



1 JANUARY – 31 MARCH 2024

# Interim Report

ZETADISPLAY AB (PUBL)



# Strong SaaS growth in the first quarter

## JANUARY – MARCH 2024

- SaaS revenue increased by 21.7% to SEK 60.9 (50.0) million
- Excluding the impact of acquisitions, the increase in SaaS revenue was 11.5%
- Net sales increased by 6.4% to SEK 127.2 (119.6) million
- Proforma net sales, including newly acquired Beyond, amounted to SEK 148.5 (147.1) million
- Gross margin remained stable at 60% (60%)
- Adjusted EBITDA was SEK 12.8 (10.1) million

## SIGNIFICANT EVENTS DURING THE QUARTER

- On 22 February 2024, the Group announced that Claes Pedersen was appointed as CFO of ZetaDisplay. The interim CFO, Jog Dhody, remained with ZetaDisplay throughout Q1 2024 to handover.
- ZetaDisplay received a shareholder contribution of SEK 91.9 million, from its owner Hanover Investors, to finance upcoming acquisitions.

## SIGNIFICANT EVENTS AFTER THE QUARTER

- On 9 April 2024, ZetaDisplay AB further expanded its European footprint into the United Kingdom with the successful acquisition of 100% of the shares in Beyond Digital Solutions Ltd (“Beyond”). Beyond has an impressive industry track record as well as high-quality creative content services and gives us direct access to one of Europe’s largest digital signage markets. This acquisition will be accretive to group EBITDA and was fully funded by equity from ZetaDisplay's owner, Hanover Investors.

## FINANCIAL INDICATORS

(TSEK)	JAN-MAR 2024	JAN-MAR 2023	JAN-DEC 2023
Net sales	127,218	119,596	521,271
Proforma net sales*	148,513	147,063	644,056
SaaS-revenue (recurring)	60,864	49,997	219,039
Gross margin (%)	59.9	60.1	58.0
Reported EBITDA before restructuring costs	5,354	3,775	19,742
Hanover costs	6,228	4,150	35,622
Other non-recurring items	1,220	2,155	19,221
Adjusted EBITDA	12,802	10,080	74,585
Adjusted EBITDA margin (%)	10.1	8.4	14.3
Operating profit/loss	(12,311)	(6,533)	(106,433)
Operating margin (%)	(9.7)	(5.5)	(20.4)
Profit/loss for the period	(24,450)	(15,043)	(153,204)
Proforma leverage*	3.4	4.0	3.4
Equity ratio (%)	25.5	32.7	18.2

\*Includes all group entities irrespective of date of acquisition



# CEO comment

## STRONG SAAS GROWTH IN THE FIRST QUARTER

Net sales for the quarter amounted to SEK 127.2 (119.6) million. SaaS revenue was SEK 60.9 (50.0) million and represented 47.8% (41.8%) of net sales. Proforma net sales amounted to SEK 148.5 (147.1) million. Reported EBITDA before restructuring costs was SEK 5.4 (3.8) million. Adjusted for Hanover costs and other non-recurring items, EBITDA amounted to SEK 12.8 (10.1) million.

The first quarter of 2024 showcased robust growth in SaaS revenue and sustained gross margin, contrary to the usual trend of weaker performance seen during this quarter compared to others. Additionally, our funnels of new projects are steadily increasing, reflecting the growing interest in our services.

Despite encountering delays in some of the planned NRR projects going into Q2, our overall momentum remains strong. Notably we realized a significant growth in adjusted EBITDA equal to 27%.

Our new CFO, Claes Pedersen, started in February and brings with him a wealth of experience that will facilitate our efforts to upscale and effectively manage a larger multinational organization with higher complexity.

During the quarter we dedicated time to prepare for our strategic acquisition of Beyond Digital Solutions Ltd, that took place on April 9. This acquisition gives ZetaDisplay direct access and presence in one of the largest and most advanced digital signage markets in Europe, as well as an interesting set of UK customers and a highly competent and motivated UK team.

The Austrian company PeakMedia Digital Signage GmbH, acquired in September 2023, is performing well and is demonstrating strong growth, while integration proceeds as planned

within key areas such as software platform, marketing, finance and HR.

## OUTLOOK

Our long-term plan and investment initiatives for growth continue by executing on our 2024 strategic growth transformation plan and upscaling of key areas in our organization. We expect recent acquisitions to yield additional growth in the medium term together with an increased focus on organic growth.

As always, we maintain our commitment to prioritizing and investing in activities that foster long-term growth and enhance our focus on customer satisfaction.

I would like to thank all our co-workers for their tireless commitment to our customers and thank our customers for their continued trust.

## UPCOMING REPORTING SESSIONS

ZetaDisplay AB (publ) half-year report will be published on [ir.zetadisplay.com](http://ir.zetadisplay.com) in August, week 35, 2024.



