



FMG

FIRST MOVER GROUP

Financial Statements
2019

Q3

This is First Mover Group

FMG is a rapidly growing company in Scandinavia providing advisory and logistic services to firms in relation to office relocation. FMG works to maximize our clients' workplace investment. We provide a full circle of services; tenant advisory and commercial real estate brokerage, workplace design, planning and execution of the relocation and the redelivery of properties. We also provide logistics and assembly services for high-end products. We offer our clients a complete concept for outsourcing of logistics making their fixed costs variable.

Based on growing investment in infrastructure, technology and a highly specialized workforce, we are developing a unique product which will add significant value to our clients.

Each year in Scandinavia, thousands of firms are signing up for new rental contracts, totaling up to a multibillion NOK market. Subsequently, many of these contracts result in relocation or upgrades of workplaces. This is our market. Few to none can deliver what we can, because we keep moving.



Our services:

- Commercial real estate brokerage and tenant advisory to ensure the best possible deal focusing on total life cost
- Advisory in relation to workplace relocation
- Planning and execution of physical move
- Outsourcing of logistics and assembly of high end equipment



Management summary 3Q2019

Q3 2019 was an exceptionally eventful quarter for First Mover Group. We successfully placed a NOK 200m bullet bond in the Scandinavian capital market. We would like to give a thanks to the investors that put their trust in us and who believe that we can generate value for them.

Alongside the bond placement we had further developments of significant strategic nature. Firstly we got a foothold in Gothenburg through the acquisition of InReco Göteborg AB. This becomes the building block from which we develop other capabilities and

offering to our clients, increasing our positioning as a network based service provider in the Scandinavian market.

Q3 operational activity was mixed. Sales was strong after summer, further strengthening the order book for rest of 2019 and bolstering the strong expectations for 2020. We had the pleasure of, among others, to sign framework agreements on Statens Vegvesen and Deichmanske Library in addition to Statens Lånkasse and SR Bank on the project side. Execution of services was lower than expected with some major construction of offices in the center of Oslo delayed onto 2020 and thus resulting in less draw on our framework agreements. As a consequence, moving and assembly services delivering somewhat below expectations.

Going into Q4 we are full ahead into high season. October has been at record highs and November and December is expected to come in at budget.

Towards the end of this quarter we expect to launch the first version of "Virtual Relokator" in the Norwegian market, strengthening our digital competitive advantage. In addition we will organically open offices in the Malmø-region, further strengthening our network.

2020 promises to also become an eventful year for First Mover Group. The activity in, especially the Oslo market, is at record highs and the other regions report strong development. The historical organic growth levels seem to be carried forward into 2020.

On the M&A side we continue our conversations trying to build a dominant position in the Swedish market. We target M&A growth levels as previous years. IT-investments and scale in operations leads to the expected EBITDA margins to be maintained or slightly increased.

Tore Martinsen
CEO



pursue a dominant position locally. InReco Göteborg AB is a furniture assembly company consisting of predominantly framework agreements.

Secondly we bought Realia AS. Realia is a leading tenant representation company in the market of finding offices for clients. They are located in Oslo and will strengthen our position in this market. Alongside Realia AS was the advisory company Realia Prosjektrådgivning AS. This company was also acquired following the Realia purchase.

All three companies are independently profitable and their competencies will strengthen the value chain and service

Jan – Sept 2019

SALES | 256,1
NOKm

YTD sales came in at NOKm 256 in third quarter of 2019, which is an increase of 27,1% compared to the same period last year. Some of the major constructions of offices in Oslo was delayed into 2020 and this resulted in a lower than expected operational activity in third quarter.

EBITDA | 24,1
NOKm

YTD EBITDA came in at NOKm 24,1 compared to NOKm 9,6 in 2018. The EBITDA uplift in 2019 is driven by positive market development compared to last year. Exceptional items are related to payroll and integrations.

LTM 2019

SALES | 342,5
NOKm

LTM sales increased by 27,7% from 2018 to 2019. The sales growth is driven by positive development in new contracts, increase in framework agreements and the acquisition of Realia.

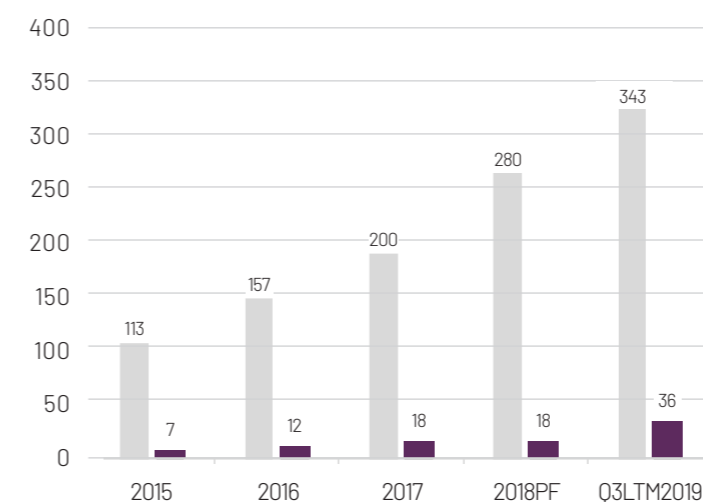
EBITDA | 36,0
NOKm

LTM EBITDA grew from NOKm 20,4 to NOKm 36. The strong EBITDA development is caused by increased contract margins, economies of scale and the acquisition of Realia. The continuous development of Sweden is also contributing to an increase in EBITDA.

