



JLT Mobile Computers AB (publ)

Interim report January–March 2023

- Order intake MSEK 34.0 (39.8)
- Net sales MSEK 49.9 (47.0)
- Operating profit MSEK 2.6 (3.2)
- Profit after taxes MSEK 2.2 (2.5)

CEO comments

With a strong end to the previous year, we worked up a large order backlog and thereby created the conditions for good invoicing during the first quarter of this year. The invoicing amounted to MSEK 50, a new record quarter for JLT and an increase of 6% compared to the corresponding period last year. We are bringing an order backlog of MSEK 36 with us into the second quarter.

Order intake for the quarter amounted to MSEK 34, a decrease compared to the corresponding period last year when order intake was MSEK 40. Historically, the first quarter of the year is often somewhat weaker when the previous year ends strongly. We have also noted a slower rollout rate for some projects.

Last December, we launched the first commercial version of JLT Insights, a Business Intelligence (BI) solution to enable more efficient workflows and minimize downtime. The software is developed in the subsidiary JLT Software Solutions, whose software solutions will complement and increase the sales of the JLT6012 computers, and in the long run create additional recurring revenue sources. During the quarter, we showed JLT Insights to customers, including at two major logistics fairs: Promat in Chicago and SITL in Paris. The software is sold as a Software-as-a-Service (SaaS) solution and our focus now is to build a user base.

In January, we launched an upgrade to our latest computer model, the JLT6012, which expands its use cases. Originally developed for demanding warehouse and logistics applications, the computer has proven to be a reliable computing platform in these environments with customers around the world. The upgraded version comes with a very bright screen and better performance than the previous version. In addition, the JLT6012 computer is now equipped with WWAN/4G and prepared for 5G. With the new upgrades, the computer is now suitable for use in additional industries, such as container ports and outdoor logistics.

In February we booked our largest production order to date for our model JLT6012A which was launched 1.5 years ago. The JLT6012A model is an Android version of the JLT6012 computer. The order was taken from one of our repeat customers in the US and amounted to MSEK 5.8. The order is proof that we are providing a competitive product and that we have great trust with the customer. It is also an example of the normally long sales cycles for new products that are typical in our industry.

Overall, order intake was weaker in the first quarter than the previous year, but with good invoicing behind us and a stable order backlog, we are well equipped to face a possibly difficult business cycle with the clouds of worry that exist at the macro level.

Per Holmberg, CEO

The Group's net sales and result for the period January to March 2023

For the period, the Group reported net sales of MSEK 49.9 (47.0), an increase of 6 percent. The gross profit amounted to MSEK 19.8 (17.3) and the gross margin to 39.6 percent (36.8).

Operating expenses totaled MSEK 16.9 (13.7), of which other costs accounted for MSEK 6.9 (4.6). Personnel costs totaled MSEK 10.0 (9.1).

EBITDA for the period amounted to MSEK 3.4 (3.9).

Depreciation/amortization amounted to MSEK 0.8 (0.7) during the period, of which development expenditures were MSEK 0.6 (0.6), tangible fixed assets MSEK 0.1 (0.1) and goodwill MSEK 0.1 (0.1).

The Group's operating profit amounted to MSEK 2.6 (3.2).

The net financial result amounted to MSEK 0.1 (-0.2), leading to an MSEK 2.7 (3.0) profit before tax.

Fixed taxes for the Group totaling MSEK 0.5 (0.5), led to a profit after tax of MSEK 2.2 (2.5).

During the period, development costs totaling MSEK 1.3 (1.1) were capitalized, MSEK 0.2 (0.3) of which internally generated. The full capitalized amount of MSEK 1.3 during the period refers to JLT Software Solutions AB.

The development of complementary software solutions within the subsidiary JLT Software Solutions AB continues and affected the Group's operating profit during the period by MSEK -0.9 (-0.6), of which depreciation of development expenses MSEK 0.4 (0.0).

