



Annual Report

JLT Mobile Computers AB (publ) 556239-4071

2019



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2019 in brief

JLT achieved an all-time high revenue of MSEK 142, up 10% from the previous year. Gross profit was MSEK 65: another all-time high. Although the total booking was down 8% from the previous year to MSEK 130, order intake from the underlying running business that comprises the core of JLT's operations, i.e., booking excluding large project deals, continued to grow for the seventh year in a row. We continue to focus on a growth strategy with three pillars: continuously strengthening the sales channel; developing our product portfolio; and complementing our offerings to provide comprehensive solutions to address customers' needs and challenges.

MSEK 130.3 (142.3) Order intake	MSEK 141.7 (129.4) Revenue	46.1 % (46.5) Gross margin
MSEK 13.6 (12.7) Operating profit	MSEK 10.9 (9.7) Profit after tax	0.00 SEK (0.22) Dividend per share

Sales channel

Our products are primarily sold through our Global Sales Partner Program, our network of authorized resellers and system integrators. We have continuously strengthened the sales channel over the past years, enabling us to expand our customer base and develop the underlying running business further.

NAVIS, a top software provider in the port business. This ensures that JLT computers and NAVIS software will always work flawlessly together, giving our port customers extra confidence that their needs will be met.

Sales of service agreements and other services continued to show a positive trend, up 21% from the previous year.

Product portfolio

In December, we launched the industry's fastest rugged vehicle-mounted computer series, consolidating our position as the performance leader on the market. The new computers support advanced applications for customers in mining, energy, and agriculture.

New brand profile

To accelerate the transformation and establish our new business model, we have completely remodeled our marketing practices in 2019. In January 2020, we presented a new brand identity and website to reflect our standing as a market leader.

Complementary offerings

By teaming up with leading companies in their fields, we ensure a complete rugged solution. In March, we launched a partnership with StayLinked to offer terminal emulation products that further increase customers' productivity. In the same month, we also entered into a subscription deal with

Dividend

JLT has year after year been able to show growing profits and a strong cash flow. At the end of 2019, cash assets amounted to MSEK 48. Given the great uncertainty surrounding the current situation, the Board of Directors nevertheless proposes that no dividend be paid.

JLT in 60 seconds

BUSINESS CONCEPT We empower customers' business by enabling hassle-free IT in challenging environments. Combining global resources with the agility of a small company, we go further than anyone to bring complete peace of mind for every customer when it comes to IT. We have our own engineering and manufacturing facilities in Sweden, which enables us to control every aspect of production with high precision.

VISION A world where every business can utilize the power of information technology without restrictions – anytime, anywhere.

Market

JLT serves industrial customers that need high IT performance in demanding conditions. Key fields include manufacturing, transportation, warehousing and distribution, ports and maritime operations, mining, agriculture, and forestry.

