INTERIM REPORT

20
18

CHE-474.101.854

TRIFORK.

...think software

Table of Contents

Trifork is a fast growing software innovation company with its headquarters in Switzerland. The company was founded in Denmark in 1996 and now has offices and activities all across Europe and North America.

Trifork's conference activities are an important source of inspiration for our software innovation projects, customers and employees. In 2018, more than 8,000 people are expected to participate in the Trifork conferences, world-wide.

Trifork employs more than 580 passionate and talented people in Denmark, Sweden, Germany, Switzerland, Netherlands, United Kingdom, Hungary, Poland and the United States.

Trifork has delivered positive results every year since 1996. 2017 followed suit, with a total revenue of EURm 66 and EBITDA of EURm 7.5. Revenue for 2018 is expected to be EURm 80 with an EBITDA of EURm 10.

TRIFORK.
...think software

Letter from the CEO

Accelerating growth

Trifork uses sailing sports as a branding platform and illustration of how we work, as we believe this demonstrates how modern technologies are a winning recipe when used wisely by high performance teams.

In June, Trifork won the Volvo Ocean Legends Race from Gothenburg to The Hague with our own re-fitted VO70 (L4). After the Race, we took our customers, partners and employees out sailing to show them the recipe and tell them about the values and capabilities of Trifork.

In August, we sponsored the best Danish 49'er during the Sailing World Championships. We are happy and proud to support the young sailors on their way to the Olympic Games and when they help us promote the Trifork brand to an international audience, it's even better.

Revenue and EBITDA

With a total revenue of EURm 38.1 in the first half of 2018, Trifork achieved EURm 5.6 more than in the first half of 2017. This equals a growth of 17.1% of which almost all was organic. EBITDA of EURm 5.1 was EURm 2.0 more than in the same period last year.

Every unit and all colleagues at Trifork are working very hard and I'm delighted to feel the energy and momentum. However, in a world full of uncertainty and instability, we need to stay focused and increase our resilience.

Partnerships

Our target is to have 25 strategic partnerships with the leading technology companies in the world. Half of the partnerships are with less known companies like: Docker, Kong, Backplane, AxonIQ, Humio and Hashicorp. Other partnerships are with world brands like Apple, Splunk, SAP, Microsoft, Amazon and Google. These partners support our GOTO Conference and we use their products when we build solutions for our customers.

Technology Trends

In April and June, we completed our GOTO Conferences in Chicago and Amsterdam. At both events, we saw modest growth and received great feedback from the audience. Our target is to reach 1,500 attendees at each of our conferences and we look forward to welcoming partners, students, developers and customers to our next GOTO Conferences in Berlin and Copenhagen later this year.

In the first six months of 2018, we saw the following technology trends gaining momentum: Chaos Engineering, Cloud Migration, Machine Learning, Smart Building Technologies, Crypto Currencies and Cyber Security.

These have been hot topics at our conferences and we have used our experiences in these technologies in several customer projects and amongst other things, we've built smart call-centers using Machine Learning.

Talent

To deliver our services, we need talented and skilled colleagues and we need a strong pipeline of such talent in order to grow our business. In many of the current regions where Trifork is present, it gets increasingly difficult to hire competent engineers. We are investing in Employer Branding and in building up new offices in other regions, for example in Spain, where we can find and attract new talent.

In the first half of 2018, the total number of full-time employees increased by 85 to 535 at the end of June.

Trifork Incuba

In Incuba, we now have 11 start-ups focusing on product development, where we own more than 5%. In the first half of 2018, we completed one funding round and raised EURm 0.7.

Expectations for 2018

For 2018, the revenue target is EURm 80 and EBITDA target EURm 10.

Jørn Larsen
CEO, Trifork

Financial highlights and Key Ratios

EUR 1,000	2018	2017	2017
	01.01-30.06	01.01-30.06	01.01-31.12
Revenue	38,067	32,498	65,578
Gross profit	23,656	19,694	39,573
Earnings Before Tax, Interest, Depreciation and Amortisation (EBITDA)	5,124	3,156	7,490
Earnings from Operations (EBIT)	3,296	1,992	3,954
Financial items	-261	-100	11,067
Earnings before tax (EBT)	3,036	1,892	15,021
Profit for the period	2,429	1,586	13,741
Total comprehensive income for the period	2,813	2,077	13,292
Balance sheet			
Non-current assets	56,602	41,255	51,528
Current assets	25,209	19,467	24,205
Total assets	81,811	60,722	75,733
Equity	37,994	24,933	37,123
Non-current liabilities	17,987	14,290	15,808
Current liabilities	25,830	21,499	22,802
Cash flow			
Cash flow from operations	3,771	3,111	8,393
Cash flow from investments	-5,335	-2,316	-4,133
Cash flow from financing activities	-552	-3,657	-3,950
Net change in cash and cash equivalents	-2,116	-2,862	310
Key ratios			
Gross margin	62.1%	60.6%	60.3%
EBITDA-margin	13.5%	9.7%	11.4%
EBIT-margin	8.7%	6.1%	6.0%
Equity ratio	42.0%	38.5%	45.4%
Return of equity	17.6%	6.7%	47.5%
Return on invested capital	4.0%	3.3%	5.2%
Average number of Full Time Employees (FTE)	452	429	424
Per share data			
Dividend yield %	0%	0%	19%
Dividend in EUR 1,000	-	-	2,500
Dividend in EUR / Share	-	-	0.135
Basic Earnings EUR / Share of CHF 0.1 (EPS-Basic)	0.13	0.09	0.74
Diluted Earnings EUR / Share of CHF 0.1 (EPS-Diluted)	0.13	0.09	0.74
Equity value in EUR / Share	2.05	1.35	1.86
Number of shares	18,537,230	18,537,230	18,537,230

The key ratios have been calculated in accordance with IAS 33 and "Recommendations and Ratios 2015" issued by the Danish Society of Financial Analysts. For definitions see page 69 in the 2017 annual report for Trifork Holding AG.

Outline of the First Half year

Financial highlights

In the first half of 2018, Trifork achieved total revenue of EURm 38.1 which is in line with expectations. This is EURm 5.6 more than in the same period in 2017 and equal a 17.1% growth. 98.3% of the growth in the first half of 2018 was organic

EBITDA of EURm 5.1 for the first half of 2017 is equal to a 13.5% EBITDA margin compared to a margin of 9.7% for the same period in 2017

EBIT was EURm 3.3, which equals a 8.7% EBIT margin compared to 6.1% for the same period in 2017

EBT (Profit before tax) was EURm 3.0, compared to EURm 1.9 in same period in 2017

Profit for the period amounted to EURm 2.4 which is EURm 0.8 more than the same period in 2017 where EURm 1.6 was achieved

The total comprehensive income was EURm 2.8, representing an increase of EURm 0.7 compared to the same period in 2017

Equity at 30.06.2018 was EURm 38.0, equivalent to an Equity ratio of 42.0%

Main events

Trifork and Google has in August 2018 formed a new global partnership around Google Cloud offerings and innovation. The focus in the partnership is building on Trifork's expertise within AI and cloud native technologies such as Kubernetes. Details about the partnership will follow in the second half of 2018.

Trifork won a large public tender in Denmark with projects started in Q2-2018

Trifork Incuba participated in the founding of one new product company in the first half of 2018:

XCI: Trifork co-founded the company XCI. The purpose of the company is to develop a product to the market for cyber security

One of our other Incuba product companies completed the financing round as announced in the 2017 annual report. Financing was new external capital of EURm 0.7

Trifork succeeded with an acquisition of 70% of the software development company Testhuset A/S in June 2018

Trifork signed an agreement to acquire 51% of the software development company Invokers A/S. The completion will happen in the second half of 2018

Financial expectations in 2018

In 2018, Trifork expects to increase revenue by 22% compared to 2017, up to EURm 80

The increase in revenue from 2017 to 2018 is expected to originate from both organic- and acquisitive growth

Trifork expect EBITDA of EURm 10. This corresponds to an EBITDA-margin of 12.5% and 34% increase of EBITDA compared to 2017

Trifork has an overall goal of obtaining 25% product based revenue of total revenue. In 2018 a ratio of 22.5% is expected

Financial Review

Financial targets for 2018

EURm	03.2018	06.2018	07.2018
Revenue	75.0	78.0	80.0
EBITDA	9.0	9.5	10.0

Financial statement

The management of Trifork finds the results for the first half of 2018 satisfying.

The consolidated revenue totalled EURm 38.1 with an EBITDA of EURm 5.1 equal to an EBITDA-margin of 13.5%.

Revenue

In the first half of 2018, the EURm 38.1 in revenue was EURm 5.6 or 17.1% more than in the same period in 2017 where EURm 32.5 was achieved. Almost all growth was organic and this level of organic growth is considered satisfying and in line with the company's ambition to obtain an annual 15-25% revenue growth.

The major factors for the growth in the first half of the year are:

▌ In general all business units have been able to grow their business and have succeeded to win new projects with both existing and new customers.

▌ Our UK business was reorganized during 2017 and in the first half of 2018 they have been stabilized and able to increase revenue and profit again.

The two acquisitions (one completed in June and one agreed to complete in the second half of 2018) did not have any significant impact on the results in the first half year, but are expected to contribute to both growth in revenue and EBITDA in the second half of the year.

Both acquisitions fits well into the Trifork DNA and structure and Trifork see a good opportunity to achieve synergies in the future.

