

# Accomplishments and **results**

# Five-year summary

Below is a summary of the Group's financial highlights for the five most recent years.

## Income statement <sup>1)</sup>

<i>DKK million</i>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b> <sup>3)</sup>	<b>2014</b> <sup>3)</sup>
Revenue	5,617	5,011	5,150	5,785	5,685
Gross profit	2,620	2,391	2,608	2,483	2,542
EBITDA	964	852	1,071	795	929
Depreciation and amortization	-256	-257	-260	-293	-366
EBIT	708	595	811	502	563
Net financial expenses etc.	-16	-66	-24	-40	14
Profit from continuing operations	507	403	545	322	440
Loss from discontinuing operations	-16	-422	-53	-	-
Net profit	491	-19	492	322	440

## Balance sheet

<i>DKK million</i>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b> <sup>3)</sup>	<b>2014</b> <sup>3)</sup>
Balance sheet total	5,664	6,189	7,161	7,194	6,455
Equity	1,286	1,664	2,238	2,003	1,831
Net working capital	447	668	610	451	540
Net interest bearing debt	756	855	1,191	1,152	1,016

## Cash flow

<i>DKK million</i>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b> <sup>3)</sup>	<b>2014</b> <sup>3)</sup>
Cash flows from operating activities	1,189	137	748	750	754
- Of which continuing operations	1,205	421	785	-	-
Cash flows from investing activities	-220	690	-386	-638	-585
- Of which investments in property, plant and equipment	-251	-211	-393	-589	-600
Cash flows from financing activities	-1,194	-586	-530	-99	-222
Change in cash and cash equivalents for the year	-230	201	-162	32	-14

## Employees

<i>Number</i>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b> <sup>3)</sup>	<b>2014</b> <sup>3)</sup>
Average number of employees	2,246	2,527	2,543	2,688	2,694

## Ratios

<i>%</i>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b> <sup>3)</sup>	<b>2014</b> <sup>3)</sup>
Gross margin <sup>2)</sup>	46.6	47.7	50.6	42.9	44.7
EBITDA margin <sup>2)</sup>	17.2	17.0	20.8	13.7	16.3
EBIT margin <sup>2)</sup>	12.6	11.9	15.7	8.7	9.9
Return on invested capital (ROIC) <sup>2)</sup>	26.2	22.4	33.8	16.0	20.1
Equity ratio	22.7	26.9	31.3	27.8	28.4
Return on equity	33.3	-1.0	23.2	16.8	25.3

The ratios have been prepared in accordance with the Recommendations & Financial Ratios produced by the Danish Finance Society and CFA Society Denmark.

<sup>1)</sup> Income statements for 2016, 2017 and 2018 consist of continuing operations with discontinuing operations in a separate line

<sup>2)</sup> Ratios for 2016, 2017 and 2018 apply to the continuing operations.

<sup>3)</sup> Figures for 2014-2015 have not been restated with the sale of the emissions control business in 2017. Figures for 2014-2015 are therefore not comparable to figures for 2016-2018, where the divested business is presented as discontinuing operations.

Profit from continuing operations amounted to DKK 507 million in 2018 (2017: DKK 403 million). The increase in profit was mainly due to a significant growth in catalyst revenue in 2018 and a generally improved EBIT margin. Catalyst revenue for the Chemical Business Unit and the Refinery Business Unit increased by 21% and 15%, respectively. Technology revenue was positively affected by the successful close-down of many projects in Iran before the reinstatement of US sanctions on November 4, 2018, including a significant one-time effect of restarted Iranian contracts that impacted revenue and EBIT by DKK 91 million.

2018 was impacted by the finalization of the divestment of the emissions control business areas concluded on November 30, 2017. The losses relating to the discontinuing activities within the emissions control business areas amounted to DKK 16 million - mainly

related to adjustment of net assets sold (2017: DKK 422 million).