Order intake during the period amounted to MSEK 34.0 (39.8), and the order backlog at the end of the period amounted to MSEK 36.2 (46.7).

Prepaid service agreements recognized as liability totaled MSEK 26.3 (19.6).



Income statement, MSEK	2023 Q1	2022 Q1	2022 Year
Net revenues	49.9	47.0	167.2
Gross profit	19.8	17.3	66.6
Gross margin	39.6%	36.8%	39.9%
Other income	0.6	0.3	1.1
Of which:			
Other operating income	0.3	0.0	0.0
Capitalized work on own account	0.2	0.3	1.1
Sales & marketing costs	-7.7	-8.3	-31.0
Overhead and R&D costs	-9.2	-5.5	-27.5
EBITDA	3.4	3.9	9.2
EBITDA margin	6.7%	8.3%	5.5%
Depreciation	-0.8	-0.7	-2.9
Of which:			
Property, plants and equipment	-0.1	-0.1	-0.3
Intangible fixed assets	-0.6	-0.6	-2.1
Goodwill	-0.1	-0.1	-0.5
Operating profit/loss	2.6	3.2	6.3
Operating margin	5.1%	6.7%	3.7%

Comments on the result for the first quarter

The net sales increased by 6 percent during the first quarter compared to the corresponding period the previous year. Gross margin for the quarter ended at 39.6 percent (36.8), which is on par with the full year 2022.

Operating expenses are on par with Q4, 2022. The activity level remains high. Relative to the first quarter of 2022, the weak Swedish krona exchange rate has a significant impact.

The inventory has increased to MSEK 42.4 (29.9), of which MSEK 5.2 refers to units that are not deducted from profit but invoiced in advance and are kept in stock on behalf of the customer. The remaining increase relates to safety stock, which will gradually decrease as the component situation returns to a normal state.

Financial position and cash flow

Cash flow amounted to MSEK 1.4 (-3.2). The Group's cash and cash equivalents amounted to MSEK 29.4 (36.9) on the balance sheet date.

The solidity was 51 percent (60), and the equity amounted to MSEK 62.0 (63.7).

Parts of the cash and cash equivalents are under discretionary management according to a stated investment policy with a maximum of 20 percent in shares or share-based investments. The amount held is determined by the current cash requirement.

There are no interest-bearing liabilities.

Parent Company

The parent company performs services for the subsidiary, and pass on the expenses. The operating result amounted to MSEK -1.9 (-1.3).

Accounting principles

The interim financial report is prepared in accordance with the Swedish Accounting Standards Board's general recommendations for voluntary interim reporting (BFNAR 2007:1). As of 2014, JLT is applying the Swedish Annual Accounts Act as well as the Swedish Accounting Standards Board BFNAR 2012:1 annual report and consolidated (K3).

This report has not been reviewed by the company's auditors.

Dividend

The Board of Directors has proposed to the Annual General Meeting that a dividend of SEK 0.20 per share be paid for the fiscal year 2022, with proposed record date May 8, 2023.

The share

In total, 0.3 million shares (2.5) have been traded during the period, corresponding to 1 percent of the total number of shares outstanding.

The share price was SEK 5.10 at the beginning of the period and SEK 5.32 at the end of the period.

The JLT share is listed on Nasdaq First North Growth Market, with Eminova Fondkommission AB as the company's Certified Adviser.



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Report dates 2023

Interim Report January-June 2023	August 10, 2023
Interim Report January-September 2023	October 27, 2023
Year-end Report 2023	February 9, 2024

Växjö, May 4, 2023

On behalf of the Board of directors:

Per Holmberg, CEO

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Previous reports can be found at jltmobile.com/investor-relations/reports-and-presentations/.

This information is information that JLT Mobile Computers AB (pub) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 1:00 pm CET on Thursday, May 4, 2023.

