



JLT Mobile Computers AB (publ)

Year-end report 2022

- Order intake MSEK 165.7 (173.5)
- Net sales MSEK 167.2 (136.2)
- Operating profit MSEK 6.3 (9.5)
- Profit after taxes MSEK 5.3 (7.3)
- Dividend SEK 0.20 (0.27)

CEO comments

Another record year

I am proud of what we have accomplished in 2022, a record year despite the many challenges in our world. Thanks to our proactive and persistent work to ensure component supply during the global component shortage that marked 2022 and an admirable effort by every colleague at JLT, we set a new turnover record. Turnover for the last quarter ended at MSEK 41, compared with MSEK 37 in the corresponding period last year. Overall, for the full year 2022, we reach a turnover of MSEK 167, which is an increase of 23% from last year, which ended at MSEK 136.

Investments during the year

In January, we acquired our French sales partner and established the wholly owned subsidiary JLT France to get closer to our customers and expand our business in France. During the year, we recruited a senior sales manager and integrated the business into the JLT group. France continues to be one of our biggest markets in Europe and sales for the first year have exceeded my expectations.

With the establishment of JLT Software Solutions in 2021, we began to develop new software solutions to create unique customer values and competitive advantages with our core product, the rugged computer. Development has been intense during the year and in December we launched our first commercial product, JLT Insights™, a software that enables both the efficiency of the customer's operations and the use of JLT computers in warehouse operations. The focus now is to build an active user base of paying customers to gradually build up new revenue streams over the next few years.

Strong order backlog with us into the new year

In 2023, we will continue to build our sales channel to strengthen our presence in new and existing markets. We will further develop our core product and supplement with software solutions to drive growth. Like last year, we are taking a very strong order back into the new year. JLT is thus well positioned to handle the possibly difficult economic cycle that is coming and to manage the component shortage and associated price increases which are assumed to be a continuing challenge. Together with the staff, I look forward to the new year with confidence.

Per Holmberg, CEO

The Group's net sales and results for the full year 2022

For the full year 2022, the Group reported net sales of MSEK 167.2 (136.2). The gross profit amounted to MSEK 66.6 (57.4) and the gross margin to 39.9 percent (42.1).

Operating expenses totaled MSEK 58.5 (49.3), of which other costs accounted for MSEK 20.4 (16.0). Personnel costs totaled MSEK 38.1 (33.3).

EBITDA for the year amounted to MSEK 9.2 (10.4), the EBITDA result for last year included a MSEK 2.1 Corona related state subsidy in the US.

Depreciation/amortization amounted to MSEK 2.9 (0.9) during the period, of which development expenditures were MSEK 2.1 (0.7) and tangible fixed assets MSEK 0.3 (0.3) and goodwill 0.5 (0.0).

The Group's operating profit amounted to MSEK 6.3 (9.5).

The net financial result amounted to MSEK -0.3 (0.3), leading to MSEK 6.0 (9.8) profit before tax.

Taxes for the Group totaled MSEK 0.7 (2.4), resulting in after tax profit of MSEK 5.3 (7.3).

Order intake during the year amounted to MSEK 165.7 (173.5), and the order backlog at the end of the period amounted to MSEK 52.7 (54.2). The order backlog with delivery planned for the first quarter of 2023 amounted to MSEK 29.4 (31.5).

The recognized outgoing order backlog for 2022 includes orders with delivery planned within 12 months. Service contracts are not included in the order backlog.

Comments on the result for 2022

The Group's net revenue increased by 23 percent during 2022 compared to the previous year, and the gross margin ended up at about 2 percentage points lower than the previous year. Order intake decreased by 4 percent compared to the previous year.

The ongoing global component shortage has resulted in extra costs in component supply during the year, which has affected the gross margin. Sales and marketing costs have increased partly due to an increased level of sales in 2022 compared to 2021, partly due to the acquisition of our French sales partner. Organizational and R&D costs have increased as an effect of recruitments to the software team, which we did in the latter part of 2021 but which gives a greater effect in the full year of 2022.

As part of managing the global component shortage, we have invested in safety stocks of critical components to ensure delivery capacity. Overall, we have an inventory increase of MSEK 19.4 compared to 2021. Part of the stock refers to stock on behalf of a specific customer, for which MSEK 10.7 have been invoiced in advance. The units are kept in stock at the American subsidiary to minimize disruptions associated with a high installation rate. The remaining customer-owned stock is estimated to have been fully delivered during the first quarter of 2023. The rest of the inventory increase refers to safety stock, which will gradually decrease as the component situation returns to a more normal state.

Development costs, referring to new development, of MSEK 4.9 (4.0) have been capitalized during the period, of which MSEK 1.1 (0.2) were internally generated.

Provisions for variable pay during the year amounted to MSEK 0.7 (2.4).