**Anders Olin**  
President and CEO



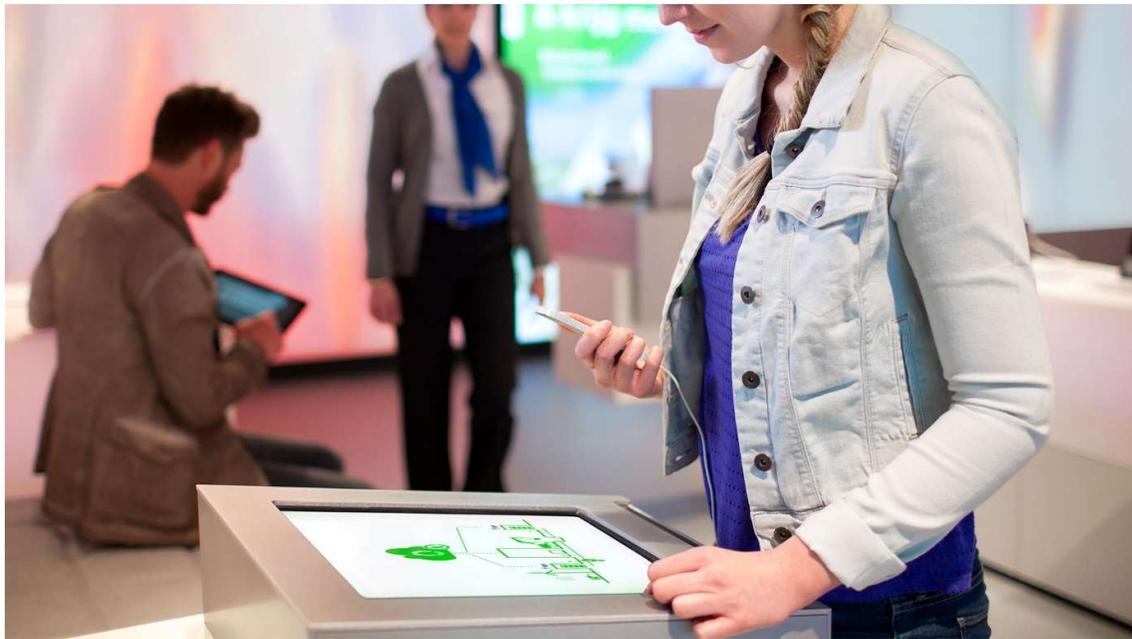
## The market

Digital Signage is a software steered interface for communication with consumers within a retail environment or with employees in larger organizations as well as communication in public spaces. Digital communication is now an integral part of the new communications concept that retailers and other companies are developing for the future. This creates an interesting and expansive market for ZetaDisplay, which delivers a total concept containing concept development, communication strategy, analysis, software development, hardware expertise, installation and technical support and services.

Today, the Group has operations in eight European countries and in the United States. ZetaDisplay continuously evaluates new forms of alliances with companies and organizations within Digital Signage to be able to grow the market together.

Sales of service solutions are increasing as an important part of the business after the initial installation and produce steady SaaS-revenues. The maturity level among our customers is rising, and ZetaDisplay is receiving enquiries from existing customers who intend to take the next step and develop and broaden their investment in this channel.

To meet current and future customer demands, ZetaDisplay needs to continuously enhance its processes, systems and product solutions. A large portion of the investments goes into increased technical functionality and harmonized platforms, to enable us to exploit economies of scale within the organization. This is also a way of creating a secure and future-proof solution for our customers.





# Financial overview

## BASIS OF PREPARATION

The figures presented in this report are unaudited. The statutory audit of the group and its material subsidiaries for the year ended 31 December 2023 has been completed.

Profit and loss and cash flow items are compared with the corresponding period of last year. Balance sheet items refer to the position at the end of the period and are compared with the corresponding date last year.

## First quarter January – March 2024

### Net sales

Net sales for the quarter were higher than prior year at SEK 127.2 (119.6) million. SaaS revenues increased by 21.7% to SEK 60.9 (50.0) million, offsetting the reduction in implementation projects, consisting of hardware and installation. Adjusted for acquisitions the increase in SaaS revenue was 11.5%, which shows stable organic growth. Of total net sales, 47.8% (41.8%) was SaaS revenue. Proforma net sales for the quarter amounted to SEK 148.5 (147.1) million.

### Gross profit

Gross profit for the quarter amounted to SEK 76.2 (71.9) million and gross margin remained stable at 59.9% (60.1%).

### Operating expenses

The cost of goods sold consists mainly of hardware and installations and amounted to SEK -51.0 (-47.7) million.

Other external costs amounted to SEK -25.0 (-25.8) million of which SEK 7.2 (6.3) million related to non-recurring items. Personnel costs were SEK -52.2 (-47.6) million of which SEK 0.2 (nil) million related to non-recurring items.

Non-recurring items contain acquisition and integration costs associated with PeakMedia and Beyond and other transformation costs associated with delivering efficiency improvements across the Group's operations to meet its longer-term strategic objectives.

Depreciation and write-downs amounted to SEK -14.4 (-10.3) million.

### Restructuring costs

Restructuring costs of SEK -3.2 (nil) million consist of the cost of the staff rationalisation programme and related exit payments.

### EBITDA

Adjusted EBITDA, stated before non-recurring items, restructuring costs and Hanover costs, was SEK 12.8 (10.1) million, generating 10.1% (8.4%) adjusted EBITDA margin.

### Operating profit

Operating loss stated before non-recurring items, restructuring costs and Hanover costs, was SEK -1.6 (-0.2) million, delivering an operating margin of -1.3% (-0.2%).

Operating loss after restructuring costs amounted to SEK -12.3 (-6.5) million and an operating margin of -9.7% (-5.5%).

### Financial items

The financial items amounted to SEK -13.3 (-8.2) million. External interest expense related to the bond loan was SEK -10.1 (-6.4) million due to an increase in interest rates.

### Tax

Tax credit for the quarter was SEK 1.2 (-0.3) million. The Group considers that tax losses are not expected to be used in the near future and therefore no deferred tax asset has been recognized for these losses.