In the second half of 2018, the expectation is to maintain the same ratio of organic growth and to achieve growth based on the two most recent acquisitions.
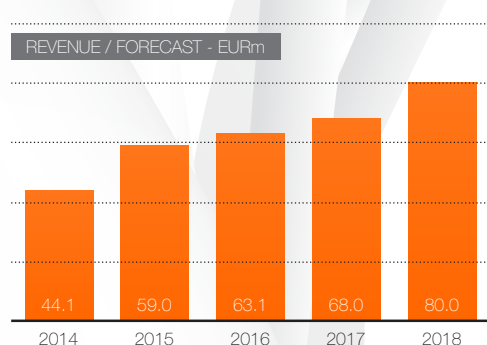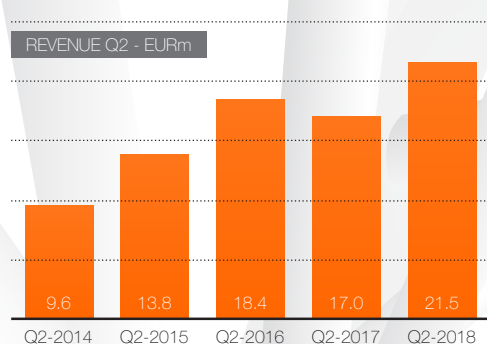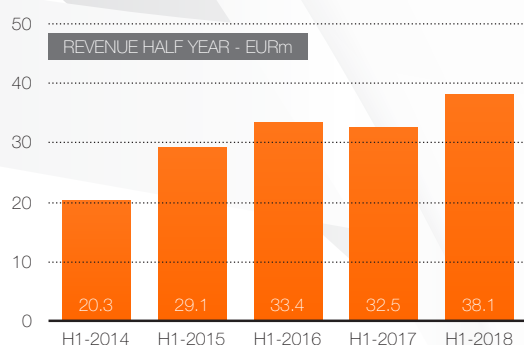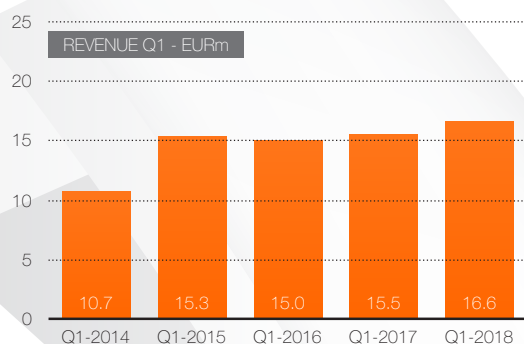
In total revenue of EURm 80 is expected in 2018. This equates to an 22% growth compared to 2017.

Revenue divided into segments

Revenue in the first half of 2018 was divided in the following way between the Trifork and the Trifork Incuba segment:

Revenue (EURm)	2018 01.01-30.06	2017 01.01-30.06
Trifork	38.1	32.5
Trifork Incuba	0.0	0.0
Trifork Group	38.1	32.5

In 2018 it's expected that the Trifork segment will drive the growth in revenue and represent the major part of the revenue within the Trifork Group.

REVENUE Q1 - EURm

Q1-2014	Q1-2015	Q1-2016	Q1-2017	Q1-2018
10.7	15.3	15.0	15.5	16.6

REVENUE Q2 - EURm

Q2-2014	Q2-2015	Q2-2016	Q2-2017	Q2-2018
9.6	13.8	18.4	17.0	21.5

REVENUE HALF YEAR - EURm

H1-2014	H1-2015	H1-2016	H1-2017	H1-2018
20.3	29.1	33.4	32.5	38.1

REVENUE / FORECAST - EURm

2014	2015	2016	2017	2018
44.1	59.0	63.1	68.0	80.0

Revenue divided into business areas

Revenue in the different business areas in the Trifork segment has shown the following results:

Revenue (EURm)	2018 01.01-30.06	2017 01.01-30.06
Academy	2.9	4.0
Services	26.8	21.8
Product	7.7	5.9
Other	0.6	0.7
Trifork	38.1	32.5

Revenue in the individual segments developed as follows in the first half of 2018:

With a revenue of EURm 2.9, Academy delivered 7.7% of the total revenue in the Trifork Group. This was EURm 1.1 less than in the same period in 2017. The decrease in revenue was due to one less partner conference in the first half of 2018 compared to 2017. In general all the recurring goto-conferences succeeded in the first half of 2018 saw more attendees than in 2017.

With revenue of EURm 26.8, Services delivered 70.4% of total revenue.
This is EURm 5.0 and equal to 22.8% more than in the same period of 2017. Almost all of the growth was organic and thus satisfying.

With revenue of EURm 7.7, Product delivered 20.3% of total revenue. This was an increase of 30.9%, compared to the same period in 2017. The overall revenue is divided between revenue of Trifork developed products and product related services as well as revenue based on resale of partner products, where Trifork has the distribution rights to specific markets. The major part of the revenue in the first half of 2018 came from the sale of Trifork's own products and the increase in revenue is considered satisfactory.

Trifork product business

The ambition of Trifork is to continue the increase in growth of the product business.

In the first half of 2018 Trifork has continued to work on several new products. Some of which are still in very early stages of their development while some are ready to launch to the market. Product development not capitalized is estimated to be EURm 1.0.

In 2018, Trifork expects that revenue from products will account for 22.5% of total revenue.
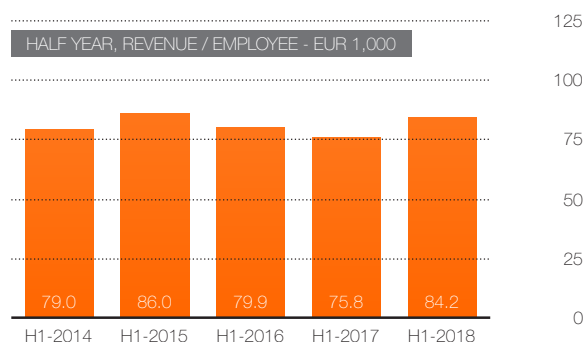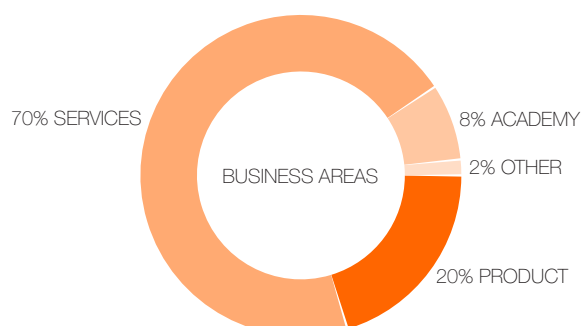
Revenue per employee

In the first half of 2018, Trifork obtained a revenue per employee at EURm 0.842 which is an increase of 11.1% compared to the same period in 2017.

The primary reason for the increase is because of increase in product based revenue.

In the second half of 2018, it is expected that continued increase in product based revenue and increase in attendees at the GOTO Conferences will increase the 2018 total ratio with 15% compared to 2017.

Compared to the first half of 2017, revenue increased EURm 5.6 in 2018.

In the second half of 2018 further growth is expected, indicating a total growth of 22% for the entire year.

70% SERVICES

BUSINESS AREAS

8% ACADEMY

2% OTHER

20% PRODUCT

HALF YEAR, REVENUE / EMPLOYEE - EUR 1,000

79.0	86.0	79.9	75.8	84.2
H1-2014	H1-2015	H1-2016	H1-2017	H1-2018

Development in EBITDA

In the first half of 2018, the Trifork Group realized EURm 5.1 EBITDA, an increase of 62.3% compared to the same period in 2017.

EBITDA was divided in the following way between the segments Trifork and Trifork Incuba:

EBITDA (EURm)	2018 01.01-30.06	2017 01.01-30.06
Trifork	5.4	3.4
Trifork Incuba	-0.3	-0.2
Trifork Group	5.1	3.2

Overall the results obtained in the first half of 2018 correspond to an EBITDA margin of 13.5% against 9.7% in the same period in 2017. This is considered acceptable but focus is still to improve this in the second half of 2018. EBITDA of EURm 10.0 is expected for 2018.

The first half of 2018 continued with a focus on maturing the product business in Trifork and creating unique business units with the goal of successfully developing and selling selected products.

In the first half of 2018, this resulted in investments in the range of EURm 1.4, of which EURm 1.0 has not been capitalized.

Trifork EBITDA by business area

In the first half of 2018, the Trifork segment realized EURm 5.4 EBITDA, an increase of 57.7% compared to the same period in 2017 and equal to an EBITDA-margin of 14.0%.
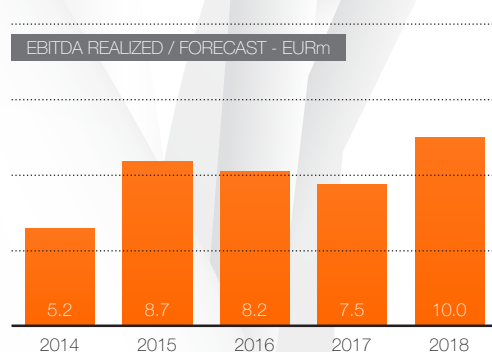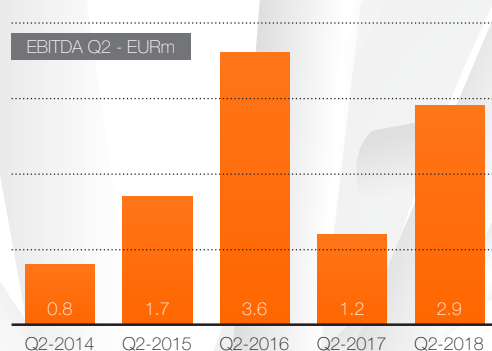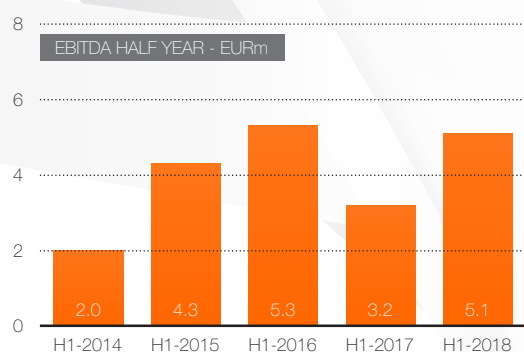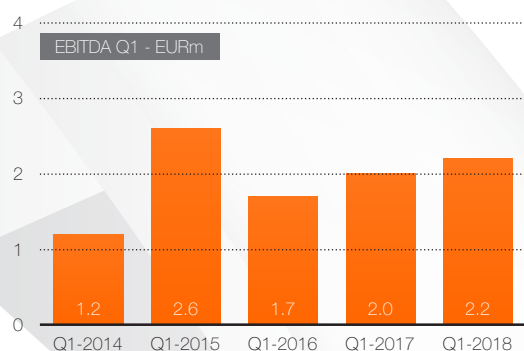
EBITDA was divided in the following way between the different business areas:

EBITDA (EURm)	2018 01.01-30.06	2017 01.01-30.06
Academy	0.0	-0.2
Services	4.1	2.2
Products	1.8	1.6
Other	-0.5	-0.2
Trifork segment total	5.4	3.4

The Trifork Academy continued investing in the future conference concept and platform on the GOTO conferences to make the four focus conferences in Amsterdam, Berlin, Chicago and Copenhagen larger and more profitable. EBITDA in this business area was break-even in the first half of 2018 but expected to be profitable in the second half of the year.

The Services business area was improved significantly compared to the situation in the first half of 2017. EBITDA improved with 89.4% compared to the same period in 2017. The EBITDA-margin for the first half totaled 15.3% compared to 9.9% in the same period in 2017.

The Products business area focused on creating recurring revenue streams by selling Trifork products and related services on long term contracts. Based on this Products was primarily based on the sale of own products and was not so dependent on partner products. The effect of this was a significant increase in revenue on our own products. EBITDA of EURm 1.8 in the first half of 2018 was equal to a margin of 22.4% and an increase of 8.3% compared to the same period of 2017.

EBITDA Q1 - EURm

Q1-2014	Q1-2015	Q1-2016	Q1-2017	Q1-2018
1.2	2.6	1.7	2.0	2.2

EBITDA Q2 - EURm

Q2-2014	Q2-2015	Q2-2016	Q2-2017	Q2-2018
0.8	1.7	3.6	1.2	2.9

EBITDA HALF YEAR - EURm

H1-2014	H1-2015	H1-2016	H1-2017	H1-2018
2.0	4.3	5.3	3.2	5.1

EBITDA REALIZED / FORECAST - EURm

2014	2015	2016	2017	2018
5.2	8.7	8.2	7.5	10.0

Costs

The most significant cost at Trifork is personnel costs.

End of June 2018 a total of 535 FTE worked for the Trifork group. In the first half of 2018, there was an average of 452 full-time employees compared to 429 end of first half of 2017. Total personnel cost was EURm 18.6 compared to EURm 16.5 in the first half of 2017.

Personnel costs per employee increased with 6.5% compared to the first half of 2017.

Personnel costs to revenue was 48.8% in the first half of 2018, compared to 50.9% in the same period in 2017. The most significant explanation for this was the increased revenue per employee based on sales of products.

Development in EBIT

In the first half of 2018, Trifork realized an EURm 3.3 EBIT, which was an increase of 65.5% compared to the same period in 2017, where EURm 2.0 was achieved. The half year 2018 EBIT equals an 8.7% EBIT margin compared to 6.1% in the first half of 2017.

The depreciation was at the expected level.

The development in EBIT is considered satisfactory relative to EBITDA.

In the second half of 2018, the same level of depreciation is expected.

Development in EBT

In the first half of 2018, Trifork reached EURm 3.0 EBT (profit before tax), which is EURm 1.1 more than in the same period in 2017, where EURm 1.9 was achieved.

The result of the financial items totalled EURm -0.3 compared to EURm -0.1 in the first half of 2017. Just like in the first half of 2017, there were no revaluations in the first half in 2018. In 2017 all revaluations for the second half were included at year end during the audit process. This will be done in the same way in 2018. In the reported numbers for the first half of 2015 and 2016 revaluations were included based on new financing rounds or exits in these periods.

The main contributor in the first half of 2018 was Net Interests expenses of EURm -0.3 which was the same as in the first half of 2017.

Management considers the EBT satisfactory compared to EBIT.

Profit for the period

In the first half of 2018, profit for the period after tax totalled EURm 2.4, which is EURm 0.8 more than in the same period in 2017, where EURm 1.6 was realized.
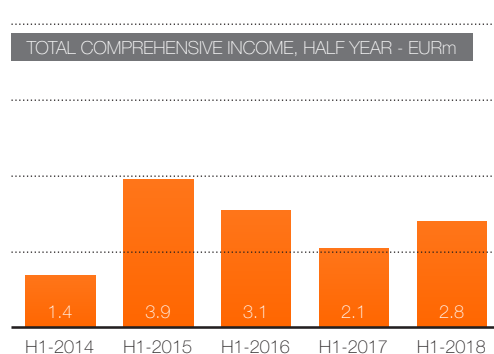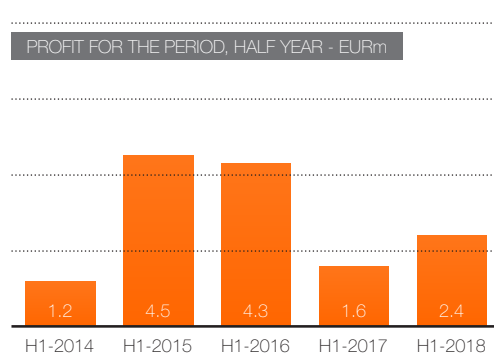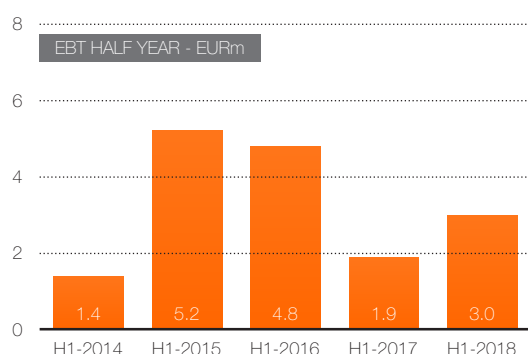
The result corresponds to a EUR 0.13 result per share (EPS Basic) and a diluted EUR 0.13 result per share, (EPS-D).

Management considers this acceptable compared to EBT.

A profit of EURm 0.8 belongs to result from non-controlling interests. In 2017, this had a loss of EURm -0.1.

In the calculations of tax, an effective tax-rate of 20% has been used.

In 2018 EBITDA of EURm 10.0 is expected.

EBIT HALF YEAR - EURm

H1-2014	H1-2015	H1-2016	H1-2017	H1-2018
1.4	3.5	4.0	2.0	3.3

EBT HALF YEAR - EURm

H1-2014	H1-2015	H1-2016	H1-2017	H1-2018
1.4	5.2	4.8	1.9	3.0

PROFIT FOR THE PERIOD, HALF YEAR - EURm

H1-2014	H1-2015	H1-2016	H1-2017	H1-2018
1.2	4.5	4.3	1.6	2.4

TOTAL COMPREHENSIVE INCOME, HALF YEAR - EURm

H1-2014	H1-2015	H1-2016	H1-2017	H1-2018
1.4	3.9	3.1	2.1	2.8
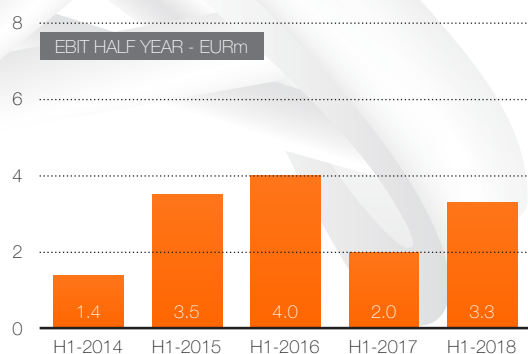
Total comprehensive income

The total comprehensive income ended at EURm 2.8, which equates to an increase of EURm 0.7 compared to the first half of 2017, where EURm 2.1 was realized. The result of the first half of 2018 is considered satisfying in relation to the Net Profit.

The main contributor was Exchange rate adjustments from foreign operations of EURm 0.4.

Balance and equity

TOTAL ASSETS

Total assets increased with 8.0% from EURm 75.7 as of 31.12.2017 to EURm 81.8 as of 30.06.2017.

The main contributors were:

- Net change on intangible assets of EURm 4.1. The major part was from new acquisitions

- Receivables from sales increased with EURm 0.6 based on a higher activity level in 2018

- An increase of EURm 1.6 in Work In Progress, primarily due to fixed price projects with payment plans based on finalized deliveries

- Prepayments increased with EURm 1.0

- Tangible assets increased with EURm 0.6 where investments in new hosting facilities was the major part

- Cash and cash equivalents decreased with EURm 2.1 primarily due to payments in relation to purchase of treasury shares, repayment of loans, dividend payments and cash payment in relation to acquisitions

NON-CURRENT ASSETS

The carrying amount of non-current assets was increased with EURm 5 compared to the level at the end of 2017. The major part of the increase was as a result of the acquisition of Testhuset in June 2018.

