand for both e-commerce and checkout efficiency solutions.

Although StrongPoint's payment solutions have suffered in terms of sales, the overall ambitions remain for this area. We expect demand to pick up once the pandemic has been brought under control and economies go back to normal in terms of cash-based purchases in shops in countries where cash still remains the preferred method of payment.

2025 Strategic ambition

In February 2020 StrongPoint set a strategic ambition to achieve NOK 2.5 billion in revenues and EBITDA margins of 13-15% by 2025.

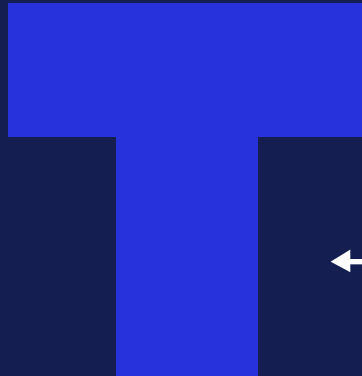
StrongPoint's world class retail technology solutions for increasing in-store efficiency and e-commerce technology for online order picking and last mile solutions have a double opportunity to meet two key global trends affecting grocery retailers. Firstly, the pressure on brick and mortar retailers' margins means that grocery retailers need to find ways to increase in-store productivity to boost profitability. Secondly, the pressure to develop an online presence, grow their market share and reduce costs means they need highly efficient order fulfilment solutions and provide multiple last-mile delivery and pick-up options. These two key industry trends have only been accelerated by the skyrocketing global demand for online groceries during the global Covid-19 pandemic.

To respond to the changes in the industry following the events of 2020, StrongPoint has updated its strategy to achieve its 2025 ambitions.

Our new T-shaped strategy to create a NOK 2.5 bn Retail Technology company

World-class solutions to selected markets

- E-Commerce Logistics Suite (Picking, Last Mile Solutions and Click & Collect lockers)
- Self-Checkout
- Cash Management



Deep in core markets

- Norway
- Sweden
- Baltics
- Spain



StrongPoint's financial ambitions for organic growth

NOK **2.5** bn **in 2025**

EBITDA **13-15%**

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 solutions

- Grocery Picking
- Order Picking Solution *

Last mile

- Click & Collect lockers *
- Drive-through *
- Pick-up in store *
- Home delivery
- Route optimisation

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, Digi scales and wrapping systems.

MNOK	Q1		Year
	2021	2020	2020
Product Sales	174.0	140.9	637.9
Service	78.5	79.5	319.4
Revenue	252.6	220.4	957.3
EBITDA	23.9	17.6	95.6
EBITDA-margin	9.5%	8.0%	10.0%
EBT	17.2	13.1	65.9

The Retail Technology delivered a positive revenue growth of 15% in the quarter. The growth reflects increased product sales from multiple product solutions. All geographies grew well except for Spain. Following the pandemic, the need for e-commerce products like Click & Collect has increased substantially and the revenue has almost doubled since the first quarter last year. In Spain, where the hospitality segment has been the primary focus, the social distancing measures continues also in Q1 2021 and the revenue continues to be relatively low.

The EBITDA ended at 23.9 MNOK, up 6.3 MNOK from last year. Product mix due to high share of hardware deliveries influenced the gross profit negatively.

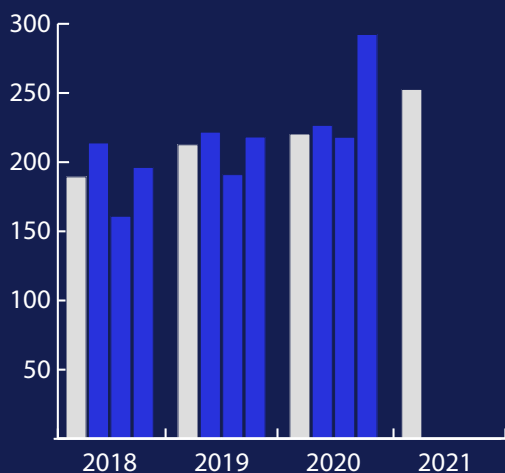
The business area is preparing and planning for growth especially within e-commerce, and the cost for recruitment, increased number of employees and increased marketing reduced the EBITDA for the period. The Spanish operation continues to deliver negative EBITDA.

The EBITDA margin has improved since last quarter, following the higher revenue. Increased product deliveries of both own and third-party products and solutions gives a scale effect that influenced the profitability positively.