### Profit and loss for the quarter after tax

Loss for the quarter after tax amounted to SEK -24.5 (-15.0) million.



## Cash flow

During the quarter, the Group generated cash flow from operating activities of SEK 3.0 (-15.8) million. Cash flow from investment activities amounted to SEK -11.7 (-9.8) million. Cash flow from financing activities amounted to SEK 80.8 (-3.6) million. Total cash flow during the quarter amounted to SEK 72.1 (-29.2) million.

## Financial position

The equity ratio at the end of the period was 25.5% (32.7%). The Group had a total of SEK 124.2 (36.3) million in cash and cash equivalents as of 31 March 2024. Net debt at the end of the period amounted to SEK 272.6 (284.9) million.

## Segment

ZetaDisplay reports in segments. The segments consist of Nordics (including Sweden, Norway, Finland and Denmark) and Europe (including the Netherlands, Germany

and Austria) and the Group-wide segment. For financial information per segment for the period see Note 3.

## Parent company

The operations of the Parent Company ZetaDisplay AB are reported in the Nordic segment. The Company also provides a number of group-wide support functions for other segments including software development, coordination of sales, purchasing, delivery, service and support, as well as finance and other back-office functions.

The Parent Company's net sales amounted to SEK 28.8 (35.7) million, for the first quarter.

Operating loss was SEK -18.0 (-15.5) million and loss after tax was SEK -30.1 (-22.7) million.

Cash and cash equivalents on 31 March 2024 totalled SEK 112.2 (13.5) million.



## Other information

### NUMBER OF EMPLOYEES

The average number of full-time employees was 208 in the last 3-month period, compared to 206 in the corresponding period last year.

### TRANSACTIONS WITH RELATED PARTIES

During the quarter, the Group incurred transactions with entities affiliated with Hanover Investors Management LLP (together "Hanover"). Hanover Investors Management LLP is the advisor to the investment manager of the funds which ultimately own the share capital of ZetaDisplay AB.

Transactions with Hanover during the quarter were SEK 6.2 (4.2) million and SEK 9.9 (nil) million was outstanding at the period end. Since the bond refinancing in February 2023, Hanover costs are borne by the Hanover Active Equity Fund II ("the Fund") (the ultimate beneficial owner) and the Fund has advanced SEK 91.9 million in the quarter ended 31 March 2024.

Services provided were in respect of:

- Provision of strategic advice;
- Director services;
- Upgrading support functions including finance, tax, HR and legal; and
- Implementing best practice in sales and procurement.

There were no other significant transactions with related parties.

### THE STOCK AND SHAREHOLDERS

Following the compulsory redemption of shares, Hanover Active Equity Fund II S.C.A

SICAV – RAIF is the sole shareholder of the ordinary shares in ZetaDisplay.

### SIGNIFICANT RISKS AND UNCERTAINTIES

Through its operations, the Group is exposed to various financial risks such as market risk (consisting of currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management means striving for minimal adverse effects on results and position. The Group's business risks and risk management as well as financial risks are described in detail in the annual report for 2023, pages 37-39.

A key risk to the Group's future cash flows is the impact of an increase in interest rates on the listed bond due to the loan's value and future term. The bond has a variable interest rate based on 3 months STIBOR and the market rate may be subject to significant fluctuations. To mitigate this risk, the Group has an interest rate swap in place to hedge 50% of the risk of interest rate fluctuation on the listed bond.

The change in sales composition to a greater proportion of recurring revenue will provide some protection against economic weakness in the markets the Group operates within.

### FINANCIAL OBJECTIVES

The most important lever in our business model is the share of SaaS revenue from total sales and our ability to increase revenue over the lifetime of a project with a customer. The Group's success is based on an efficient and scalable delivery and service platform.



Malmö, 30 May 2024

**Anders Olin**

President and CEO

This report has not been reviewed by the Company's auditor.