Income Statement, MSEK	2022 Q4	2021 Q4	2022 Year	2021 Year
Net Revenues	41.1	37.2	167.2	99.0
Other operating income	0.0	0.0	0.0	2.1
Capitalized work on own account	0.3	0.1	1.1	0.1
Gross Profit	18.0	15.2	66.6	42.2
- <i>Gross margin</i>	43.8%	40.8%	39.9%	42.6%
Sales & marketing costs	-9.1	-6.8	-31.0	-15.5
Overhead and R&D costs	-7.4	-6.7	-27.5	-20.3
<i>Of which:</i>				
- <i>Restructuring costs</i>	0.0	0.0	0.0	0.0
EBITDA	1.9	1.8	9.2	8.6
Depreciation	-0.7	-0.3	-2.9	-0.7
<i>Of which:</i>				
- <i>Property, plants and equipment</i>	-0.1	-0.1	-0.3	-0.2
- <i>Intangible fixed assets</i>	-0.4	-0.2	-2.1	-0.5
- <i>Goodwill</i>	-0.2	0.0	-0.5	0.0
Operating Profit/Loss	1.2	1.5	6.3	7.9
- <i>Operating margin</i>	2.8%	4.1%	3.7%	7.8%

Prepaid service agreements recognized as liability for the year amounted to MSEK 24.8 (17.2). Service-related revenues, less contract revenues and direct charges, amounted to MSEK 15.1 (13.4).

Fourth quarter 2022

For the fourth quarter, net sales of MSEK 41.1 (37.2) were recognized at a gross margin of 43.8 percent (40.8), resulting in a gross profit of MSEK 18.0 (15.2).

The gross margin for the fourth quarter was positively affected by currency effects and by the product mix during the quarter, where the proportion of project deals with a low gross margin was lower compared to the previous quarters of the year.

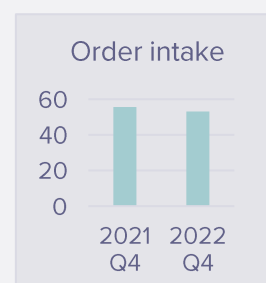
The Group's overhead costs amounted to MSEK 16.5 (13.5).

EBITDA amounted to MSEK 1.9 (1.8).

Depreciation/amortization amounted to MSEK 0.7 (0.3) and operating profit amounted to MSEK 1.2 (1.5).

The tax for the fourth quarter was positive and amounted to MSEK 0.2 (-0.6), affected by the Corona related state subsidy that we received in the US in 2021. The taxation regulations for the subsidy were changed in 2022 and it was stipulated that no profit tax would be paid on the subsidy, resulting in a positive tax effect for the quarter.

Order intake amounted to MSEK 53.2 (55.6).



Market development

JLT is primarily doing sales in three geographical regions: The Nordics, EMEA (Europe excluding Nordics, plus Middle East and Africa) and Americas (North America and South America).

Sales by geographical region (MSEK)

Nordics	26	(26)
EMEA	33	(26)
Americas	99	(81)
Other regions	9	(3)

Product development

In addition to continuous technical development of existing products, a majority of the product development for the year has been a larger development project for new software solutions (JLT Insights) that was launched in December 2022.

The development of JLT:s software offering was initiated in 2021 through the establishment of JLT Software Solutions AB. Capitalized development costs in JLT Software amount to MSEK 4.2 (0.8).

Project	Capitalized costs	Of which 2022	Residual value 2022	Status
JLT6012A, vehicle-mounted Android computer	4.9	0.0	3.4	Depreciation 5 years starting January 2022
Computer-based functions, software	1.2	0.7	1.2	Ongoing project. Depreciation starts 2023
JLT Insights	5.0	4.2	5.0	Ongoing project. Depreciation starts 2023
	11.1	4.9	9.6	

Press releases apart from financial reporting issued in 2022

11 January	JLT Mobile Computers completes acquisition of French sales partner ID Work that becomes JLT France
28 January	JLT Mobile Computers AB ger i enlighet med tidigare lämnad information ut aktier till säljaren av ID Work (Swedish only)
15 February	JLT Mobile Computers Selected by Leading European Sourcing and Services Company Solar
15 March	JLT Mobile Computers to showcase extensive lineup of rugged mobile IT solutions at MODEX 2022
22 March	JLT Mobile Computers debuts as JLT France at SITL 2022
21 April	JLT Mobile Computers strengthens brand presence at LogiMAT 2022 with showcase of ultra-reliable forklift computers for Windows and Android
1 September	JLT Mobile Computers gains industry recognition as 'Top Food Chain Technology' provider
11 October	JLT Mobile Computers Selected by Leading European Switchgear Company A/S Løgstrup-Steel



- 15 November JLT VERSO™ Series validated as Navis Ready for the latest version of the Navis N4 terminal operating system
- 6 December JLT Mobile Computers unlocks greater operational efficiencies for warehouse forklift fleets with innovative software dashboard

Financial position and cash flow

Cash flow amounted to MSEK -1.2 (-10.0), in addition to dividend payments of MSEK 7.8 (7.7) investments of MSEK 7.6 (4.3) impacted the cash flow. The Group's cash and cash equivalents amounted to MSEK 28.0 (40.1) on the balance-sheet date.