The total value of product development capitalized at the end of the first half of 2018 was EURm 4.0, compared to EURm 3.9 as of 31.12.2017. In the first half of 2018, total cost of product development amounted to EURm 1.4 of which only EURm 0.4 was capitalized. The remaining EURm 1.0 in development cost used on new products have been handled as part of operations and thus not capitalized in the balance sheet.

TREASURY SHARES

During this period, the company has seen an decrease in the ratio of Trifork Holding AG's ownership of treasury shares from 2.5% at the end of 2017 to 1.9% at the end of June 2018. The decrease is primarily because of 244,082 treasury shares have been used as part of the payment in relation to new acquisitions. The company owned 353,105 treasury shares as of 30.06.2018.

EQUITY

As of 30.06.2018, Group equity amounts to EURm 38.0, which is EURm 0.9 more than at the end of 2017. In the first half of 2018, equity was capitalized at 17.6%.

Equity ratio at the end of the first half 2018 was 42.0% compared to 45.4% at the end of 2017.

Cash flow and investments

OPERATING ACTIVITIES

In the first half of 2018, cash flows from operating activities amounted to EURm 3.8 compared to EURm 3.1 in the same period of 2017.

The most significant changes compared to the same period in 2017 were:

- Cash flow from operations (EBT) of EURm 3.0 compared to EURm 1.9 in the first half of 2017
- Increase in financial expenses of EURm 0.2
- Decrease in working capital of EURm -0.5 compared to an increase of EURm 0.3
- Increase in income taxes paid of EURm 0.2

INVESTING ACTIVITIES

Cash flows from investing activities amounted to EURm -5.3 compared to EURm -2.3 in the same period in 2017.

During the first half of 2018, the main contributors were:

- Cash payment in relation to new acquisition of subsidiaries and deferred payments to past acquisitions of EURm 3.5
- Investment in product development of EURm 0.4
- Incuba investments in purchase of financial assets of EURm 0.2
- Net increase in tangible assets of EURm 1.2

FINANCING ACTIVITIES

Cash flows from financing activities amounted to EURm -0.6, compared to EURm -3.7 in the same period in 2017.

The most significant areas were:

- Increase in bank credits and acquisition loans of EURm 4.5
- Repayments of borrowings of EURm -1.6
- Net purchase of treasury shares of EURm -0.7
- Dividend payment of EURm -2.7 including non-controlling share of dividends paid from subsidiaries.

TRIFORK.
...think software

The Trifork Group

Trifork Group structure

The Trifork Group is divided into two overall business segments: Trifork and Trifork Incuba. The Group executive management is leading the business development of both segments.
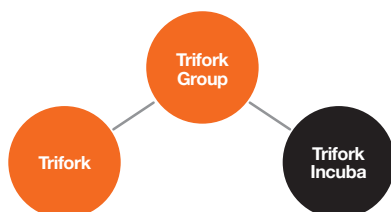
The Trifork segment focuses on inspiring customers to build new software solutions and to deliver projects and solutions to customers. Within this segment services are delivered in the three business areas: Academy, Services and Solutions (Products).

The Trifork Incuba segment's objective is founding and making investments in new tech-startup companies making disruptive and innovative software products.

The current report covers the overall Trifork Group results but will also display details of financial performance for each of the two segments. Most of the details are to be found in the segment note on page 29.

The organizational chart displayed on page 31 shows which companies that are reported for in the two segments.

Trifork

The most important thing for Trifork is to be on the technological forefront, to teach and inspire our customers about new possibilities, to build disruptive software solutions and to deliver operations of these to our clients. This is what Trifork, as the core part of the Trifork Group is all about.

In our Academy business we discover new technologies and teach about these on conferences and through trainings.

In our Services business we join our customers in building new innovative software to increase their productivity and give them competitive advantage. Often we come up with new concepts that can challenge the traditional perceptions of the business of our customers and help them disrupt their business segment.

In our Products business area we deliver software solutions to our customers and handle maintenance and operations for them on an ongoing basis.

Trifork Incuba

For the past 18 years the Trifork Group has been involved in founding and investing in tech startup companies focused on development of software products. During the last three years our strategy and focus toward this area has been increased and we now have formed Trifork Incuba to front all of these investments.

The purpose of Trifork Incuba is to maximize the success of our startups and support them to the best of our ability. We will advise the startups, make seed investments and help them with fund-raising and organization. In the end they might continue to be a part of the Trifork Group or they might be exited to a third party. The important part for Trifork is that the value of the companies increases continuously and that we are part of delivering new innovation to software products available to companies and people around the world.

Some investments are influenced a lot by Trifork Incuba and consolidated as subsidiaries. Other investments are minor shareholdings in companies where we have less influence.

In the first half of 2018 one new product company was founded and one of our existing investments got an external capital increase.

Trifork Group Synergy

Many times the idea for a new startup is formed within the network of Trifork. Together with Trifork, entrepreneurs with the energy to challenge or disrupt an existing market come up with an idea for a new product. In such cases Trifork Incuba can verify the business idea and provide the initial funding if it is found to be solid, innovative and likely to be successful. If not the startup can be abandoned without any additional risk for Trifork.

Expectations and Assumptions for the year

Strategy and structure

The Trifork Group has divided its activities into two segments; Trifork that focuses on operating our service business, and Trifork Incuba that operates as an incubator of startups that require substantial investment. By separating our service segment and our investment segment we have found a good way to keep management focus and to reduce the risk when entering into new investments.

Trifork

The strategy for Trifork is that the growth should come equally from organic and acquisitioned expansion. In the first half of 2018, the Trifork segment succeeded with completing two new acquisitions which were found to match the requirements set by Trifork and to have positive synergies with the rest of the Trifork business. One of the acquisitions is included in the consolidation from June-2018 and the other is expected to be included from September-2018. Thus they have only had a minor effect in the first half - but will have a larger effect in the second half of 2018.

In the first half of 2018, Trifork continued investing in profiling and promoting our Trifork Accelerate workshops as professional services in business development. This will be continued in the second half and we still have high expectations to this business segment.

Trifork will continue to work intensely on increasing business based on the sales of solutions, products and related services. The focus is to invest in generating recurring and scalable revenue with higher profit margins but do this with a conservative investment profile. Trifork wants to develop concepts to products in projects together with our customers.

Trifork Incuba

In Trifork Incuba investments are made in founding new start-ups. Most often these have more like a J-curve investment profile than what we focus on in the Trifork segment. In 2018 we want to continue to be a driver for success for these startups and in this way introduce new innovative or disruptive software products. We founded one new company in the first half of 2018 and expect to found 1-2 additional in the second half of 2018.

Financial results and growth

In 2018, Trifork expects an increase of 22% in revenue compared to 2017. The target a is total revenue of EURm 80.

Trifork expects an EBITDA of EURm 10. This is an increase of 33% compared to 2017 and is equal to an EBITDA-margin of 12.5%.

In 2018 the target is to generate minimum 22.5% of total revenue from the sale of solutions, products and related services and to achieve an average EBITDA-margin of minimum 25% on these activities.

The fulfillment of the financial expectations is subject to some uncertainty. Significant changes in exchange rates, business or macro-economic conditions may have an impact on the economic conditions of the Trifork Group performance.

In Trifork the risk include projects not being delivered on time or if new planned projects are delayed in starting. If product sales decline or if maintenance and support of products prove to be too expensive this will also be a risk.

In Trifork Incuba risks include decrease in value of investment if start-up companies are not able to secure funding or don't develop as expected.
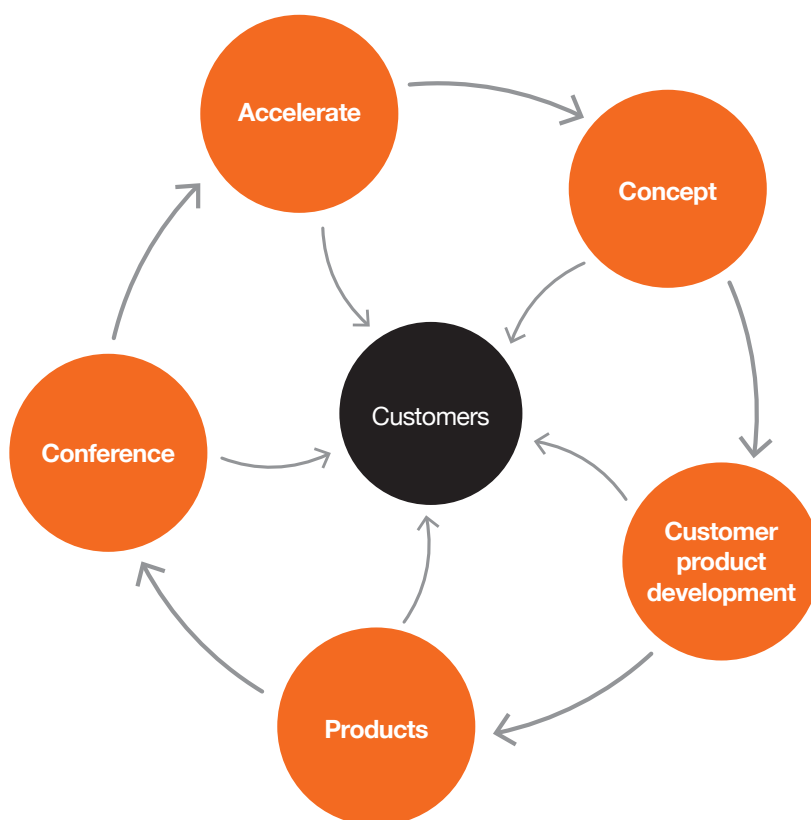
Business areas in Trifork

TRIFORK ACADEMY

Trifork Academy is our joint name for the Trifork academic approach to stay on top of the latest technologies. Trifork Academy mainly consists of the conferences: GOTOs, the Erlang Factories and CodeMesh. These conferences are held in London, San Francisco, Chicago, Copenhagen, Amsterdam and Berlin. We also organize conferences for partners like JetBrain.