**FOR FURTHER INFORMATION PLEASE CONTACT**

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# About ZetaDisplay

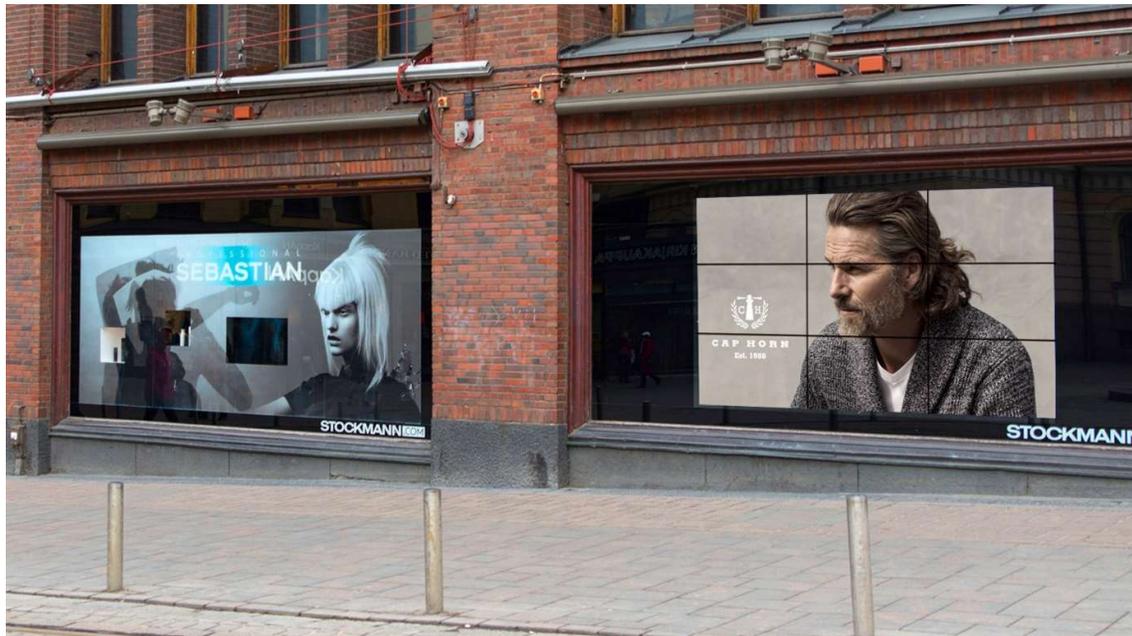
## 20 YEARS OF LEADERSHIP AND INNOVATION IN DIGITAL SIGNAGE

ZetaDisplay was founded 2003 in Sweden as one of the early pioneers of digital signage. We are one of the leading European SaaS groups in the digital signage market and a leading force in the European digital signage industry. Our proprietary software platform and digital signage solutions inspire, influence and guide millions of people every day in all types of spaces indoor and outdoor. ZetaDisplay is one of the largest European digital signage groups with direct operations in eight European countries and the US with more than 120,000 active installations in over 50 countries, across all major continents, as the business partner of

choice for respected blue-chip brands. We are a global leader that actively influences the development of the international Digital Signage market organically, through innovation and through acquisitions.

ZetaDisplay is based in Malmö-Sweden, has a turnover of SEK ≈550 million and employs approx. 240 co-workers. ZetaDisplay is owned by the investment company Hanover Investors.

More information at [www.ir.zetadisplay.com](http://www.ir.zetadisplay.com) and [www.hanoverinvestors.com](http://www.hanoverinvestors.com)





# Financial reports

## INCOME STATEMENT - GROUP

(TSEK)	3 MONTHS JAN-MAR 2024	3 MONTHS JAN-MAR 2023	12 MONTHS JAN-DEC 2023
Net sales	127,218	119,596	521,271
Capitalized work on own account	4,706	4,010	22,335
Other revenue	1,606	1,336	7,567
<b>Total revenue</b>	<b>133,530</b>	<b>124,942</b>	<b>551,173</b>
<i>Operating expenses</i>			
Goods for resale	(51,030)	(47,740)	(218,851)
Other external expenses	(24,991)	(25,840)	(120,306)
Personnel expenses	(52,155)	(47,587)	(192,274)
Depreciations and write-downs	(14,421)	(10,308)	(118,366)
<b>Operating profit/loss before restructuring costs</b>	<b>(9,067)</b>	<b>(6,533)</b>	<b>(98,624)</b>
Restructuring costs	(3,244)	-	(7,809)
<b>Operating profit/loss after restructuring costs</b>	<b>(12,311)</b>	<b>(6,533)</b>	<b>(106,433)</b>
Financial income	1,445	765	4,442
Financial expenses	(14,745)	(8,991)	(51,034)
<b>Profit/loss after financial items</b>	<b>(25,611)</b>	<b>(14,759)</b>	<b>(153,025)</b>
Tax	1,161	(284)	(179)
<b>Profit/loss for the period</b>	<b>(24,450)</b>	<b>(15,043)</b>	<b>(153,204)</b>

## STATEMENT OF COMPREHENSIVE INCOME

(TSEK)	3 MONTHS JAN-MAR 2024	3 MONTHS JAN-MAR 2023	12 MONTHS JAN-DEC 2023
<b>Profit/loss for the period</b>	<b>(24,450)</b>	<b>(15,043)</b>	<b>(153,204)</b>
<i>Items that may later be transferred to profit/loss for the period:</i>			
Translation differences	11,484	(5,295)	(14,216)
<b>Comprehensive income/loss for the period</b>	<b>(12,966)</b>	<b>(20,338)</b>	<b>(167,420)</b>
Attributable to shareholders in the Parent Company	(12,966)	(20,338)	(167,420)



## BALANCE SHEET - GROUP

(TSEK) ASSETS	2024-03-31	2023-03-31	2023-12-31
<b>Non-current assets</b>			
<i>Intangible assets</i>			
Goodwill	387,399	434,061	377,447
Customer relations	80,488	63,167	81,351
Trademarks	5,892	2,476	6,103
Capitalized development cost	62,945	51,923	62,243
Other intangible assets	14,004	8,043	14,507
<i>Tangible assets</i>			
Right of use assets	54,077	18,561	22,358
Equipment	7,803	5,836	7,282
Leasehold improvements	8,441	8,306	8,334
Deferred tax assets	1,015	1,059	872
Non-current receivables	130	130	130
<b>Total non-current assets</b>	<b>622,194</b>	<b>593,562</b>	<b>580,627</b>
<b>Current assets</b>			
<i>Inventories</i>			
Finished goods	10,865	19,949	12,223
<b>Total inventories</b>	<b>10,865</b>	<b>19,949</b>	<b>12,223</b>
<i>Current receivables</i>			
Trade accounts receivable	74,180	67,490	97,873
Tax assets	47	140	185
Other receivables	4,636	-	4,810
Prepaid expenses and accrued income	20,352	46,102	19,786
<b>Total current receivables</b>	<b>99,215</b>	<b>113,732</b>	<b>122,654</b>
Cash and cash equivalents	124,205	36,278	51,230
<b>Total current assets</b>	<b>234,285</b>	<b>169,959</b>	<b>186,107</b>
<b>TOTAL ASSETS</b>	<b>856,479</b>	<b>763,521</b>	<b>766,734</b>