This report in English is a translation of the Swedish original and has not been separately audited, any information regarding auditing thus refers to the Swedish original.

The Group's accounts*

	2023 Q1	2022 Q1	2022 Year
Income statement, MSEK			
Net revenue	50.5	47.3	168.3
Operating expenses			
Materials and supplies	-30.2	-29.7	-100.5
Other external costs	-6.9	-4.6	-20.4
Personnel costs	-10.0	-9.1	-38.1
Depreciation	-0.8	-0.7	-2.9
Operating profit/loss	2.6	3.2	6.3
Net financial items	0.1	-0.2	-0.3
Profit/Loss after financial items	2.7	3.0	6.0
Taxes	-0.5	-0.5	-0.7
Net profit/loss for the period	2.2	2.5	5.3
Earnings/loss per share (SEK)	0.08	0.09	0.18
Earnings/loss per share after dilution	0.07	0.08	0.18
Balance sheet, MSEK			
	2023 31 mar	2022 31 mar	2022 31 dec
Assets			
Intangible assets	12.2	9.6	11.6
Property, plant and equipment	1.1	1.2	1.2
Non-current financial assets	0.3	0.4	0.3
Total non-current assets	13.7	11.2	13.1
Inventories	42.4	29.9	46.3
Current receivables	35.2	28.8	37.1
Cash and cash equivalents	29.4	36.9	28.0
Total current assets	107.0	95.6	111.4
Total assets	120.7	106.9	124.5
Equity and liabilities			
Share capital	28.7		
Restricted equity	15.1	12.0	14.4
Retained earnings	18.2	23.1	16.9
Total equity	62.0	63.7	59.9
Provisions	1.7	1.6	1.7
Long-term liabilities	-	-	-
Current liabilities	57.0	41.5	62.9
Total equity and liabilities	120.7	106.9	124.5

* Mathematical rounding

Statement of cash flows, MSEK	2023 Q1	2022 Q1	2022 Year
Cash flow resulting from current operations before changes in working capital	1.8	3.9	10.3
Change in working capital	0.9	-4.8	-8.4
Operating activities	2.7	-0.9	1.9
Investing activities	-1.4	-3.6	-7.6
Financing activities	0.0	1.3	-6.4
Cash flow for the year excluding short-term investments	1.4	-3.2	-12.1
Cash flow for the year including short-term investments	1.4	-3.2	-12.1
Cash and cash equivalents	29.4	36.9	28.0
Net debt	-29.4	-36.9	-28.0

Statement of changes in equity, MSEK	2023 31 mar	2022 31 mar	2022 31 dec
Opening equity	59.9	60.0	60.0
Profit/loss for the period	2.2	2.5	5.3
Translation differences	-0.1	-0.1	1.0
New share issue	0.0	1.3	1.3
Dividend	0.0	1.3	-6.4
Closing equity	62.0	63.7	59.9

Key data		2023 Q1	2022 Q1	2022
EBITDA margin	%	6.7	8.3	5.5
Operating margin	%	5.1	6.7	3.7
Profit margin	%	5.3	6.3	3.6
Capital employed	MSEK	62.0	63.7	59.9
ROACE	%	17	19	10
Equity	MSEK	62.0	63.7	59.9
Return on equity	%	14	16	9
Net indebtedness includ. short-term deposits	MSEK	-29.4	-36.9	-28.0
Debt/equity ratio	times	0	0	0
Solidity	%	51	60	48
Earnings/loss per share	SEK	0.08	0.09	0.18
Equity per share	SEK	2.16	2.22	2.09
Net debt per share*	SEK	-1.02	-1.29	-0.98
Closing market price of share	SEK	5.20	8.08	5.20
No. of shares outstanding	x 1.000	28,712	28,712	28,712
Average number of shares outstanding	x 1.000	28,712	28,632	28,632
No. of shares outstanding after dilution	x 1.000	29,712	29,712	29,712

*Negative value = net cash