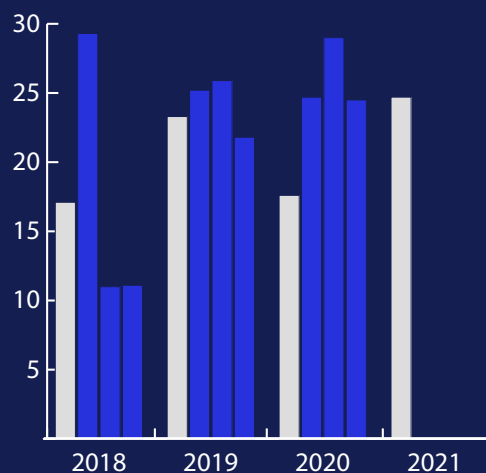
Additional resources within especially e-commerce joined the company in the quarter, and there has been extra effort in marketing leading to some increased costs compared to last year.

Retail Technology

Operating revenue per quarter (MNOK)



EBITDA per quarter (MNOK)



Norway

MNOK	Q1		Year
	2021	2020	2020
Product Sales	51.7	47.5	248.8
Service	26.6	28.5	113.3
Revenue	78.3	76.0	362.1

The growth in Norway ended at 3% compared to the same quarter last year, of which Vensafe was the largest contributor to the growth. In February, the company announced a contract with NorgesGruppen for the delivery of Pricer ESL for 110 MNOK plus installation and support. The contract will be delivered over a period of 3 years. Lower service revenue this quarter compared to last year reflected the large reconstruction project of the cashier area in KIWI stores last year.

Sweden

MNOK	Q1		Year
	2021	2020	2020
Product Sales	58.7	33.1	165.5
Service	35.4	29.9	128.6
Revenue	94.1	63.0	294.1

The Swedish organization delivered a significant 49% growth in the quarter compared to the same quarter last year. The product sales continue to consist of Pricer ESL and e-commerce Click & Collect lockers. Service revenue grew mostly due to increased use of the Order Picking Software within e-commerce and the ShopFlow Logistics software.

Baltics

MNOK	Q1		Year
	2021	2020	2020
Product Sales	43.3	19.8	108.8
Service	14.3	15.0	61.5
Revenue	57.6	34.8	170.3

The Baltic countries had a substantial 66% growth quarter by quarter, highly influenced by delivery of Self-Checkout (SCO) solutions to the grocery chains Iki and Rimi. The SCO units were a mix of StrongPoint hardware and software and partly third-party hardware

and StrongPoint software. Approximately 2/3 of the SCO contract announced in December 2020 was delivered this quarter. The Heineman-project – both POS support and pre-study project, performed according to plan in the quarter.

EMEA/Partners

MNOK	Q1		Year
	2021	2020	2020
Product Sales	20.3	40.4	114.8
Service	2.2	6.1	15.9
Revenue	22.5	46.5	130.8

The decline in quarter revenue was mostly caused by the delivery of more than 250 cash management systems to the First National Bank in South Africa last year. This was categorized as a large roll-out project.

The Spanish operation grew by 7% compared to first quarter last year. Although the pandemic still highly influences the Iberia area there is a steady delivery of cash management systems to customers in hospitality, gas stations and pharmacy segments. Yet the low revenue and margin did not cover the cost of the operation leading to a negative EBITDA contribution from Spain. Several activities have been put in action to both increase sale and reduce cost level.

Retail Technology segments

Instore Productivity

MNOK	Q1		Year
	2021	2020	2020
Product Sales	67.9	56.4	291.1
Service	18.9	17.0	78.7
Revenue	86.8	73.4	369.8

The Instore Productivity segment held its position as the largest segment with a relative share of 29%, with Norway and Sweden as the most important contributors. The large project for NorgesGruppen announced in February of 110 MNOK started briefly in Q1. ESL was also sold to multiple other stores in both Norway and Sweden. High product revenue puts some pressure on the gross margin for the Group.

Payment Solutions

MNOK	Q1		Year
	2021	2020	2020
Product Sales	21.1	30.0	100.0
Service	29.0	29.4	115.0
Revenue	50.0	59.4	215.0

Service revenue for the Cash Management systems is relatively stable quarter by quarter. New product sales have been low due to the lock-down, especially for the Spanish market and sales partners in other parts of

EMEA. Payment solutions were reduced to 17% relative share of the total revenue in Q1 from 25% last year, confirming that this segment has been most influenced by the pandemic in a negative way.