An integral part of the Trifork DNA is to remain updated and inspired. The software technologies and methods evolve constantly and we want to stay fresh. By the conferences we bring together some of the most interesting experts to share their ideas, visions and experiences with us and all the participants. Our mission is to help customers obtain the competitive edge. Trifork promotes the GOTO conferences to our customers and partners to share the latest tech updates and drive the inspirational thinking.

By organising technology conferences across the world, Trifork is always close to those who set the agenda in information technology.

The most interesting technology areas at the moment are:

- **Microservices**
- **Cloud Computing and Serverless**
- **Machine Learning**
- **Internet of Things**
- **Mobile Technologies**
- **Security & Privacy**
- **Blockchain**
- **Usability**

In order to form a relevant and exciting program we liaise with partners. Large established partners like Oracle, Google, Amazon and Microsoft as well as smaller start-ups, that are innovating constantly. In 2018 we will cooperate with start-ups like: Gremlin, Hazelcast, Confluent, Docker, AWS, Google, and Corelight. They are all Silicon Valley innovators.

Many of our customers are not in possession of the expertise to consider, evaluate and decide on the next technological step or how to exploit these technologies. The conferences are one channel to understand the potential within each technology.

The conferences attracted over 7.500 people in 2017. It is our strategy to continue the innovative approach of scanning the world of software to catch trends and movements. Our goal is to keep the academic level and thereby bring the best educational and inspirational inputs to our partners and participants. We wish they leave our conferences enriched with new ideas and ways of thinking.

PRODUCTS AND SERVICES

Why Trifork? Trifork assists customers in reaching a competitive edge. The starting point is mostly the wish to relieve pains or enable new capabilities. Imagine a situation where an insurance company wants to increase the efficiency and quality of their customer support call center. Such a challenge is ideal for Trifork and our approach will be explained further below.

At Trifork we apply a tailored version of the Design Thinking process to invent new ideas for solving business challenges. The Concept is called Trifork Accelerate. It is a 5-days customer workshop providing the customer with a crisp overview of the options and possibilities for optimizing their business. In 75% of the cases the Trifork Accelerate workshops will lead to a customer request to build the complete system based on the prototype produced during the workshop.

CONSULTING

Customers with the goal of creating intelligent and efficient products or services increasingly choose Trifork as their strategic partner. Our unit leaders and business developers step in and act as advisers and consultants. During this work challenges may be identified and we will introduce Accelerate Workshops as a second step. In the process prior to becoming a strategic partner for a customer we often organize inspirational events for the C-level stakeholders. It facilitates learning. The inspirational events can be round table discussions for C-level management or it can be inviting business developers to a talk around what new opportunities technology provides. Talks will often be based on relevant customer cases and concrete application of new technology.

SYSTEM DESIGN AND DEVELOPMENT

At Trifork we work in teams with different skill sets needed to design and develop the system in question. We apply an agile process and teams are empowered to collaborate closely with the customer. The teams will share design and working software with the customer earliest possible after project start. The end result is software tailor made for the customer at a very early stage. Often standard components and open source components are included. These working methods enable us to deliver bespoke software to our customers very fast and often we deliver a full-blown system in 3-6 months.

OPERATION AND CONTINUES DEVELOPMENT

The software can either be installed at the premises of the customer, hosted/operated by Trifork in the cloud or at our hosting centers. Many customers choose Trifork to operate and host the system allowing the customer to focus on their core business, without having to worry about monitoring or updating the system. As it is part of our core business to monitor and operate software systems maximum uptime is ensured.

The best way to build trust between Trifork and our customers is to deliver fast and reliable systems - with high quality. Doing so we often compromise on the feature set of the system. We prefer to deliver stable systems over feature rich systems. After launching a system, the customers gain the initial experience and most often this calls for additional features or adjustments. Therefore, it is normal procedure that the first development project leads into the next development project, thus a long-lasting relationship with Trifork begins.

TRIFORK CONCEPTS

Working closely with customers on projects with customers and collecting inspiration from GOTO Conferences provides us with an endless chain of new ideas and "what ifs?". We call such "what ifs?" Trifork Concepts.

The Concepts are generally a process where we help solve challenges and relieve pain points. They are recipes inspired by best practices of how to design and implement software solutions to advanced business challenges. The Concept is more than an idea, it is a proposed concept or solution, but not a ready-made solution. Concepts are refined and adapted for each customer based on the situation.

TRIFORK PRODUCTS

When a Concept has been implemented a number of times for different customers it becomes a candidate to our standard products portfolio. Usually, Trifork holds the IPR, but from time to time we negotiate a different setup with our customers. This may happen, if the customer holds the IPR to a part of the solution. Customers are normally open to such dialogue since it reduces cost and risk of future development of the entire software solution. Products comprise product management processes, documentation, road maps and more.

CUSTOMER PRODUCT IMPLEMENTATION AND IMPROVEMENT

Ever since Trifork was founded in 1996 agile processes have been an integral part of our software development. Since 2003 the primary development process has been based on SCRUM which we also offer to customers as training courses. We have delivered numerous agile SCRUM projects over the years.

For each project, we adapt to the situation, whether the situation calls for a pure SCRUM project or a combined agile and waterfall project (PRINCE2). SCRUM is based on transparency, inspection and adaption. The typical roles in our agile projects are the "product owner" (the customer), the SCRUM Master (one of our experts) and the development team. Normally, we proceed with two-weeks sprints, where Trifork and the customer agrees on the deliverables. They are then reviewed and/or tested by the end of the sprint.

The progress of each project is closely monitored and visually illustrated through the Sprint Burndown chart and the Release Burndown chart. The visualization of the progress makes it easy to maintain a clear overview of the state of each project. During the planning sessions, Trifork and the customer prioritize the tasks/actions, so in this way, we maintain a very high degree of transparency. Every challenge, delay or problem is visible to the stakeholders and creates a joint responsibility. A number of sprints combine into a release and for each release, a set of tests, both manual and automated, are executed.

We apply principles of Continuous Integration in our development. This means we wire new functionality into the full stack of the system from the very beginning. It ensures that any integration problems are handled immediately and will be corrected early in the process. It builds stability and robustness into the system from the beginning. Our Continuous Integration platform includes a number of tools that we have built over time. The integration ensures automated tests and deployment of executable code into different environments according to needs.

Trifork acts as an innovation partner with our customers. Our mission is to be disruptive and create competitive advantage for them.

Over time, Trifork has built up a range of tools and has invested in a number of 3rd party applications. Tools for source code version administration, including source code for test purposes. Tools for building executable code along with unit- and integration tests. Tools for design, prototyping and reviewing. Tools for performance-, load-, stress testing. Test tools for automation test of integration. Along with a variety of Integrated Development Environments that are seamlessly connected with other tools, making the process rather smooth and efficient.

Documentation for the tests are shared with the customers, according to the actual project agreement. During the projects, all documentation is shared through collaboration tools. At Trifork, we use Confluence as a documentation tool and JIRA as issue tracking tool. Thereby, we provide full transparency and traceability of all documentation – and full visibility to our customers, which in turn builds a remarkably high degree of mutual trust.

Tests are planned into the projects from the beginning and the customers are involved in the early test planning. For larger projects we apply test methods based on the "International Software Testing Qualifications Board" (ISTQB). Tests are executed as test-cases and we often apply a "risk-based" test strategy, which means that critical function areas are thoroughly tested and less critical function areas are tested less.

Thus, we direct our main attention and energy to areas where failure is not an option. As many test-cases as possible are fully automated and will run in automated test-runs whenever new versions of the software are checked into the repository and re-built. A number of different test-levels are applied, unit tests, function tests, regression tests Each test incident is reported and available to the customer if desired. We maintain test logs, test summary reports and also a final test report.

Our customers generally very satisfied with our way of designing and development software systems. However, we never stop improving and any process can always be adjusted and fine-tuned. We continue to innovate by evaluating new software implementation trends and adopt the best findings. This is the reason why Trifork wins more and more long term trusted partnerships with our customers

TRIFORK CONCEPTS

It is a key driver for us at Trifork that we make life easier and better for our customers and their clients. This means that we constantly observe inconveniences and challenges in our surrounding world. We evaluate and consider how we can improve it. Our toolbox includes the constantly flow of new technologies plus hundreds of very creative minds in the Trifork organization. Thinking out-of-the-box is in our DNA and we like to make the impossible possible.

When building products for customers, we are, to a large degree, bound by an agreement to complete a specific product, defined with the customer. However, when we develop Concepts without a specific customer, the sky is the limit and we can set our minds free. Trifork Concepts are conceptual solutions to problems we observe in the world around us and where we decide to do something to improve it. The advantage of concepts is that they are not software implementations at the beginning, but rather they are a raw sketch upon which to build software from.

æternity

Blockchain Innovator æternity chooses Erlang to Scale to BILLIONS of users

æternity is an open-source, distributed computing platform that builds on decentralized cryptographic P2P technology. æternity has partnered with Erlang Solutions to scale its distributed system and peer-to-peer network and bring its blockchain technology to the masses.

Challenge

Founded in 2016 by Yanislav Malahov, known in some circles as "the Godfather of Ethereum", æternity is designed to deliver productivity, transparent governance, and global scalability.

æternity raised approximately 29 million CHF in its campaign to offer blockchain technology with a consensus mechanism that is as efficient and cost-effective as possible.