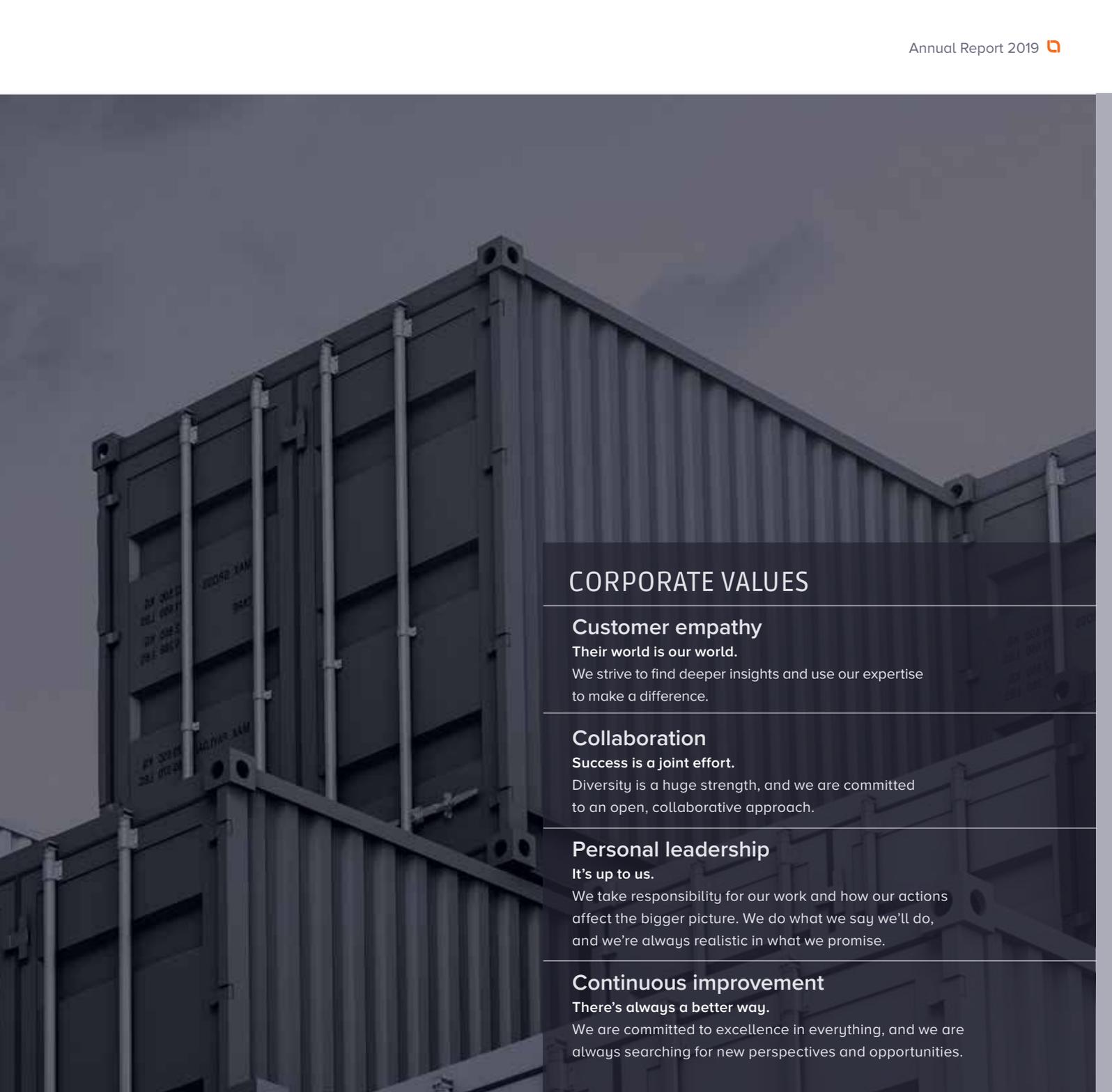
Organization

JLT's global organization comprises the parent company JLT Mobile Computers AB, headquartered in Växjö Sweden, and the wholly owned subsidiaries JLT Mobile Computers Sweden

AB, JLT Mobile Computers UK Ltd., and JLT Mobile Computers Inc. The European organization, with offices in Växjö, Stockholm and Brussels, comprises a team of 17 people working in development, marketing, sales, service, production, and corporate management. The US organization, headquartered in Chandler, Arizona, comprises 12 sales and support staff.

Growth objectives

We aim to outpace market growth and thus increase our market share in the premium rugged vehicle-mounted computer segment.



CORPORATE VALUES

Customer empathy

Their world is our world.

We strive to find deeper insights and use our expertise to make a difference.

Collaboration

Success is a joint effort.

Diversity is a huge strength, and we are committed to an open, collaborative approach.

Personal leadership

It's up to us.

We take responsibility for our work and how our actions affect the bigger picture. We do what we say we'll do, and we're always realistic in what we promise.

Continuous improvement

There's always a better way.

We are committed to excellence in everything, and we are always searching for new perspectives and opportunities.

Profitability targets

The Group aims to maintain an operating margin of more than 10% over a business cycle and to keep net debt below 50% of consolidated equity after deductions for intangible assets.

Dividend policy

Our dividend policy stipulates that the dividend shall correspond to 50-70% of profit after tax, provided that the Group's financial position and other circumstances warrant such a dividend.