E-commerce logistics

MNOK	Q1		Year
	2021	2020	2020
Product Sales	20.4	10.2	69.7
Service	10.7	6.4	35.2
Revenue	31.1	16.6	104.9

E-commerce is the area where the growth ambitions are highest in the 2025 Strategy. The area almost doubled the revenue in the quarter compared to last year. Yet it is important to understand the volatility any roll-out projects within Click & Collect Lockers can represent, and the growth rate is expected to vary a lot from quarter to quarter. The lockers were mostly delivered in Sweden in the quarter but installed pilots in the US and UK are recognized as important milestones for the international ambitions. E-commerce grew to 11% relative share, up from 6% last year. Most of the growth in revenue stems from installation of Click & Collect lockers, but the Order Picking software has also more than doubled in size compared to last year.

StrongPoint Group

Operating revenue relative share (%)



Retail Technology

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

Check Out Efficiency

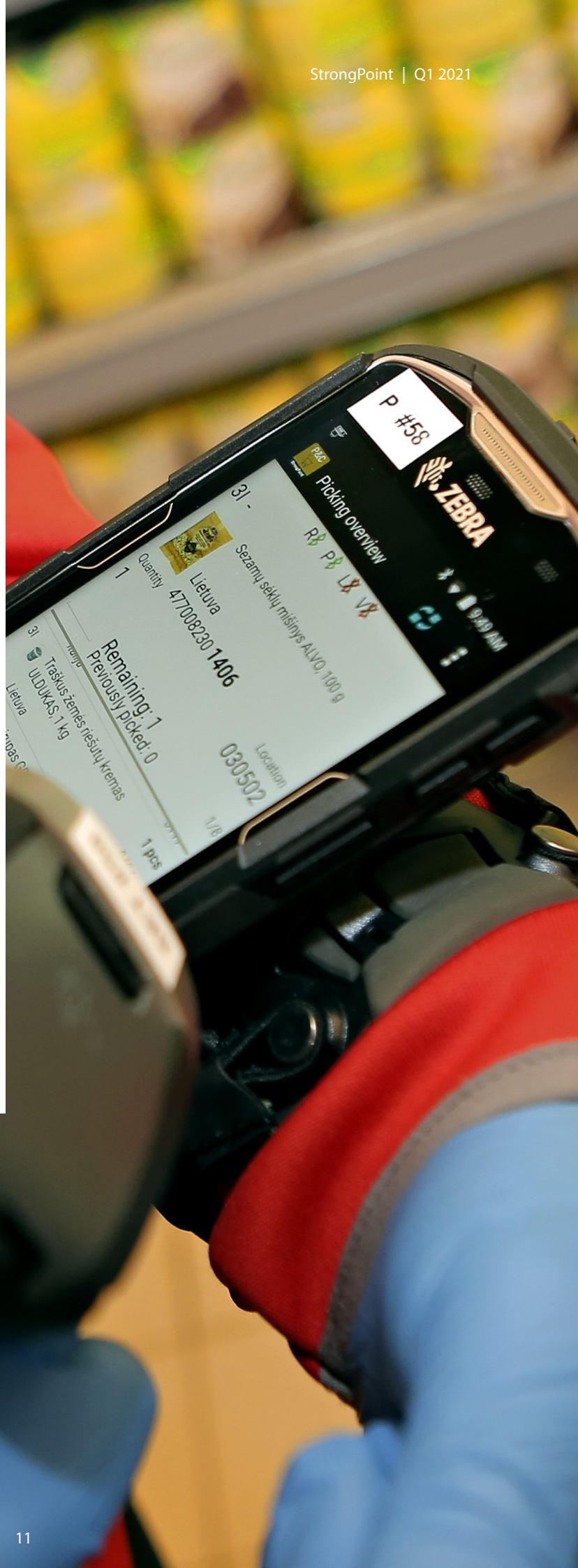
MNOK	Q1		Year
	2021	2020	2020
Product Sales	45.3	18.2	99.4
Service	7.2	13.0	39.6
Revenue	52.4	31.2	139.0

Check Out Efficiency grew by almost 70% compared to the same quarter last year, where the Self-Checkout (SCO) deliveries grew more than three times. Most of the deliveries within the SCO are still in the Baltics, but some partners have also increased their SCO sales. Vensafe, mostly sold in Norway, was on the same level in Q1 compared to last year. The segment ended at a relative share of 18% compared to 12% last year.