Programming complex relationships for a global user base, æternity needed to handle large volumes of products and information in parallel. They also wanted to design a unique state channel to enable the off-chain verification of data and smart contracts, allowing for all transactions to be independent of each other, thereby increasing transaction speed and scalability while also ensuring increased privacy.

Yanislav Malahov
Founder,
æternity

"As scalability issues continue to plague modern blockchains, innovative, comprehensible, and truly revolutionary solutions must be pursued if æternity was ever to achieve widespread adoption"

Solution

æternity reached out to Erlang Solutions for support in scaling æternity's distributed system and peer-to-peer network by providing fault tolerant systems capable of scaling to billions of potential users. For this æternity intends to utilize Erlang, the domain specific language, to drive the mainstream adoption of blockchain technology.

The partnership between æternity and Erlang Solutions will also strive to tackle consensus mechanism-related challenges, which are widely identified as problematic for blockchain developers.

Yanislav Malahov
Founder,
æternity

"We are thrilled to be collaborating with Erlang Solutions to strengthen our work towards overcoming these challenges and are eager to bring our ground-breaking tech to billions of users worldwide"

Result

By partnering with Erlang Solutions, æternity has fast-tracked it's specialization in it's programming language of choice, Erlang. Today, æternity's runs proof of concepts for most of its key concepts in Erlang. This includes the blockchain itself, the contract language and VM, the oracle and governance mechanisms, as well as an old version of the consensus mechanism.

æternity continues to use and value Erlang/OTP because it allows their team to write code that can respond to many requests in parallel and without crashing. The servers with the highest uptime in the world are based on Erlang. It has been used for industrial applications for 30 years, proving itself to be a reliable and stable product.

Beyond Erlang, æternity also has a growing Elixir team who are exploring blockchain development in Elixir. Erlang Solutions has integrated it's expert Erlang consultants and architects into the æternity team to support them in building a truly scalable blockchain technology.

Erlang
SOLUTIONS

Erlang Solutions is a global technology company in the Trifork group, working with clients ranging from startups to Fortune 500, including WhatsApp, Klarna, Pivotal, Motorola, Ericsson to name a few. They are a talented team of software experts, passionate about Erlang & Elixir focused on building trusted, fault-tolerant systems that can scale to billions of users.

SERVICES - ÆTERNITY / ERLANG CASE

TRIFORK PRODUCTS

Trifork Products originates from different sources. It may be 3rd party products that we integrate and leverage to a higher functional level. It can also be components developed under bespoke software projects, which we integrate into a complete product solution. Another driver for the evolution of Trifork Products is the range of Trifork Concepts. When equivalent functionality has been delivered a number of times, we reach a proof of concept stage and a demand from the market is evident. The product delivery within a certain domain has been requested and approved by a number of customers. Then, we raise the solution to a "product", which means it is handled under the scope of our product management. The product will be further developed and it will contain product documentation, a product road map with defined future releases. It also means that we organize product maintenance, continued bug fixing and customer support. The following are examples of Trifork Products and customizable solutions.

Trifork Enterprise Mobility Platform

The Trifork's Enterprise Mobility Platform (eMobility) is an open platform for the management of mobile data security and can be a platform for the integration of all other systems.

The platform can be used in situations like the Spar Nord case described on the next page - where a company has a need for implementing a secure infrastructure where a number of other vendors is to contribute with services and functionality. A solution build this way will be robust and flexible and create openness and integration in a secure way.

Secure Device Grid Infrastructure

The Mobile Device Grid (MDG) is a scalable infrastructure built to securely connect multiple internet-enabled devices with IoT devices. MDG comprises of a set of customer modules that can be integrated into embedded devices or mobile applications. Connectivity across networks and network security restrictions is handled through cloud services by end-to-end encrypted security. Privacy is secured and 3rd party intrusion prevented. It supports the three major mobile operating systems (iOS, Android, Windows) and provides local or LDAP based user administration. Furthermore, detailed analytics information is collected and available. The infrastructure can be integrated securely through APIs. See http://securedevicegrid.com

The Perfect app (TPA)

TPA is a tool for app distribution to and monitoring on mobile devices. The tool lets administrators watch live statistics and collect both detailed crash reports and feedback. Getting analytics and user behaviour data from an app may be the difference between success and failure. TPA will intuitively show how an app is actually being used which makes it the perfect tool for business developers to get insights into app weaknesses and strengths. See details on: http://theperfectapp.com

During 2018, the sale of products is expected to account for almost 22.5% of total revenue.

Trifork Learning Solutions

Organizations that have a need for structured learning & assessment will benefit from the Trifork Learning products. The Learning products target the need to for testing, teaching, assessing or tracking learning curves. The products are extremely flexible and can be tailored individually to match the needs of most particular learning and assessment processes. Examples are driver license exams, citizenship exams, aviation exams or clinical tests. But it could also be university surveys, admission tests or graduation exams. See the website for further details: https://triforklearning.com

Panteos Mortgage Deed Administration

Panteos is an administrative system for handling mortgage deeds. The system facilitates administration of customer portfolios, it has automated procedures and an integrated CRM along with automated reporting tools for both managers and customers. The reporting facility is customizable based on different levels of user rights. The administrator can customize access areas, functions and actions for its customers by differentiating user access rights. The system features are easy accessible and getting acquainted with the daily operations will appear smooth. One of the real advantages is the high degree of system flexibility that allows for high performance and efficient processes. The Panteos system is compatible with several platforms, seamless integration and it has shown to create fast value for the banks. Today mortgage deeds for several billions DKK are administrated in the Panteos system.

Expat Tracker

The Expat Tracker system consists of a mobile App and a server-side data repository. It is a tool for people who travel frequently across borders and need to document their whereabouts to the authorities and/or their employer. The tool registers whenever borders are crossed and the employee can easily document the whereabouts. It includes store photos of flight tickets and other necessary documents.

MongooseIM

The MongooseIM platform is designed to build high-performance instant messaging systems. It is aimed at complex enterprise level projects where real-time communication is critical to business success. Built around proven technologies XMPP/Jabber, MongooseIM platform is reliable, fault-tolerant, can utilise the resources of multiple clustered machines, and can scale easily when more capacity is needed. More info on: https://www.erlang-solutions.com/products/mongooseim.html

WombatOAM

WombatOAM provides complete visibility over systems running on the BEAM VM; from proprietary applications to open source ones such as Phoenix, Riak, RabbitMQ or MongooseIM.

It works as a stand-alone product or integrated into existing OAM infrastructures, which is easy to install and makes minimal demands on the system resources. More info and trial-version on: https://www.erlang-solutions.com/products/wombatoam.html

Background

Spar Nord wanted a secure platform for Open Banking as part of their new strategy. The goal for the platform was to easily enable Spar Nord to on-board FinTech companies that could obtain user consent to access customer data. The platform would also easily allow them to provide services using the Spar Nord API from mobile apps, developed by FinTech companies.

It was a complex integration project that needed strong security requirements and a user-friendly solution. The result was the Open Banking platform based on Trifork's eMobility product.

The Need

Security is of great importance to Spar Nord, and particularly the question about security competencies was the starting point for the cooperation with Trifork in developing the newly-launched platform for Open Banking. Design is also an important factor for Spar Nord.

Jesper Dammand, Head of Innovation, Spar Nord:

"Trifork provides great and user-friendly app design combined with first-class security. The cooperation has been characterized by quick access and attention. The developers have been proactive with new ideas and advice. The strategic cooperation has been very valuable for us"

The Approach

Trifork's Enterprise Mobility Platform (eMobility) is an open platform for the management of mobile data security and can be a platform for the integration of all other systems. In just two months Spar Nord obtained a full security solution based on the Trifork eMobility product and the first FinTech company, Subaio, was live with their subscription service.

Based on this initial FinTech, a living bank system was created in just one year, in which the time aspect and agility were completely unique.

To further engage in the FinTech community, a public website was developed. This has enabled other FinTechs to benefit from the solution by providing training, documentation and demo apps, all available at https://sparnordopen-banking.com/.

The Result

Spar Nord was the first-to-market with their solution and they are now successfully live with Fintechs and other businesses using their platform. Through the collaboration with Trifork, Spar Nord has given their customers up-to-date and innovative digital solutions with Trifork's e-mobility platform. The platform provides Identity Management and Secure Service Gateway that allows Spar Nord's API to be accessible on mobile devices. It also provides a configuration layer allowing FinTech specific consent, design and graphical layout.

Third parties can access +400.000 customers, a banking license, security platform with consent and dedicated business and tech contacts. So far, four FinTech companies have solutions in production using the platform.

Jesper Dammand, states: *"A part of Spar Nord's strategy for the banking world of the future is our platform, which is PSD2-compliant. It gives third parties the opportunity to co-create with Spar Nord about innovative, digital solutions".*

Although the platform was developed for external FinTechs, Spar Nord and Trifork have "taken their own medicine" and used the platform for the Spar Nord – Young Money app, a money universe for children aged 7-12.

Trifork has worked in the banking business for years and innovated some of the first mobile banking solutions, like MobilePay and WeShare.

Read more on Subaio, Young Money, Ernit and Debito here: https://sparnordopenbanking.com/
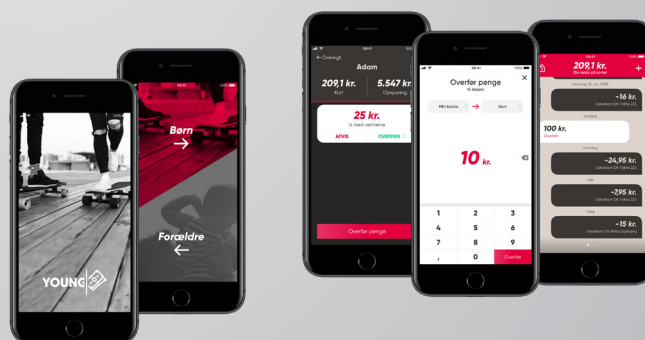
Søren Mikkelsen, Head of API, Spar Nord:

"With know-how from Trifork, we were off to a really good start with FinTech and Open Banking. There is no doubt that we will be working with Trifork on other projects. It has been a lean and flexible process of co-creation"

Statement by the Board of Directors and Executive Management

Today, the board of directors and the executive management have considered and adopted the interim report for the period January 1 - June 30, 2018 for Trifork Holding AG.