## BALANCE SHEET – GROUP

(TSEK) EQUITY AND LIABILITIES	2024-03-31	2023-03-31	2023-12-31
<b>Equity</b>			
Share capital	27,862	27,862	27,862
Other contributed capital	405,849	277,600	313,917
Translation reserve	36,347	33,437	24,863
Profit/loss brought forward	(251,796)	(89,185)	(227,346)
<b>Total equity attributable to Parent Company shareholders</b>	<b>218,262</b>	<b>249,714</b>	<b>139,296</b>
<b>Non-current liabilities</b>			
<i>Interest-bearing liabilities</i>			
Liabilities to credit institutions	2,497	-	2,589
Debenture loan	287,480	300,000	285,847
Leasing liabilities	37,132	8,833	12,471
<i>Non-interest-bearing liabilities</i>			
Derivatives	1,401	-	2,634
Deferred tax liability	20,969	16,707	21,126
<b>Total non-current liabilities</b>	<b>349,479</b>	<b>325,540</b>	<b>324,667</b>
<b>Current liabilities</b>			
<i>Interest-bearing liabilities</i>			
Liabilities to credit institutions	54,518	3,476	62,729
Leasing liabilities	15,196	8,900	8,622
<i>Non-interest-bearing liabilities</i>			
Trade accounts payable	56,784	27,623	53,085
Additional consideration	29,590	29,485	34,615
Tax payable	1,969	3,983	5,707
Other liabilities	31,928	12,035	33,478
Accrued expenses and prepaid income	98,753	102,765	104,535
<b>Total current liabilities</b>	<b>288,738</b>	<b>188,267</b>	<b>302,771</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>856,479</b>	<b>763,521</b>	<b>766,734</b>



## STATEMENT OF CHANGES IN EQUITY – GROUP

(TSEK)	SHARE CAPITAL	ADDITIONAL PAID-IN CAPITAL	TRANSLATION RESERVES	ACCUMULATED RESULTS	TOTAL EQUITY
Attributable to shareholders in the parent company					
<b>Opening balance 2023-01-01</b>	<b>27,862</b>	<b>277,600</b>	<b>39,079</b>	<b>(74,142)</b>	<b>270,399</b>
<b>Changes in equity 2023-01-01 - 2023-12-31</b>					
Loss for the period				(153,204)	(153,204)
Transactions with shareholders		36,317			36,317
Comprehensive income/loss for the period			(14,216)		(14,216)
<b>Closing balance 2023-12-31</b>	<b>27,862</b>	<b>313,917</b>	<b>24,863</b>	<b>(227,346)</b>	<b>139,296</b>
<b>Changes in equity 2024-01-01 - 2024-03-31</b>					
Loss for the period				(24,450)	(24,450)
Transactions with shareholders		91,932			91,932
Comprehensive income/loss for the period			11,484		11,484
<b>Closing balance 2024-03-31</b>	<b>27,862</b>	<b>405,849</b>	<b>36,347</b>	<b>(251,796)</b>	<b>218,262</b>



## CASH FLOW STATEMENT - GROUP

(TSEK)	3 MONTHS JAN-MAR 2024	3 MONTHS JAN-MAR 2023	12 MONTHS JAN-DEC 2023
<b>Operating activities</b>			
Operating profit/loss	(12,311)	(6,533)	(106,433)
Adjustments for depreciation and amortisation	14,421	10,308	118,366
Interest received	201	885	4,325
Interest paid	(12,347)	(5,128)	(40,124)
Other non-cash items	(4,343)	(694)	(2,658)
Income tax paid	(3,638)	1,475	149
<b>Cash flow from operating activities before changes in working capital</b>	<b>(18,017)</b>	<b>313</b>	<b>(26,375)</b>
<b>Change in working capital</b>			
Change in inventories	1,358	(12,100)	(4,537)
Change in trade accounts receivable	23,693	52,866	22,483
Change in other operating receivables	(392)	(16,714)	6,848
Change in accounts payable and other liabilities	(3,633)	(40,130)	16,992
<b>Total change in working capital</b>	<b>21,026</b>	<b>(16,078)</b>	<b>41,786</b>
<b>Cash flow from operating activities</b>	<b>3,009</b>	<b>(15,765)</b>	<b>15,411</b>
<b>Investment activities</b>			
Acquisition of subsidiaries	(5,457)	-	(50,839)
Acquisition of intangible assets	(5,647)	(7,859)	(36,689)
Acquisition of tangible assets	(569)	(1,942)	(2,780)
<b>Cash flow from investment activities</b>	<b>(11,673)</b>	<b>(9,801)</b>	<b>(90,308)</b>
<b>Financing activities</b>			
Other contributed equity	91,932	-	36,317
Borrowings raised	50,000	300,000	338,436
Repayment of loans	(50,000)	(300,000)	(300,000)
Amortisation of lease debt	(2,946)	(3,194)	(15,148)
Change in factoring debt	(8,184)	(442)	9,367
<b>Cash flow from financing activities</b>	<b>80,802</b>	<b>(3,636)</b>	<b>68,972</b>
<b>Cash flow for the period</b>	<b>72,138</b>	<b>(29,202)</b>	<b>(5,925)</b>
Cash and cash equivalents at start of period	51,230	59,225	59,225
Exchange rate difference	837	6,255	(2,070)
<b>Cash and cash equivalents at end of period</b>	<b>124,205</b>	<b>36,278</b>	<b>51,230</b>