Other retail technology

MNOK	Q1		Year
	2021	2020	2020
Product Sales	16.2	20.3	62.2
Service	12.7	13.7	51.0
Revenue	28.9	34.0	113.2

Other retail technology, mainly software projects in the Baltics, is a rather stable revenue and represents around 10% of the total revenue in the Group.



StrongPoint invests in and partners with Halodi Robotics

In March 2021 StrongPoint announced an investment and partnership with Halodi Robotics, a Norwegian-based leader in humanoid robotics. The partnership is a combination of research and development and direct investment in the company. The aim of the partnership is to develop a robotic solution for the grocery retail sector and StrongPoint will become the exclusive distributor in key areas of Europe of the jointly developed solutions. As part of the project StrongPoint will help Halodi to partner with selected leading grocery retailers to pilot and collaborate on the project.



Bernt Børnich
CEO of Halodi Robotics

What do you see the future for the application of your robots in grocery retail?

I see enormous potential for the application of Halodi's robots in the grocery retail space. We are the world's premier supplier of humanoid robots that are safe, affordable and can be used to perform tasks that are physically demanding and capable of replicating human movements. Our humanoid robots could be used to autonomously restock products across a store, help to do order fulfillment for online orders and even provide customer services. This is why we were keen to partner with StrongPoint as with them, we can work with a range of grocery retailers to understand exactly what kind of services robotics would be best suited and tailor-make our solution to fit their specific needs.

What kind of services or functions do you see robotics will provide in the short-term and long term?

In the short-term I believe that we are likely to focus our efforts on actions that are repetitive and physically demanding – for example product restocking and basic customer services. However, in the long-term as our solution matures and we get to understand

better the grocery retailer's needs, we believe that in-store robotics will become an integral part of online order fulfillment and become an integrated part of the in-store logistics systems. For example, there is a huge spike in interest from food delivery service providers who have moved into the grocery space. This is an area where speed is a necessity and grocery retailers will be wanting to leverage their store network. So we see this as a particularly exciting area where there is potential for a hybrid model of using stores augmented with the power of robotics to boost their speed and agility.

Do you see customers interacting with them or as more of a store worker support function?

Our robots are designed to work with humans as well as work alongside them. Ensuring safety is of course our number one concern and ensuring their ability to interact with customers is an important part of our service offering. For example one real-world user case would be having a humanoid robot be able to interact with a customer asking where to find Barilla spaghetti and the Halodi robot would be able to answer the question and then show the customer – even in a crowded store – where the product is and point exactly to where it is on the shelf.

// *We are extremely proud to be partnering with StrongPoint on this project. Their team brings decades of experience and knowledge of the grocery retail sector which is where we see huge opportunities for the use of robotics in stores, supporting staff.*

Bernt Børnich, CEO of Halodi Robotics



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	Q1		Year
	2021	2020	2020
Product Sales	46.8	44.0	185.4
Other income	-	-	55.7
Revenue	46.8	44.0	241.1
EBITDA	5.9	6.0	83.6
EBITDA-margin	12.6%	13.6%	34.7%
EBT	2.2	2.1	43.8
EBT-margin	4.8%	4.7%	18.2%

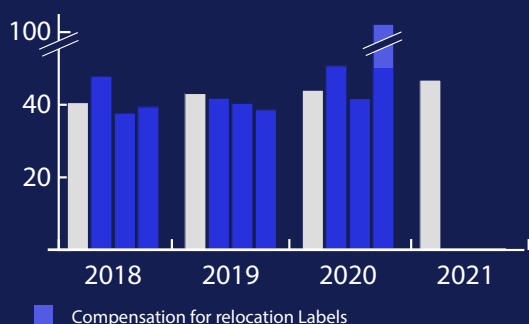
Operating revenue grew by 6% compared to the same period last year. The market for adhesive labels continues to be strong especially within the food industry. A new flexo press machine was installed in March in the factory in Malmö, Sweden, and some part of the production line was disturbed during the three weeks of installation.

The EBITDA for the quarter ended at 5.9 MNOK, 0.1 MNOK lower than same quarter last year. The main

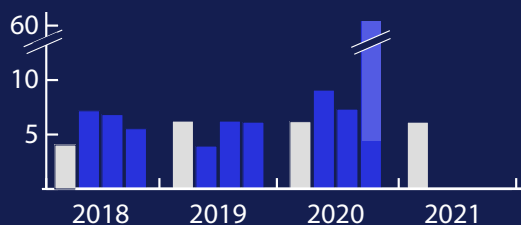
reason for the slightly lower EBITDA was extraordinary costs related to the installation of the new machine. The business area focuses on quality and flexibility to be able to serve the customers' demand and is proud to have one of the shortest lead time in the market. Digitalization and Lean approach contributes positively both for customer satisfaction and the profitability in the business area.