The interim report is a summarized financial report presented in accordance with the IAS 34 about interim reports.

The interim report is prepared after the same accounting policies as used in the annual report for Trifork Holding AG in 2017.

It is our opinion that the interim report gives a true and fair view of the Group and company assets, liabilities and financial position as of June 30, 2018 as well as of the profit of the Group and company activities and cash flow for the accounting year January 1 - June 30, 2018.

The interim report has not been audited.

Schindellegi, August 23, 2018

Executive management

Jørn Larsen
CEO, Trifork

Kristian Wulf-Andersen
CFO, Trifork

Board of Directors in Trifork Holding AG

Johan Blach Petersen
Chairman of the board

Jørn Larsen
Board member

Kristian Wulf-Andersen
Board member

Lars Dybkjær
Board member

Consolidated Financial Statement

CONTENT / LIST OF NOTES

Consolidated Comprehensive Income Statement
for the Half Year ended June 30, 2018

<div align="right">EUR</div>

	2018	2017	2017
	01.01-30.06	01.01-30.06	01.01-31.12
Revenue	38,067,390	32,497,768	65,577,622
Cost of goods sold and services provided	-14,411,877	-12,804,002	-26,004,554
Gross profit	23,655,514	19,693,766	39,573,068
Personnel cost	-18,564,102	-16,537,603	-32,784,374
Other operating income	32,581	0	701,438
Earnings before interest taxes depreciation and amortization (EBITDA)	5,123,993	3,156,163	7,490,132
Depreciations and amortizations	-1,827,509	-1,164,039	-3,536,512
Profit from operations (EBIT)	3,296,484	1,992,124	3,953,620
Financial income	558,278	562,802	1,969,048
Financial expenses	-818,913	-585,657	-1,455,574
Share of results in associated companies	0	25,455	-28,398
Fair value adjustment of financial assets in profit/loss	0	-102,362	10,582,239
Profit before tax (EBT)	3,035,849	1,892,362	15,020,935
Income tax expense	-607,170	-306,854	-1,280,261
Profit for the period	2,428,679	1,585,508	13,740,674
Items for subsequent reclassification to profit or loss			
Foreign currency translating differences for foreign operations	384,215	491,153	-299,290
Items that are not reclassified subsequently to profit or loss			
Actuarial gain (losses) on pension liabilities, net of tax	0	0	-149,158
Other comprehensive income after tax	384,215	491,153	-448,448
Total comprehensive income	2,812,894	2,076,661	13,292,225
Profit for the period: attributable to:			
Parent company shareholders	1,621,201	1,730,213	13,478,372
Non-controlling interests	807,478	-144,705	262,302
Total comprehensive income: attributable to:			
Parent company shareholders	1,580,562	2,308,909	13,133,965
Non-controlling interests	1,232,332	-232,248	158,260
Earnings per share (EPS)			
Basic earnings per share	0.13	0.09	0.74
Diluted earnings per share	0.13	0.09	0.74

Statement of Financial Position as of June 30, 2018

Assets

EUR

Assets	2018	2017	2017
	01.01-30.06	01.01-30.06	01.01-31.12
Non-current assets			
Intangible assets	33,272,673	28,749,985	29,139,530
Tangible assets	8,004,422	6,690,827	7,445,270
Investments in associates	206,845	1,505,828	205,184
Financial assets	15,118,416	4,308,683	14,738,308
Total non-current assets	56,602,356	41,255,323	51,528,292
Current assets			
Work in progress	1,949,467	1,080,512	362,710
Trade receivables	15,228,511	12,138,868	14,657,287
Other receivables	2,748,809	2,725,823	2,739,102
Prepayments	1,799,947	909,026	846,606
Cash and cash equivalents	3,481,967	2,612,816	5,599,302
Total current assets	25,208,702	19,467,044	24,205,007
Total assets	81,811,058	60,722,367	75,733,299

Liabilities and Equity

<div align="right">EUR</div>

Liabilities and equity	2018	2017	2017
	01.01-30.06	01.01-30.06	01.01-31.12
Equity			
Share capital	1,552,502	1,552,502	1,552,502
Retained earnings	35,269,852	23,595,114	36,054,199
Treasury shares	-838,550	-1,000,370	-1,617,342
Reserve for exchange rate adjustments	-1,617,512	-746,647	-1,576,872
Equity attributable to parent company shareholders	34,366,292	23,400,599	34,412,487
Non-controlling Interests	3,627,235	1,532,849	2,710,517
Total equity	37,993,527	24,933,448	37,123,003
Liabilities			
Non-current liabilities			
Deferred tax liabilities	2,982,781	2,913,242	2,962,330
Financial liabilities	14,205,011	10,770,286	12,055,747
Defined benefit pension liabilities	799,320	606,548	790,236
Total non-current liabilities	17,987,112	14,290,076	15,808,314
Current liabilities			
Financial liabilities	9,901,399	10,588,460	9,071,097
Trade payables	5,720,361	3,368,090	4,758,397
Income tax payables	1,391,289	1,063,283	1,190,539
Other payables	5,377,985	4,220,515	4,298,992
Deferred revenue	3,439,386	2,258,496	3,482,958
Total current liabilities	25,830,419	21,498,844	22,801,982
Total liabilities	43,817,531	35,788,920	38,610,296
Total liabilities and equity	81,811,058	60,722,367	75,733,299

Consolidated Statement of Changes in Equity

EUR

Trifork Holding AG	Share capital	Retained earnings	Treasury shares	Reserve for exchange rate adjustments	Equity attributable to parent company shareholders	Non-controlling interests	Total
Equity Jan. 1, 2017	1,552,502	23,601,096	-385,957	-1,325,343	23,442,299	2,857,599	26,299,898
Profit for the year	0	13,478,372	0	0	13,478,372	262,302	13,740,674
Other comprehensive Income	0	-92,877	0	-251,530	-344,407	-104,041	-448,448
Total comprehensive Income	0	13,385,495	0	-251,530	13,133,965	158,260	13,292,226
Transactions with owners							
Dividends	0	-932,392	0	0	-932,392	-307,593	-1,239,985
Purchase of treasury shares	0	0	-1,871,816	0	-1,871,816	0	-1,871,816
Sale of treasury shares	0	0	640,431	0	640,431	0	640,431
Additions of non-controlling interests	0	0	0	0	0	2,250	2,250
Equity Dec 31, 2017	1,552,502	36,054,199	-1,617,342	-1,576,872	34,412,487	2,710,517	37,123,003
Equity Jan, 1, 2018	1,552,502	36,054,199	-1,617,342	-1,576,872	34,412,487	2,710,517	37,123,003
Profit for the period	0	1,621,201	0	0	1,621,201	807,478	2,428,679
Other comprehensive Income	0	0	0	-40,639	-40,639	424,854	384,215
Total Comprehensive Income	0	1,621,201	0	-40,639	1,580,562	1,232,332	2,812,894
Transactions with owners							
Dividends	0	-2,405,549	0	0	-2,405,549	-315,614	-2,721,163
Purchase of treasury shares	0	0	-1,322,062	0	-1,322,062	0	-1,322,062
Sale of treasury shares	0	0	2,100,854	0	2,100,854	0	2,100,854
Additions of non-controlling interests	0	0	0	0	0	0	0
Equity Jun 30, 2018	1,552,502	35,269,852	-838,550	-1,617,512	34,366,292	3,627,235	37,993,527

In the beginning of June 2018 Trifork acquired 70% of the shares in Testhuset A/S.

Consolidated cash flow statement

EUR

	2018	2017	2017
	01.01-30.06	01.01-30.06	01.01-31.12
Profit before tax (EBT)	3,035,850	1,892,362	15,020,935
		0	
Adjustments for:			
Depreciation and amortization	1,827,509	1,164,039	3,536,512
Other operating income	-32,207	0	-542,284
Financial income	-558,278	-562,802	-1,969,048
Financial expenses	818,913	585,657	1,455,574
Share of results in associated companies	0	-25,455	28,398
Fair value adjustment of financial assets	0	102,362	-10,582,239
Net foreign exchange differences	40,338	-31,176	240,582
Fair value adjustment of financial liabilities and other receivables	0	284,902	
Changes in working capital	-513,239	317,010	2,371,916
Interest income received	37,273	1,467	113,137
Interest expenses paid	-315,264	-278,048	-459,642
Income tax paid	-570,200	-339,198	-1,440,399
Net cash flow from operating activities	3,770,695	3,111,120	7,773,443
Cash flow from investing activities			
Acquisition of subsidiaries, net of cash	-3,522,697	0	-2,240,286
Purchase of intangible assets	-411,192	-619,388	-1,403,902
Purchase of tangible assets	-1,380,522	-1,291,818	-2,168,421
Purchase of associates	0	-415,919	-35,595
Purchase of financial assets	-190,944	0	-662,394
Sale of financial assets	0	0	2,338,695
Sale of tangible assets	170,290	11,546	38,750
Total cash flow from investing activities	-5,335,065	-2,315,579	-4,133,153
Cash flow from financing activities			
Proceeds from borrowings	4,459,436	2,044,776	1,020,931
Repayment of borrowings	-1,579,893	-3,813,042	-1,709,525
Acquisition of non-controlling interests	0	0	0
Addition of non-controlling interests	0		2,250
Purchase of treasury shares	-1,314,099	-991,902	-2,054,825
Sale of treasury shares	603,729	377,489	643,854
Dividend paid	-2,721,163	-1,274,691	-1,331,443
Total cash flow from financing activities	-551,990	-3,657,371	-3,428,758
Change in cash and cash equivalents	-2,116,360	-2,861,830	211,532
Cash and cash equivalents at the beginning of the period	5,599,302	5,504,161	5,504,161
Exchange rate adjustments	-975	-29,515	-116,390
Cash and cash equivalents at the end of the period	3,481,967	2,612,816	5,599,302
Cash and cash equivalents			
Cash and cash equivalents per statement of financial position	3,481,967	2,612,816	5,599,302
Cash and cash equivalents at the end of the period	3,481,967	2,612,816	5,599,302

CONSOLIDATED CASH FLOW STATEMENT

Notes

1. Applied accounting practice

The 2017 interim report is presented in accordance with the IAS 34 "Presentation of interim reports. The accounting practice applied is unchanged since the 2017 annual report of Trifork Holding AG. We refer to note 1, page 32 of the annual report 2017 of Trifork Holding AG for further information.