## INCOME STATEMENT – PARENT COMPANY

(TSEK)	3 MONTHS JAN-MAR 2024	3 MONTHS JAN-MAR 2023	12 MONTHS JAN-DEC 2023
Net sales	28,780	35,745	178,744
Capitalized work on own account	2,189	2,207	15,944
Other income	1,347	713	3,672
<b>Total revenue</b>	<b>32,316</b>	<b>38,665</b>	<b>198,360</b>
<i>Operating expenses</i>			
Goods for resale	(14,918)	(12,707)	(62,056)
Other external expenses	(16,291)	(27,173)	(119,763)
Personnel expenses	(14,514)	(12,203)	(49,303)
Depreciation and amortisation	(4,610)	(2,094)	(11,849)
<b>Operating profit/loss</b>	<b>(18,017)</b>	<b>(15,512)</b>	<b>(44,611)</b>
Results from participations in group companies*	-	-	(37,298)
Financial income	1,871	1,464	7,608
Financial expenses	(13,911)	(8,654)	(50,175)
<b>Profit/loss after financial items</b>	<b>(30,057)</b>	<b>(22,702)</b>	<b>(124,476)</b>
Tax	-	-	58
<b>Profit/loss for the period</b>	<b>(30,057)</b>	<b>(22,702)</b>	<b>(124,418)</b>

\* Reduction in carrying value of shares in subsidiaries



## BALANCE SHEET – PARENT COMPANY

(TSEK) ASSETS	2024-03-31	2023-03-31	2023-12-31
<b><i>Non-current assets</i></b>			
<i>Intangible assets</i>			
Capitalized development cost	39,797	28,582	39,750
Other intangible assets	10,486	8,043	11,251
<i>Tangible assets</i>			
Equipment	345	677	535
Leasehold improvements	-	427	335
<i>Financial Assets</i>			
Participation in group companies	458,283	437,100	458,283
Deferred tax assets	58	-	58
Non-current receivables	130	130	130
<b>Total non-current assets</b>	<b>509,099</b>	<b>474,959</b>	<b>510,342</b>
<b><i>Current assets</i></b>			
<i>Inventories</i>			
Finished goods	858	3,914	1,041
<b>Total inventories</b>	<b>858</b>	<b>3,914</b>	<b>1,041</b>
<i>Current receivables</i>			
Trade accounts receivable	32,734	49,885	41,575
Tax assets	20	-	159
Receivables from group companies	17,378	38,606	44,208
Other receivables	414	727	564
Prepaid expenses and accrued income	81,595	71,574	79,626
<b>Total current receivables</b>	<b>132,141</b>	<b>160,792</b>	<b>166,132</b>
Cash and cash equivalents	112,248	13,543	12,286
<b>Total current assets</b>	<b>245,247</b>	<b>178,249</b>	<b>179,459</b>
<b>TOTAL ASSETS</b>	<b>754,346</b>	<b>653,208</b>	<b>689,801</b>



## BALANCE SHEET - PARENT COMPANY

(TSEK) EQUITY AND LIABILITIES	2024-03-31	2023-03-31	2023-12-31
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital	27,862	27,862	27,862
Other contributed capital	128,249	-	36,317
Statutory reserve	15,678	15,678	15,678
Development fund	39,797	28,582	39,750
<i>Unrestricted equity</i>			
Premium fund	187,850	187,850	187,850
Loss brought forward	(178,924)	(43,292)	(54,460)
Loss for the period	(30,057)	(22,702)	(124,418)
<b>Total equity</b>	<b>190,455</b>	<b>193,978</b>	<b>128,579</b>
<b>Non-current liabilities</b>			
<i>Interest-bearing liabilities</i>			
Debenture loan	300,000	300,000	300,000
<i>Non-interest-bearing liabilities</i>			
Derivatives	1,401	-	2,634
<b>Total non-current liabilities</b>	<b>301,401</b>	<b>300,000</b>	<b>302,634</b>
<b>Current liabilities</b>			
<i>Interest-bearing liabilities</i>			
Liabilities to credit institutions	50,000	-	50,000
<i>Non-interest-bearing liabilities</i>			
Trade accounts payables	61,352	16,184	54,266
Additional consideration	29,590	29,485	34,615
Liabilities to subsidiaries	68,004	36,517	52,987
Other liabilities	5,032	1,740	6,567
Accrued expenses and prepaid income	48,512	75,304	60,153
<b>Total current liabilities</b>	<b>262,490</b>	<b>159,230</b>	<b>258,588</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>754,346</b>	<b>653,208</b>	<b>689,801</b>



# Notes

## NOTE 1 ZETADISPLAY GROUP

ZetaDisplay AB (publ), 556603-4434, is a Swedish public limited liability company registered in Malmö municipality, Skåne County. The company's head office is located in Malmö, at this address: Höjdrodergatan 21, 212 39 Malmö.

COMPANY	REG. NUMBER	SEAT	SHARES %
ZetaDisplay AB	556603-4434	Malmö	
ZetaDisplay Sverige AB	556642-5871	Malmö	100
ZetaDisplay Finland OY	1914200-9	Vantaa	100
ZetaDisplay Danmark A/S	29226342	Köpenhamn	100
ZetaDisplay Baltics OU	12435080	Tallinn	100
ZetaDisplay BV	27285283	Rosmalen	100
Gaуди Inc	D18921700	Baltimore	100
ZetaDisplay Norway AS	981106431	Oslo	100
LiveQube AS	995543478	Oslo	100
ZetaDisplay Germany GmbH	HRB 9974 HL	Ahrensburg	100
PeakMedia Digital Signage GmbH	FN 567262i	Ebbs	100

On 9 April 2024, ZetaDisplay AB acquired 100% of the shares in Beyond Digital Solutions Ltd, a UK company.