Labels

Operating revenue per quarter (MNOK)



EBITDA per quarter (MNOK)



Cash flow and equity

Cash flow from operational activities in the first quarter was 21.6 MNOK (-4.9). The positive cash flow from operations stems primarily from operating activities.

Disposable funds were 149.4 MNOK per March 31, 2021. The net interest-bearing debt decreased by 10.9 MNOK compared with the end of the last quarter and totaled 23.3 MNOK. The net leverage ended at 0.15 per March 31, 2021.

The Group's holding of own shares amounted to 19,141, which represents 0.0 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 274,022 shares were bought in 2020 and 80,434 shares have been subscribed so far in 2021.

StrongPoint has a long-term share based incentive program implemented in November 2020. More information on the program can be found in the annual report for 2020.

The Board will propose a dividend of NOK 0.70 per share at the Annual General Meeting in April 2021.

Accounting year	General meeting		Dividend per share
2020	28.04.2021	Proposed	0.70
2019	22.10.2020		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 first quarter and year to date 2021, including comparative consolidated figures for the first quarter and year to date 2020. 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 first quarter and year to date 2021 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 31 March 2021 and 31 March 2020. 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 27 April 2021

Morthen Johannessen
Chairman

Klaus de Vibe
Director

Camilla AC Tefers
Director

Peter Wirén
Director

Ingeborg Molden Hegstad
Director

Jacob Tveraabak
CEO

Consolidated income statement

KNOK	Q1 2021	Q1 2020	Chg. %	Year 2020	Compen- sation effect in Q4 2020
Operating revenue	296 091	258 606	14.5%	1 127 101	
Profit from AC. Service companies	78	-17		147	
Other income				55 672	55 672
Total revenue	296 169	258 589	14.5%	1 182 920	55 672
Cost of goods sold	166 908	142 416	17.2%	638 899	
Payroll	81 500	74 967	8.7%	295 681	
Other operating expenses	28 179	24 737	13.9%	95 956	2 500
Total operating expenses	276 587	242 120	14.2%	1 030 536	2 500
EBITDA	19 582	16 469	18.9%	152 383	53 172
Depreciation tangible assets	7 633	8 245	-7.4%	53 644	20 400
Depreciation intangible assets	2 017	2 367	-14.8%	9 358	
Write down tangible assets	-	-	-	2 841	2 841
EBIT	9 932	5 857	69.6%	86 540	29 931
Interest expenses	662	892	-25.7%	3 781	
Other financial expenses/currency differences	-1 552	880	-276.4%	5 200	
EBT	10 821	4 086	164.9%	77 559	29 931
Taxes	740	895	-17.3%	18 756	6 285
Profit from continued operations	10 081	3 191	215.9%	58 802	23 645
Profit after tax from discontinued operations		-2 095		38 855	
Profit/loss after tax	10 081	1 096	820.0%	97 658	
Earnings per share					
Number of shares outstanding	44 376 040	44 376 040		44 376 040	
Av. number of shares - own shares	44 307 119	44 274 990		44 286 883	
Av. number of shares diluted- own shares	45 457 119	44 274 990		45 436 883	
EPS from continued operations	0.23	0.07		1.33	
EPS included discontinued operations		0.02		2.21	
Diluted earnings per share from continued operations	0.22	0.07		1.29	
Diluted earnings per share included discontinued operations		0.02		2.15	
EBITDA per share from continued operations	0.44	0.37		3.44	
EBITDA per share included discontinued operations		0.37		3.65	
Diluted EBITDA per share from continued operations	0.43	0.37		3.35	
Diluted EBITDA per share included discontinued operations		0.37		3.56	
Total earnings					
Profit/loss after tax	10 081	1 096	820.0%	97 658	
Exchange differences on foreign operations	-22 682	35 251	-164.3%	29 245	
Total earnings	-12 600	36 347	-134.7%	126 903	