Net profit (after loss on discontinuing operations) increased significantly and showed a profit of DKK 491 million for 2018 (2017: DKK -19 million).

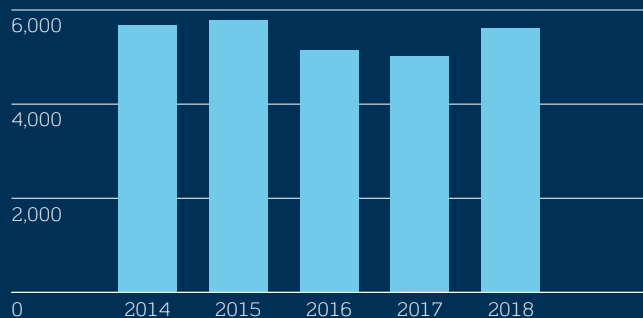
EBIT from continuing operations increased in 2018 by 19% to DKK 708 million corresponding to an EBIT margin of 12.6% (2017: 11.9%).

The increased revenue and net profit were already reflected in a significant improvement of cash flows from operating activities.

R&D expenses were maintained at a high level with a R&D-to-revenue-ratio of 9.0% (2017: 9.4%).

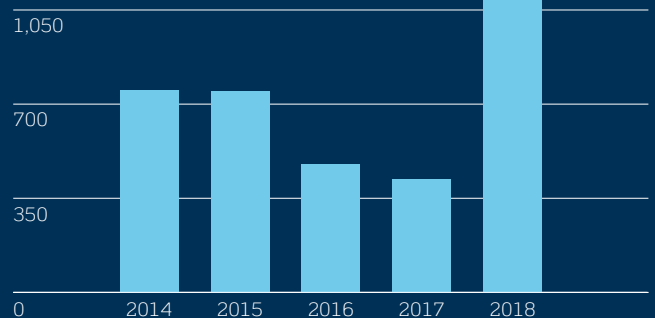
## Revenue <sup>1)</sup>

DKK million  
8,000



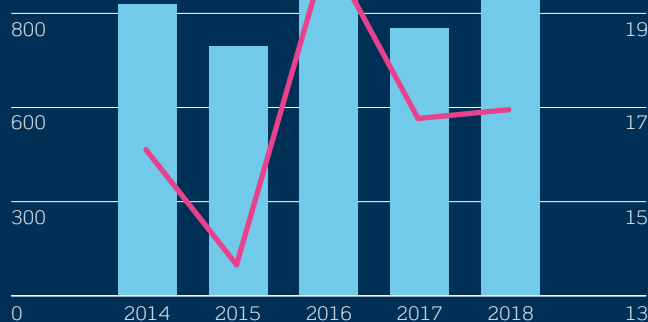
## Cash flow from operating activities <sup>1)</sup>

DKK million  
1,400



## EBITDA <sup>1)</sup>

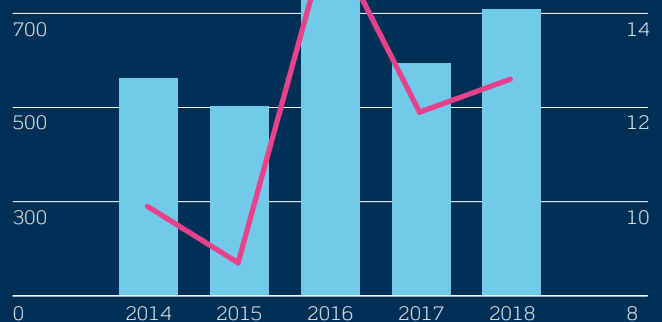
DKK million %  
1,200 21



■ EBITDA (left)  
■ EBITDA margin (right)

## EBIT <sup>1)</sup>

DKK million %  
900 16



■ EBIT (left)  
■ EBIT margin (right)

<sup>1)</sup> 2016, 2017, and 2018 figures reflect continuing operations only. 2014 and 2015 figures include discontinued business.