## NOTE 2 ACCOUNTING PRINCIPLES

The consolidated financial statements of ZetaDisplay AB (publ.) have been drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, the Swedish Annual Accounts Act and the Swedish Financial Reporting Council RFR 1 "Supplementary Accounting Rules for Groups". The Parent Company's financial reports have been drawn up in accordance with the Swedish Annual Accounts Act and RFR 2, "Accounting for legal entities".

The Group applies the same accounting principles and calculation methods as in the most recent annual report.

New standards and interpretations that are effective from 1 January 2024 have not had any effect on the Group's or the Parent Company's financial statements for the interim period.

The interim report is prepared in accordance with IAS 34 "Interim Reporting". Details required under IAS 34 p. 16A are provided both in notes and elsewhere in the interim report.

The ESMA's guidelines on Alternative Performance Measures have been applied, which means that the report covers disclosure requirements for financial measures which are not defined under IFRS. For definitions see pages 19-21.



### NOTE 3 SEGMENT REPORTING

(TSEK)	NORDICS		EUROPE	
JAN-MAR	2024	2023	2024	2023
Total revenue	47,738	73,988	61,379	56,349
Reported EBITDA	5,453	17,469	9,134	10,101

(TSEK)	GROUP-WIDE		GROUP ELIMINATIONS		TOTAL FOR THE GROUP	
JAN-MAR	2024	2023	2024	2023	2024	2023
Total revenue	26,488	9,611	(2,075)	(15,006)	133,530	124,942
Reported EBITDA	(12,477)	(23,795)	-	-	2,110	3,775

### NOTE 4 FINANCIAL ASSETS AND LIABILITIES

(TSEK)	2024-03-31	2023-03-31	2023-12-31
<b>Financial assets measured at amortised cost</b>			
Trade accounts receivable	74,180	67,490	97,873
Contract assets	14,684	23,402	13,788
Other financial receivables	130	130	130
Cash and cash equivalents	124,205	36,278	51,230
<b>Financial assets</b>	<b>213,199</b>	<b>127,300</b>	<b>163,021</b>
<b>Financial liabilities</b>			
<i>Other financial liabilities valued at amortised cost</i>			
Liabilities to credit institutions	57,015	3,476	65,318
Debenture loan	287,480	300,000	285,847
Derivatives	1,401	-	2,634
Leasing liability	52,328	17,733	21,093
Liabilities related to acquisitions	3,555	20,357	9,549
Trade accounts payable	56,784	27,623	53,085
<i>Financial liabilities measured at fair value</i>			
Contingent considerations relating to acquisitions	26,035	9,128	25,066
<b>Financial liabilities</b>	<b>484,598</b>	<b>378,317</b>	<b>462,592</b>

#### Contingent considerations relating to acquisitions

Contingent consideration is in respect of earn-outs associated with acquisitions.

Fair Value measurement is carried out according to level 3, which means that fair value is determined on the basis of valuation

models where material inputs are based on unobservable data. The liabilities are measured at fair value and are based on certain performance thresholds related to EBITDA.



# Alternative performance measurements

ZetaDisplay presents some financial measures in the financial statements which are not defined under IFRS. The Group considers that these measures provide valuable additional information to investors, as they allow the Group's performance to be assessed. As not all businesses

calculate financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should therefore not be seen as a substitute for measures defined in accordance with IFRS.

NON-IFRS MEASURES	DEFINITION	REASON
<b>SaaS-revenue (recurring)</b>	Income of a recurring nature such as licenses, support and other agreed income	This measure shows how much of the revenue is of a recurring nature and how it nominally changes between quarters and over time
<b>NRR (non-recurring revenue)</b>	Income of a non-recurring nature such as hardware, installation, project management and other non-software related services	This measure is useful in showing how much of the revenue is of a non-recurring nature. This revenue is less predictable and subject to fluctuation as it is dependent upon customer budgets and the economies of the markets the Group operates within
<b>Proforma net sales</b>	Net sales of all group entities irrespective of date of acquisition	To demonstrate what the net sales of the full group would have been if newly acquired entities had been held for the entire period
<b>Gross margin</b>	Net sales minus cost of goods for resale in relation to net sales	Measure to show the margin before the effect of costs such as other external expenses, staff costs and depreciation
<b>Reported EBITDA</b>	Operating profit excl. depreciation and amortization of tangible and intangible non-current assets and including IFRS16	EBITDA facilitates comparability across companies and industries, offering insights into operational performance
<b>Reported EBITDA before restructuring costs</b>	Operating profit excl. depreciation and amortization of tangible and intangible non-current assets and including IFRS16 stated before restructuring costs	The removal of one-off restructuring costs demonstrates the underlying EBITDA performance
<b>Adjusted EBITDA</b>	Reported EBITDA stated before Hanover costs and exceptional costs	Represents underlying EBITDA performance
<b>Proforma Adjusted EBITDA</b>	Adjusted EBITDA for all group entities irrespective of date of acquisition	Represents underlying EBITDA performance for all group entities irrespective of date of acquisition
<b>EBITDA margin</b>	EBITDA in relation to net sales	EBITDA margin facilitates comparability across companies and industries, offering insights into operational performance
<b>Operating profit</b>	Profit/ loss for the period before financial items and tax	Operating profit is a useful indicator of income from operating activities
<b>Operating margin</b>	Operating profit in relation to net sales	The operating margin is a useful indicator to compare the change in operating profit between two periods
<b>Other non-recurring items</b>	Costs/ income of a one-off nature that are not expected to recur, excluding restructuring costs	Performance measures are adjusted for non-recurring items to demonstrate underlying performance
<b>Restructuring costs</b>	One-off costs incurred in respect of reorganizing business operations to improve the Group's efficiency and long-term profitability	Separate presentation of costs in the income statement. Performance measures are adjusted for restructuring costs to demonstrate underlying performance
<b>Net debt</b>	Interest-bearing liabilities decreased by interest-bearing assets and cash and cash equivalents	Measures to show the Company's indebtedness
<b>Equity ratio</b>	Equity in relation to total assets	This ratio is useful for assessing the possibility of making dividend payments and strategic investments and to judge the Group's ability to meet its financial commitments