Consolidated balance sheet

KNOK	31.03.2021	31.12.2020	31.03.2020
ASSETS			
Intangible assets	37 376	42 010	49 094
Goodwill	142 288	151 566	151 981
Tangible assets	26 094	24 030	35 736
Right-of-use assets	52 956	67 744	86 787
Long term investments	5 779	1 700	1 536
Other long term receivables	22 372	23 435	-
Deferred tax	11 339	11 560	4 491
Non-current assets	298 205	322 045	329 625
Inventories	138 838	144 973	183 339
Accounts receivables	196 324	217 212	207 628
Prepaid expenses	20 950	12 129	31 061
Other receivables	10 078	14 765	6 726
Bank deposits	49 432	75 007	27 479
Current assets	415 622	464 087	456 233
TOTAL ASSETS	713 827	786 132	785 858
EQUITY AND LIABILITIES			
Share capital	27 513	27 513	27 513
Holding of own shares	-52	-52	-18
Other equity	328 521	338 597	274 500
Total equity	355 983	366 059	301 995
Long term interest bearing liabilities	11 247	374	6 504
Long term lease liabilities	30 063	39 565	57 661
Other long term liabilities	-	-	4 303
Deferred tax liabilities	7 843	7 547	
Total long term liabilities	49 153	47 486	68 468
Short term interest bearing liabilities	6 661	41 974	61 728
Short term lease liabilities	24 747	27 238	29 126
Accounts payable	62 423	83 141	114 750
Taxes payable	15 112	16 552	689
Other short term liabilities	199 749	203 682	209 104
Total short term liabilities	308 692	372 587	415 395
TOTAL EQUITY AND LIABILITIES	713 827	786 132	785 858

Overview of changes in the equity

KNOK	Share capital	Treasury shares	Other paid-in equity	Translation variances	Share Option Program	Other equity	Total equity
Equity 31.12.2019	27 513	-107	351 262	37 007		-151 770	263 905
Purchase/sale of own shares		55				1 325	1 380
Dividend 2019						-26 568	-26 568
Share Option Program					440		440
Profit this year after tax						97 658	97 658
Other comprehensive income and expenses				29 245			29 245
Equity 31.12.2020	27 513	-52	351 262	66 252	440	-79 355	366 059
Purchase/sale of own shares						1 864	1 864
Share Option Program					660		660
Profit this year after tax						10 081	10 081
Other comprehensive income and expenses				-22 682			-22 682
Equity 31.03.2021	27 513	-52	351 262	43 570	1 101	-67 410	355 983

Statement of cash flow

KNOK	Q1 2021	Q1 2020	Year 2020
Ordinary profit before tax continued operations	10 821	4 086	77 559
Ordinary profit before tax discontinued operations	-	-2 079	39 786
Net interest	662	1 073	4 021
Tax paid	-1 089	-477	-4 000
Share of profit, associated companies	-78	17	-147
Ordinary depreciation	9 650	11 925	67 843
Impairments	-	-	2 841
Profit / loss on sale of fixed assets	-743	7	313
Change in inventories	-1 460	-28 386	3 165
Change in receivables	14 065	-12 104	-26 279
Change in accounts payable	-16 924	36 802	6 989
Change in other accrued items	6 671	-15 800	-40 294
Cash flow from operational activities	21 575	-4 937	131 799
Payments for fixed assets	-2 467	-3 299	-6 526
Investments in other companies	-4 001	-	-
Payment from sale of fixed assets	739	62	92
Net effect acquisitions	-	-17 433	-17 433
Net effect divestment	-	-	17 397
Interest income	36	-113	96
Cash flow from investment activities	-5 693	-20 783	-6 374
Purchase/sale of own shares	1 864	1 743	1 380
Change in long-term debt	-33 913	-7 613	-43 121
Change in overdraft	-7 989	17 087	-16 983
Interest expenses	-698	-670	-4 117
Dividend paid	-	-	-26 568
Cash flow from financing activities	-40 735	10 548	-89 409
Net change in liquid assets	-24 853	-15 173	36 016
Cash and cash equivalents at the start of the period	75 007	39 498	39 498
Effect of foreign exchange rate fluctuations on foreign currency deposits	-722	3 154	-507
Cash and cash equivalents at the end of the period	49 432	27 479	75 007