Trifork Holding AG prepares and publishes voluntarily its interim report, since the company is not obliged to do so.

2. Management's estimates and assessments

Preparing the interim report according to corporate accounting practice, makes it necessary for the management to make estimates and draw up assumptions which influence the included assets and commitments. Management makes its estimates based on historic experience as well as other prerequisites, which are considered relevant at the given time. Pertaining to accounts, these estimates and assumptions provide the basis for the factoring of the value of assets and commitments as well as the effects derived in the statement of account. The actual result can differ from this.
We refer to note 1, page 32 of the Trifork Holding AG 2017 annual report for a more detailed description of the accounts, where management estimates and assumptions primarily are used in connection to the corporate statement of accounts.

3. Policy of risk management

Overall, the financial risks and policies of risk management are unchanged compared to the Trifork Holding AG 2017 annual report. We refer to the Trifork Holding AG 2017 annual report, page 8 for a closer description of this.

4. Segment information

The business and operations in the Trifork Group has since 2016 been divided into two overall segments: Trifork and Trifork Incuba. Segment reporting is managed by a separate management team at the level of EBT in both segments.

TRIFORK

The Trifork segment is focused on delivering services to the clients of Trifork. The services are delivered within three business areas: Academy (Conferences and trainings about software development), Services (Development of innovative software in customer projects) and Solutions (Delivery and operation of software solutions and products for customers).

The entire revenue from all business areas comes from sales of services and thus, no further fragmentation on various revenue categories is reported for each area.

Academy
Academy is engaged in consultancy and training in agile processes as well as delivering courses and conferences all over the world. This include services related to planning and implementation of courses and conferences.

Services (Project)
Services delivers customer innovation projects and services to both financial, governmental, educational and industrial companies in Europe and America. The focus is to develop software and supply consulting and services related to the use and operation of applications developed.

Products
Products is based on delivering Trifork developed software either as components in projects delivered to the customers of Trifork - or as stand-alone products and product related services. Products are delivered to both financial, educational and industrial companies in Europe and America.

TRIFORK INCUBA

The Trifork Incuba segment is focused on founding new tech start-ups and invest in selected tech companies that are in the forefront of the technologically development with new and innovative software products.

4 - Segment information			
First half 2018	Trifork	Trifork Incuba	Group total
Revenue from external customers	38,056,524	10,866	38,067,390
Inter segment revenue	361,480	66,621	428,101
Total segment revenue	38,418,003	77,487	38,495,490
EBITDA	5,397,438	-273,444	5,123,993
Depreciation/amortization	1,694,819	132,690	1,827,509
Profit (+) loss (-) from operations (EBIT)	3,702,619	-406,135	3,296,484
Profit before tax (EBT)	3,447,059	-411,209	3,035,849
Average number of employees	450	2	452
First half 2017	Trifork	Trifork Incuba	Group total
Revenue from external customers	32,487,972	9,796	32,497,768
Total segment revenue	32,487,972	9,796	32,497,768
EBITDA	3,422,559	-266,396	3,156,163
Depreciation/amortization	1,028,488	135,551	1,164,039
Profit (+) loss (-) from operations (EBIT)	2,394,071	-401,947	1,992,124
Profit before tax (EBT)	2,382,107	-489,745	1,892,362
Average number of employees	427	2	429

Reconciliation of profit (01.01-30.06)	Trifork	Trifork Incuba
Segment EBIT	3,702,619	-406,135
Financial income	542,194	16,084
Financial expenses	-797,713	-21,200
Share of results in associated companies	0	0
Fair value adjustment of financial assets	0	0
Profit before tax	3,447,100	-411,251

4 - Trifork segment - Business areas						
First half 2018	Academy	Services	Products	Total	Others	Trifork total
Revenue from external customers	2,933,934	26,788,240	7,732,221	37,454,395	602,129	38,056,524
EBITDA	14,816	4,104,622	1,729,587	5,849,025	-451,588	5,397,438
Depreciation/amortization	-24,286	-318,777	-958,303	-1,301,367	-393,452	-1,694,819
Profit (+) loss (-) from operations (EBIT)	-9,470	3,785,845	771,284	4,547,659	-845,040	3,702,619
Average number of employees	20	304	66	389	61	450
Regional information	Europe	America	Others			Group total
Revenue from external customers	35,438,365	2,348,473	269,686			38,056,524
Country specific information	CH	UK	DK	US	Others	Group total
Revenue from external customers	1,177,721	5,083,513	22,339,947	2,348,473	7,106,871	38,056,524
First half 2017	Academy	Services	Products	Total	Others	Trifork total
Revenue from external customers	4,019,251	21,820,918	5,904,888	31,745,056	742,916	32,487,972
EBITDA	-177,959	2,167,053	1,596,631	3,585,725	-163,166	3,422,559
Depreciation/amortization	-25,095	147,738	-977,647	-855,005	-173,483	-1,028,488
Profit (+) loss (-) from operations (EBIT)	-203,054	2,314,791	618,983	2,730,720	-336,649	2,394,071
Average number of employees	15	301	56	371	58	429
Regional information	Europe	America	Others			Group total
Revenue from external customers	29,220,716	2,807,352	459,904			32,487,972
Country specific information	CH	UK	DK	US	Others	Group total
Revenue from external customers	1,141,225	4,346,357	17,807,730	2,807,352	6,385,308	32,487,972

Trifork Holding AG

Group Structure, June 2017

1. Level	2. Level	3. Level	4. Level

1. Level	2. Level	3. Level	4. Level
100.0% Trifork A/S	88.0% Netic A/S		
	100.0% Trifork Public A/S	51.0% Trifork eHealth ApS	19.8% ATAH ApS
			15.5% ExSeed ApS
	70.0% Testhuset A/S	16.0% TestLab ApS	
	41.0% Appdictive ApS	15.0% Frameo ApS	
	100.0% Trifork Incuba ApS	6.7% Chainalysis Inc.	100.0% Chainalysis GmbH
		36.2% Humio ApS	
		32.8% AxonIQ B.V	
		33.5% Exseed ApS	
		29.2% ATAH ApS	
		29.4% XCI ApS	
		0.1% Atomist Inc.	
		0.1% Implantica	
51.0% Erlang Solutions Ltd.	9.0% C4Media Inc.		
	100.0% Erlang Solutions Hungary Kft.		
	100.0% Erlang Solutions AB		
	100.0% Erlang Solutions Inc.		
	100.0% Erlang Solutions SP		
	6.7% Beem International Sarl		
100.0% Trifork Finance AG	33.3% aragost Trifork AG		
100.0% Trifork GmbH			
100.0% Trifork Eindhoven B.V			
100.0% Trifork B.V	67.0% The Surface Network Group B.V	71.0% The Surface Network Benelux B.V	
	5.7% MarsOne B.V		
95.0% Trifork Learning Solutions B.V			
100.0% Trifork Academy Inc.			
100.0% Trifork Ltd.	100.0% OpenCredo Ltd.	50.0% Just Cloud IT GmbH	
		45.0% Specto Labs Ltd.	
	51.0% Code Node Ltd.		
	75.0% Trifork Leeds Ltd.		
	100.0% The Perfect App Ltd.		
100.0% Trifork Germany GmbH	100.0% Duckwise AG		
75.0% Duckwise ApS	100.0% Container Solutions B.V	35.0% Remember to Play B.V	
51.0% Prog. Infr Solutions AG	100.0% Container Solutions Software Ltd.		
	100.0% Container Solutions AG		
	100.0% Container Solutions GmbH		
	80.0% Container Solutions Labs Ltd.		
100.0% Trifork Software Solutions SL			

Legend:
- Trifork subsidiary
- Trifork associated
- Trifork Incuba subsidiary
- Trifork Incuba investment

GROUP STRUCTURE

2018 TRIFORK WORLD MAP

TRIFORK.
...think software

Trifork Holding AG
Neuhofstrasse 8
8834 Schindellegi
Switzerland

Denmark
Aalborg
Aarhus C
Aarhus N
Esbjerg
Copenhagen

Sweden
Stockholm

United Kingdom
London (ESL)
London (OC)
London (Academy)
London (CS)
Leeds

Germany
Berlin

Switzerland
Zürich

Poland
Krakow

Hungary
Budapest

Holland
Amsterdam (CS)
Amsterdam (TL)
Amsterdam (BV)
Eindhoven

United States
San Francisco
Chicago