<b>SAAS REVENUE (RECURRING) (TSEK)</b>	<b>JAN-MAR 2024</b>	<b>JAN-MAR 2023</b>	<b>JAN-DEC 2023</b>
License income	45,968	37,969	172,336
Support and other contractual services	14,896	12,028	46,703
<b>Total SaaS-revenue</b>	<b>60,864</b>	<b>49,997</b>	<b>219,039</b>

<b>GROSS MARGIN (TSEK)</b>	<b>JAN-MAR 2024</b>	<b>JAN-MAR 2023</b>	<b>JAN-DEC 2023</b>
<b>Net sales</b>	<b>127,218</b>	<b>119,596</b>	<b>521,271</b>
<i>Operating expenses</i>			
Goods for resale	(51,030)	(47,740)	(218,851)
<b>Gross profit</b>	<b>76,188</b>	<b>71,856</b>	<b>302,420</b>
<b>Gross margin (%)</b>	<b>59.9</b>	<b>60.1</b>	<b>58.0</b>

<b>REPORTED EBITDA BEFORE RESTRUCTURING COSTS (TSEK)</b>	<b>JAN-MAR 2024</b>	<b>JAN-MAR 2023</b>	<b>JAN-DEC 2023</b>
Operating profit/loss before restructuring costs	(9,067)	(6,533)	(98,624)
Depreciation and amortisation	14,421	10,308	118,366
<b>Reported EBITDA before restructuring costs</b>	<b>5,354</b>	<b>3,775</b>	<b>19,742</b>
<b>EBITDA margin (%)</b>	<b>4.2</b>	<b>3.2</b>	<b>3.8</b>

<b>REPORTED EBITDA (TSEK)</b>	<b>JAN-MAR 2024</b>	<b>JAN-MAR 2023</b>	<b>JAN-DEC 2023</b>
Operating profit/loss	(12,311)	(6,533)	(106,433)
Depreciation and amortisation	14,421	10,308	118,366
<b>Reported EBITDA</b>	<b>2,110</b>	<b>3,775</b>	<b>11,933</b>
<b>EBITDA margin (%)</b>	<b>1.7</b>	<b>3.2</b>	<b>2.3</b>

<b>OPERATING MARGIN (TSEK)</b>	<b>JAN-MAR 2024</b>	<b>JAN-MAR 2023</b>	<b>JAN-DEC 2023</b>
Net sales	127,218	119,596	521,271
Operating profit/loss	(12,311)	(6,533)	(106,433)
<b>Operating margin (%)</b>	<b>(9.7)</b>	<b>(5.5)</b>	<b>(20.4)</b>



<b>NET DEBT/ADJUSTED EBITDA RATIO (TSEK)</b>	<b>31 MAR 2024</b>	<b>31 MAR 2023</b>	<b>31 DEC 2023</b>
Net debt	272,618	284,931	321,028
Adjusted EBITDA (LTM*)	77,307	55,818	74,585
<b>Net debt/adjusted EBITDA ratio</b>	<b>3.5</b>	<b>5.1</b>	<b>4.3</b>

\* LTM = last twelve months

<b>NET DEBT/PROFORMA ADJUSTED EBITDA RATIO (TSEK)</b>	<b>31 MAR 2024</b>	<b>31 MAR 2023</b>	<b>31 DEC 2023</b>
Net debt*	329,520	284,931	321,028
Proforma adjusted EBITDA (LTM)	96,246	72,131	93,611
<b>Net debt/proforma adjusted EBITDA</b>	<b>3.4</b>	<b>4.0</b>	<b>3.4</b>

\* Adjusted with net impact from Beyond Acquisition

<b>NET DEBT (TSEK)</b>	<b>31 MAR 2024</b>	<b>31 MAR 2023</b>	<b>31 DEC 2023</b>
Interest-bearing liabilities	(396,823)	(321,209)	(372,258)
Interest-bearing assets and cash and cash equivalents	124,205	36,278	51,230
<b>Net debt</b>	<b>272,618</b>	<b>284,931</b>	<b>321,028</b>

<b>EQUITY RATIO (TSEK)</b>	<b>31 MAR 2024</b>	<b>31 MAR 2023</b>	<b>31 DEC 2023</b>
Equity	218,262	249,714	139,296
Total assets	856,479	763,521	766,734
<b>Equity ratio (%)</b>	<b>25.5</b>	<b>32.7</b>	<b>18.2</b>