Key figures

KNOK	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	YTD 2021	YTD 2020
Income statement							
Operating revenue continued operations	296 169	394 116	256 872	273 343	258 589	296 169	258 589
EBITDA continued operations	19 582	81 477	28 411	26 026	16 469	19 582	16 469
EBITA continued operations	11 949	49 786	20 147	17 742	8 224	11 949	8 224
Operating profit EBIT continued operations	9 932	47 512	17 921	15 251	5 857	9 932	5 857
EBT continued operations	10 821	42 462	19 330	11 682	4 086	10 821	4 086
Profit/loss after tax continued operations	10 081	32 414	13 897	9 301	3 191	10 081	3 191
EBITDA-margin	6.6%	20.7%	11.1%	9.5%	6.4%	6.6%	6.4%
EBT-margin	3.7%	10.8%	7.5%	4.3%	1.6%	3.7%	1.6%
Balance sheet							
Non-current assets	298 205	322 045	307 299	311 604	329 625	298 205	329 625
Current assets	415 622	464 087	484 295	437 114	456 233	415 622	456 233
Total assets	713 827	786 132	791 594	748 717	785 858	713 827	785 858
Total equity	355 983	366 059	325 520	305 775	301 995	355 983	301 995
Total long term liabilities	49 153	47 486	66 136	72 123	68 468	49 153	68 468
Total short term liabilities	308 692	372 587	399 938	370 819	415 395	308 692	415 395
Working capital	272 739	279 043	309 257	314 058	276 217	272 739	276 217
Equity ratio	49.9%	46.6%	41.1%	40.8%	38.4%	49.9%	38.4%
Liquidity ratio	134.6%	124.6%	121.1%	117.9%	115.9%	134.6%	115.9%
Net interest bearing debt	23 285	34 144	113 570	142 139	127 539	23 285	127 539
Net leverage multiples	0.15	0.22	1.06	1.57	1.47	0.15	1.47
Cash Flow							
Cash flow from operational activities	21 575	112 305	35 393	-10 962	-4 937	21 575	-4 937
Net change in liquid assets	-24 853	49 018	-2 311	4 482	-15 173	-24 853	-15 173
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	44 307 119	44 289 092	44 277 179	44 306 354	44 274 990	44 307 119	44 274 990
EBT per shares continued operations	0.24	0.96	0.44	0.26	0.09	0.24	0.09
Earnings per share continued operations	0.23	0.73	0.31	0.21	0.07	0.23	0.07
Earnings per share, adjusted *	0.27	0.78	0.36	0.27	0.13	0.27	0.13
Equity per share	8.0	8.3	7.4	6.9	6.8	8.0	6.8
Dividend per share		0.60					
Employees							
Number of employees (end of period)	460	462	521	512	519	460	519
Average number of employees	461	492	517	516	525	461	525
IFRS 16 effects							
Reduced OPEX	4 729	25 564	4 744	4 353	4 696	4 729	4 696
Increased depreciation	4 498	25 246	4 501	4 115	4 436	4 498	4 436
Increased interest expenses	230	318	243	238	260	230	260
EBT	-	-	-	-	-	-	-
Cash flow from operational activities	4 729	25 564	5 839	5 464	5 777	4 729	5 777
Cash flow from financing activities	-4 729	-25 564	-5 839	-5 464	-5 777	-4 729	-5 777

*) 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 2020.

Note 2 Key accounting principles

The accounting principles for the report are described in note 2 in the annual financial statements for 2020. The Group financial statements for 2020 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 31.12.2020. The quarterly report and the interim financial statements have not been revised by auditor.

Note 3 Segment information

Business areas

MNOK	Q1 2021			Q1 2020			Year 2020		
	Revenue	EBITDA	EBT	Revenue	EBITDA	EBT	Revenue	EBITDA	EBT
Retail Technology	252.6	23.9	17.2	220.4	17.6	13.1	957.3	95.6	65.9
Labels	46.8	5.9	2.2	44.0	6.0	2.1	241.1	83.6	43.8
Elim / ASA	-3.2	-10.2	-8.6	-5.8	-7.2	-11.1	-15.4	-26.9	-32.1
Total	296.2	19.6	10.8	258.6	16.5	4.1	1 182.9	152.4	77.6

Operating revenue by geographical market

MNOK	Q1 2021			Q1 2020			Year 2020		
	NO	SWE	Other	NO	SWE	Other	NO	SWE	Other
Retail Technology	78.3	94.1	80.1	76.0	63.0	81.3	362.1	294.1	301.0
Labels	14.4	32.4	-	13.1	30.9	-	114.1	127.0	-
Elim / ASA	-	-3.2	-	-0.8	-5.0	-	-	-15.2	-0.2
Total	92.7	123.3	80.1	88.3	88.9	81.3	476.3	405.8	300.8

Operating revenue by product and service

MNOK	Q1 2021		Q1 2020		Year 2020	
	New sales	Service *	New sales	Service *	New sales	Service *
Retail Technology	174.0	78.5	140.9	79.5	637.9	319.4
Labels	46.8	-	44.0	-	241.1	-
Elim / ASA	-3.2	-	-5.8	-	-15.4	-
Total	217.6	78.5	179.1	79.5	863.5	319.4

*) Service and licenses

Note 4 Related parties

No significant transactions between the Group and related parties had taken place as at 31 March 2021.