The solidity was 48 percent (59), and the equity amounted to MSEK 59.9 (60.0).

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 subsidiaries and pass on the expenses. The operating result amounted to MSEK -6.3 (-5.2).

The Group's tax position

Remaining tax loss carry forwards at the end of the period totaled MSEK 0.3 (2.5), of which MSEK 0.0 (2.2) were attributable to foreign subsidiaries. In 2022, the liquidation of JLT Mobile Computers Ltd was initiated. There has been no business in that company since 2021 and there was MSEK 2.2 in loss deductions when the liquidation began.

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 proposes to the Annual General Meeting that at dividend of SEK 0.20 per share be paid for the fiscal year 2022.

The company's dividend policy normally stipulates that the dividend should correspond to 50-70 percent of the profit for the year, for 2022 corresponding from SEK 0.09 to SEK 0.13.



Related party transactions

Since 2002, JLT is renting its headquarters premises in Växjö from a property company which is wholly owned by the Company's main owner, Jan Olofsson. The Board of Directors considers the agreement to be made under market conditions, and the premises are considered adapted to the current and estimated future needs of the Company.

The share

In total, 4.8 million shares (7.0) were traded during the year, corresponding to 17 percent of the total number of shares outstanding.

The share price was SEK 7.58 at the beginning of the period and SEK 5.20 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.

Eminova Fondkommission AB
+46 (0)8 – 684 211 00
info@eminova.se

Annual General Meeting

The Annual General Meeting will be held on Thursday, May 4, 2023, 4:00 pm at PM & Vänner in Växjö, Sweden.

Report dates 2023

Interim Report January-March 2023	May 4, 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, February 10, 2023

On behalf of the Board of Directors:

Per Holmberg, CEO

Contact details JLT Mobile Computers

For additional information, please contact:

Per Holmberg, CEO +4670 – 361 3934
George Oguz, CFO +4673 – 410 7971

Or visit the company's website, www.jltmobile.com.

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 08:00 am CET on February 10, 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.



Income statement, MSEK	2022 Q4	2021 Q4	2022 Year	2021 Year
Net revenue	41,4	37,3	168,3	138,5
Operating expenses				
Materials and supplies	-23,1	-22,0	-100,5	-78,8
Other external costs	-5,9	-4,2	-20,4	-16,0
Personnel costs	-10,5	-9,3	-38,1	-33,3
Depreciation	-0,7	-0,3	-2,9	-0,9
Operating profit/loss	1,2	1,5	6,3	9,5
Net financial items	0,1	-0,2	-0,3	0,3
Profit/loss after financial items	1,3	1,4	6,0	9,8
Taxes	0,2	-0,6	-0,7	-2,4
Net profit/loss for the period	1,5	0,8	5,3	7,3
Earnings/loss per share (SEK)	0,05	0,03	0,18	0,26

Balance sheet, MSEK	2022 31 dec	2021 31 dec
Assets		
Intangible assets	11,6	6,8
Property, plant and equipment	1,2	1,2
Non-current financial assets	0,3	0,3
Total non-current assets	13,1	8,3
Inventories	46,3	26,9
Current receivables	37,1	27,2
Cash and cash equivalents	28,0	40,1
Total current assets	111,4	94,3
Total assets	124,5	102,6
Equity and liabilities		
Share capital	28,7	28,6
Restricted equity	14,4	10,3
Retained earnings	16,9	21,2
Total equity	59,9	60,0
Provisions	1,7	1,6
Long term liabilities	-	-
Current liabilities	62,9	41,0
Total equity and liabilities	124,5	102,6

Statement of cash flows, MSEK	2022	2021
Cash flow resulting from current operations before changes in working capital	10,3	9,1
Change in working capital	-8,4	-7,2
Operating activities	1,9	2,0
Investing activities	-7,6	-4,3
Financing activities	-6,4	-7,7
Cash flow for the period	-12,1	-10,0
Cash and cash equivalents	28,0	40,1

Statement of changes in equity, MSEK	2022 31 dec	2021 31 dec
Opening equity	60,0	60,0
Profit/loss for the period	5,3	7,3
Translation differences	1,0	0,4
New share issue	1,3	0,0
Dividend	-6,4	-7,7
Closing equity	59,9	60,0

Key data		2022	2021
EBITDA margin	%	5,5	7,5
Operating margin	%	3,7	6,8
Profit margin	%	3,6	7,0
Capital employed	MSEK	59,9	60,0
ROACE	%	10	16
Equity	MSEK	59,9	60,0
Return on equity	%	9	12
Net indebtedness including short-term deposits	MSEK	-28,0	-40,1
Debt/equity ratio	%	48	59
Earnings/loss per share	SEK	0,18	0,26
Equity per share	SEK	2,09	2,10
Net debt per share	SEK	-0,98	-1,41
Closing market price of share	SEK	5,20	7,35
No. of shares outstanding	x 1.000	28 712	28 552