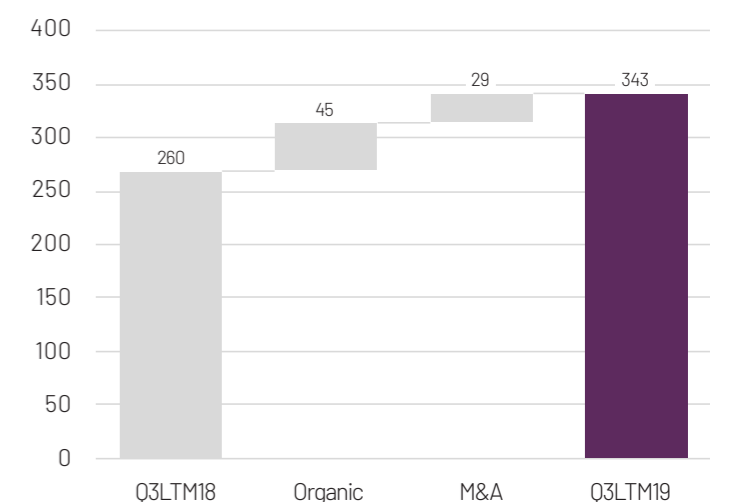
Highlights

- Good development in new contracts
- New framework agreements signed
- Some delays of large projects
- Lower draw than expected on framework agreement
- Acquisition of RT Inreco Göteborg AB in Sweden

Q3LTM revenue and EBITDA (NOKm)



Sources of growth (NOKm)



Financial Statements



GROUP KEY FIGURES 2019

NOKm pro forma ¹⁾	Q3YTD19	Q3YTD18	Q3LTM19	Q3LTM18
Net Sales	256,1	201,6	342,5	268,3
EBITDA excluding Exceptional items	24,1	9,6	36,0	20,4
EBITDA %	9,4 %	4,8 %	10,5 %	7,6 %
EBIT excluding Exceptional items	15,8	-0,8	17,6	8,2
EBIT %	6,2 %	-0,4 %	5,1 %	3,1 %
Exceptional items	2,0	2,8	3,7	2,8
Net Debt	138,3		138,3	
Leverage Ratio	3,8		3,8	
Interest Coverage Ratio ²⁾	2,2		2,2	

¹⁾ Pro forma 2018 is adjusted for the acquisition of Totalreform AS in Q2. Pro forma 2019 is adjusted for the acquisition of YRH AS in Q2. Realia AS, Realia Prosjektrådgivning AS and Inreco Gøteborg AB in Q3.

²⁾ Net Interest calculated with full year bond coupon and LTM EBITDA

PROFIT AND LOSS STATEMENT Q3 2019

NOKm Pro forma ¹⁾	Q3YTD19	Q3YTD18	Q3LTM19	Q3LTM18	FY18
Total Revenue	256,1	201,6	342,5	268,3	278,8
Cost of goods sold	125,0	105,7	166,9	137,4	147,1
Total Operating Profit	131,1	95,9	175,7	130,9	131,7
Total Operating Margin	51,2 %	47,6 %	51,3 %	48,8 %	47,2 %
Payroll Costs	65,5	54,1	87,1	68,7	72,2
Other Expenses	41,5	32,1	52,6	41,8	41,9
EBITDA excluding Exceptional items	24,1	9,6	36,0	20,4	17,6
EBITDA Margin	9,4 %	4,8 %	10,5 %	7,6 %	6,3 %
Depreciation and Loss	8,4	10,4	18,4	12,2	13,5
EBIT excluding Exceptional items	15,8	-0,8	17,6	8,2	4,1
Net interest expense/income	3,1	-0,1	10,0	0,1	-0,0
EBT	12,7	-0,7	7,6	8,1	4,2
EBT Margin	5,0 %	-0,4 %	2,2 %	3,0 %	1,5 %
Exceptional items	2,0	2,8	3,7	2,8	4,5

¹⁾ Pro forma 2018 is adjusted for the acquisition of Totalreform AS in Q2. Pro forma 2019 is adjusted for the acquisition of YRH AS in Q2. Realia AS, Realia Prosjektrådgivning AS and Inreco Gøteborg AB in Q3.

