

Accomplishments and **results**



Five-year summary

Income statement ¹⁾

<i>DKK million</i>	2019	2018	2017	2016	2015 ³⁾
Revenue	5,931	5,617	5,011	5,150	5,785
Gross profit	2,857	2,620	2,391	2,608	2,483
EBITDA	1,200	964	852	1,071	795
Depreciation and amortization	-345	-256	-257	-260	-293
EBIT	855	708	595	811	502
Net financial expenses etc.	-4	-16	-66	-24	-40
Profit from continuing operations	627	507	403	545	322
Loss from discontinuing operations	0	-16	-422	-53	0
Net profit	627	491	-19	492	322

Balance sheet

<i>DKK million</i>	2019	2018	2017	2016	2015 ³⁾
Balance sheet total	6,926	5,664	6,189	7,161	7,194
Equity	1,912	1,286	1,664	2,238	2,003
Net working capital	602	447	668	610	451
Net interest-bearing debt	871	756	855	1,191	1,152

Cash flow

<i>DKK million</i>	2019	2018	2017	2016	2015 ³⁾
Cash flows from operating activities	307	1,189	137	748	750
- Of which continuing operations	307	1,205	421	785	-
Cash flows from investing activities	-88	-220	690	-386	-638
- Of which investments in property, plant and equipment	-213	-251	-211	-393	-589
Cash flows from financing activities	-197	-1,194	-586	-530	-99
Change in cash and cash equivalents for the year	26	-230	201	-162	32

Employees

<i>Number</i>	2019	2018	2017	2016	2015 ³⁾
Average number of employees	2,238	2,246	2,527	2,543	2,688

Ratios

<i>%</i>	2019	2018	2017	2016	2015 ³⁾
Gross margin ²⁾	48.2	46.6	47.7	50.6	42.9
EBITDA margin ²⁾	20.2	17.2	17.0	20.8	13.7
EBIT margin ²⁾	14.4	12.6	11.9	15.7	8.7
Return on invested capital (ROIC) ²⁾	29.4	26.2	22.4	33.8	16.0
Equity ratio	27.6	22.7	26.9	31.3	27.8
Return on equity	39.2	33.3	-1.0	23.2	16.8
Leverage ratio	0.7	0.8	1.0	1.1	1.4

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

IFRS 16 was implemented using the modified retrospective approach, and comparative figures for 2015-2018 have not been restated. Please see note 1.

¹⁾ Income statements for 2016-2019 consist of continuing operations with discontinuing operations in a separate line.

²⁾ Ratios for 2016-2019 apply to the continuing operations.

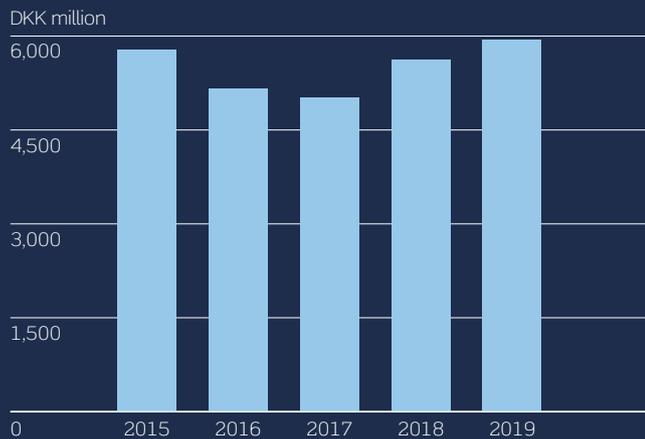
³⁾ Figures for 2015 have not been restated with the sale of the emissions control business in 2017. Figures for 2015 are therefore not comparable to figures for 2016-2019, where the divested business is presented as discontinuing operations.

Profit before tax amounted to DKK 851 million in 2019 (2018: DKK 692 million). The increase in profit was mainly due to increased catalyst revenue in 2019 and generally improved profitability. The improved profitability can be attributed to consolidation of business activities, increased revenue from renewable fuel technology, organizational adjustments, and several other initiatives to increase business focus and cost optimization. Catalyst revenue increased by 13% mainly due to increased demand within the refinery business. Technology revenue decreased by 11% mainly due to Topsoe's business activities in the Middle East being adversely impacted by the reinstatement of US sanctions in late 2018.

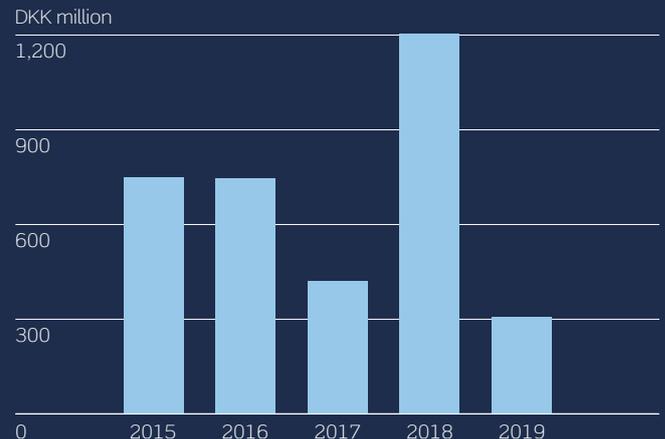
EBIT increased in 2019 by 21% to DKK 855 million corresponding to an EBIT margin of 14.4% (2018: 12.6%). Besides the generally improved EBIT margin, EBIT was positively impacted by special items of DKK 49 million, of which DKK 41 million relate to a gain from selling surplus land, DKK 34 million originate from a currently suspended Topsoe license and DKK -26 million goodwill impairment loss regarding restructuring. Adjusting for these special items, the adjusted EBIT was DKK 806 million, while the adjusted EBIT margin was 13.6%.

R&D expenses were maintained at a high although slightly lower level with a R&D-to-revenue-ratio of 8.0% (2018: 9.0%).

Revenue ¹⁾



Cash flows from operating activities ¹⁾



EBITDA ¹⁾



■ EBITDA (left)
 ■ EBITDA margin (right)

EBIT ¹⁾



■ EBIT (left)
 ■ EBIT margin (right)

¹⁾ 2016-2019 figures reflect continuing business only. 2015 figures include discontinuing business.