Note 5 Financial information

The net interest-bearing debt decreased in Q1 2021 mainly due to changes in working capital.

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

Interest-bearing debt

KNOK	31.03.2021	31.12.2020
Financial leasing	12 743	14 965
Repayment loan	17 908	42 348
Liabilities leasing IFRS 16	42 066	51 838
Interest-bearing debt	72 717	109 151
Cash and bank deposits	49 432	75 007
Net interest-bearing debt	23 285	34 144
Total capital adjusted for goodwill	571 539	634 566
Debt ratio	4%	5%

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

KNOK	31.03.2021	31.12.2020
Bank overdraft	-	-
Due within one year	31 408	69 211
Current interest-bearing liabilities	31 408	69 211
Due after one year	41 310	39 939
Total interest-bearing debts	72 717	109 151

Disposal funds

KNOK	31.03.2021	31.12.2020
Cash and bank deposits	49 432	75 007
Unused overdraft facilities	100 000	100 000
Disposal funds	149 432	175 007
Decreased disposal funds	-25 575	

Accounts receivables

Aging of accounts receivables (KNOK)	31.03.2021	31.12.2020
Not due	182 002	175 058
0-3 months	15 007	40 008
3-6 months	-684	2 145
6-12 months	-	-
Older than 12 months	-	-
Total	196 324	217 212

Note 6 Discontinued operations

StrongPoint Cash Security business area was divested in December 2020. Following IFRS, the financial figures for the business area are reported as “Profit from discontinued operations” below tax in the financial statement and removed from the comparison figures in other tables.

P&L from discontinued operations

KNOK	Q1 2020	Year 2020
Operating revenue	21 189	81 607
Cost of goods sold	6 265	26 499
Payroll	11 048	35 681
Other operating expenses	3 875	10 005
Total operating expenses	21 188	72 186
EBITDA	1	9 422
Depreciation tangible assets	1 264	4 656
Depreciation intangible assets	49	185
EBIT	-1 312	4 581
Interest expenses	181	239
Other financial expenses/currency differences	586	3 717
Profit on sale of discontinued operations		39 161
EBT	-2 079	39 786
Taxes	16	931
Profit from discontinued operations	-2 095	38 855

Note 7 Top 20 shareholders as at 31 March 2021

No.	Name	No. of shares	%
1	STRØMSTANGEN AS	3 933 092	8.86
2	HOLMEN SPESIALFOND	3 000 000	6.76
3	HSBC BANK PLC	1 976 000	4.45
4	SOLE ACTIVE AS	1 839 831	4.15
5	V. EIENDOM HOLDING AS	1 835 009	4.14
6	PERSHING LLC	1 663 457	3.75
7	VERDIPAPIRFONDET DNB SMB	1 397 946	3.15
8	AVANZA BANK AB	1 245 652	2.81
9	NORDNET BANK AB	1 232 113	2.78
10	ZETTERBERG. GEORG (incl. fully owned companies)	1 227 684	2.77
11	VERDADERO AS	1 136 633	2.56
12	RING. JAN	931 622	2.10
13	WAALER AS	850 000	1.92
14	HAUSTA INVESTOR AS	700 000	1.58
15	EVENSEN. TOR COLKA	700 000	1.58
16	MP PENSJON PK	561 402	1.27
17	MORGAN STANLEY & CO. INTERNATIONAL	546 495	1.23
18	JOHANSEN. STEIN	500 000	1.13
19	NÆRINGSLIVETS HOVEDORGANISASJON	445 669	1.00
20	FRANKMO. ÅGE	416 800	0.94
Sum 20 largest shareholders		26 139 405	58.90
Sum 2 344 other shareholders		18 236 635	41.10
Sum all 2 364 shareholders		44 376 040	100.00

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
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
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
Discontinued operations	Divested Cash Security business area December 2020.



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