CASH FLOW

2016-2019

NOKm	2016	2017	2018	Q3YTD19
Earnings Before Tax	7,0	11,0	-6,6	3,2
Tax payables/Tax effect	-4,0	-0,7	-2,7	2,7
Gains / losses on the sale of fixed assets	-	0,0	-0,7	-
Depreciations and Amrotizations	4,9	6,1	10,7	1,9
Impairment of intangible assets	-	-	3,9	-
Change in goods	-	0,1	-0,1	0,3
Change in accounts receivables	-13,1	1,1	8,9	-8,9
Change in accounts payable	4,1	19,4	-23,1	-3,4
Change in other posts	13,0	-31,5	38,0	28,6
Cashflow from Operations	11,8	5,5	28,2	24,3
Payments on sale of property, plant and equipment	-	0,2	1,2	-
Payments on purchases of property, plant and equipment	-3,5	-1,4	-2,4	-5,7
Payments on the purchase of intangible assets	-0,5	-3,3	-5,2	-
Net payments on purchases of financial fixed assets	-1,3	-12,9	-21,9	-165,2
Cashflow from Investing	-5,3	-17,4	-28,3	-170,9
Increase/Decrease in long term payables	-2,5	12,3	15,2	-27,3
Increase/Decrease in equity	-	-	-	76,0
Dividend paid	-	-	-	-
Net interest expense/income	-1,8	-2,5	-	-
Issue of Bond	-	-	-	195,0
Cashflow from Financing	-4,3	9,8	15,2	243,6
Net change cashflow	2,2	-2,0	15,1	97,0
OB Cash Balance	10,2	12,4	7,5	27,0
Cash and bank deposits from merger	-	-2,8	4,5	-
CASH BALANCE	12,4	7,5	27,0	124,1

BALANCE SHEET

2016-2019

NOKm	2016	2017	2018	Q319
ASSETS				
Fixed assets	3,2	4,8	5,0	8,8
Other long term receivables	0,0	0,2	0,4	-
Goodwill	7,5	28,5	35,1	200,3
Brand etc.	6,2	7,4	6,9	6,9
Deferred tax asset	-	-	0,9	0,9
FIXED ASSETS	17,0	41,0	48,3	216,9
Stock of goods	0,2	0,1	0,3	-
Bank deposits	12,4	7,5	27,0	65,7
Bank deposits - Client Accounts	-	-	-	58,4
Other receivables	1,4	3,0	5,4	11,0
Accounts receivable	44,1	53,7	55,9	64,8
CURRENT ASSETS	58,1	64,4	88,6	199,8
TOTAL ASSETS	75,1	105,4	136,9	416,8
NOKm	2016	2017	2018	Q319
EQUITY AND LIABILITIES				
Share capital	0,2	0,1	0,1	0,1
Share premium reserve	0,1	5,9	5,9	81,9
Other Equity	10,8	13,5	4,3	4,3
Minority interests	0,1	0,7	0,2	0,2
Not allocated profit/loss current year	-	-	-	2,3
EQUITY	11,2	20,2	10,6	88,9
Dividend to shareholders	2,5	-	-	-
Accounts payable	11,3	15,5	13,8	10,4
Factoring	-	-	18,3	-
Other short term liabilities	27,6	25,8	25,7	20,3
Short term debt related to client accounts	-	-	-	58,4
Payable tax	0,7	2,0	0,5	4,0
Public duties payable	8,2	15,9	22,3	21,4
Current Liabilities	50,2	59,3	80,6	114,5
Deffered tax	2,5	0,8	-	-
Debt to credit institutions	8,6	20,9	36,0	-
Bond ¹⁾	-	-	-	195,0
Other-long term debt ²⁾	2,6	4,2	9,7	18,4
LONG TERM LIABILITIES	13,7	25,9	45,7	213,4
EQUITY AND DEBT	75,1	105,4	136,9	416,8

¹⁾ Bond net of fees

²⁾ Non interest bearing

Philosophy

A firm's workplace is its main physical perimeter which should encourage employees to perform their daily work in an efficient manner. A firm's workplace is its main physical perimeter which should encourage employees to an efficient way of performing their daily work. It is the main display of a firm's values, put into practice. The workplace also represents a significant cost, not only to the firm's financial statements, but also to our environment. Commercial real-estates denote a heavy burden to the environment through construction and operation. The footprint is depending on a building's technical characteristics and how well we utilize its spaces. A conscious management of your workplace can represent large savings, both financially and environmentally.



Financial calendar 2019

→ **Q4 2019** will be published no later than February 28, 2020

Definitions

TOTAL REVENUE

Sales Net of VAT.

EBITDA

Earnings before interest, tax, depreciations and amortization.

EXCEPTIONAL ITEMS

Items that are unusual or infrequent in their nature.

EBIT

Earnings before interest and tax.

NET INTEREST EXPENSE/ INCOME

Financial income minus financial expenses including exchange rate differences related to financial assets and liabilities.

All figures are presented in million NOK, rounded off to the nearest thousand. From a presentation standpoint, certain individual figures may therefore differ from the computed totals.

This report has not been subject to audit.



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