The JLT share

JLT shares have been traded on Nasdaq OMX First North under the name JLT since 2006. At year-end 2019, there were 28,552,000 shares, each with a quotient value of SEK 1. JLT's market capitalization was at the same point in time MSEK 202.1, based on the closing price of the share.

Our history

2018

We reported a record year and broke numerous financial records. After several years of strong profitability, we had a robust cash balance which enabled us to intensify our acquisition strategy. With the launch of the JLT6012 computer, based on our new product platform, we laid the foundation for the future development of products and services.

2017

We delivered our 100,000th unit, with an exclusive 100,000-hour warranty, to Volvo Car Body Components. This year, we also initiated an ambitious marketing strategy and attended several major international trade shows.

2016

We launched the JLT Global Sales Partner Program to accelerate worldwide expansion. The program unifies our global network of resellers and solution providers, giving partners the tools and support they need to succeed in the competitive rugged computer market. We also had great success in the port segment, signing several new customers.

2015

We launched the JLT1214P forklift computer, featuring a virtually unbreakable touchscreen based on the revolutionary JLT PowerTouch™ technology. We also introduced a new version of the VERSO+ 10 computer for the logistics industry. The VERSO Series of computers was validated as “Navis Ready” by Navis, a leading provider of Terminal Operating Systems (TOS) in the port industry.

2014

20 years of JLT! We marked our 20th anniversary by delivering our 90,000th computer, along with a 20-year service agreement. We also opened the doors of our local US office in Arizona and took over the US vehicle-mount computer operation of our sales partner DAP Technologies

to form a wholly owned US subsidiary. This enabled us to sell products and services under the JLT brand name in North America. We launched the VERSO+ 10 computer, the smallest 10” rugged vehicle computer in its class.

2013

We launched the VERSO Series, the industry’s highest-performance rugged computers for heavy-duty applications. Our strategic focus on high-end market segments yielded results, and our market cap more than doubled during the year. JLT resumed paying dividends to shareholders.

2012

We launched a strategy to become a leader in high-end market segments, with unmatched ruggedness, reliability, and performance. In this year, we also launched JLT:Care, a no-questions-asked service agreement to maximize the uptime of JLT devices at a predictable cost, and JLT:Works professional services.

2011

We backed up our commitment to quality by extending the warranty to three years on all products.

2010

The JLT Partner Program for rugged computer specialists was established to provide the best solutions and local support in the industry.

2009

Per Holmberg joined JLT as CEO, succeeding founder Jan Olofsson as CEO. Previously, Per had worked for 15 years at Silicon Valley semiconductor company Xilinx Inc. (Nasdaq: XLNX), holding several marketing positions, including Director Worldwide Marketing. Jan Olofsson remains the largest shareholder and has a continuing role on the board of directors.

2008

The JLT1214 product series for logistics applications was launched. Since then, it has evolved into the most cost-effective solution in its class..

2006

All our products were redesigned to meet the RoHS and WEEE directives.

2005

In 2005, JLT was named on numerous industry lists, including the Deloitte Technology 500, Red Herring 100 and Inc. 500 List of Fastest Growing Privately Held Companies in America. The public interest in JLT shares increased sharply, with stock value rising as a result. The JLT Mobile Computers US Corporation and DAP Technologies LTD merged to form Roper Mobile Technology, later renamed DAP Technologies. DAP Technologies was given the exclusive right to resell the JLT products under its own brand on the US market. JLT continued to expand its European sales network.

2004

JLT became a pioneer of the tablet market, launching a rugged field tablet PC optimized for use in vehicles. The company also paid the first dividend to shareholders this year (SEK 3.8 million).

2002

JLT became a publicly traded company through a merger with Gandalf AB. The company expanded quickly in the North American market through relationships with global system integrators within the warehousing and logistics segments. Through OEM relationships with manufacturers such as Psion-Teklogix, PSC, LXE, and MA-Systems, JLT became a leading vendor for the global forklift computers market.

2000

JLT was named IT challenger of the year by Swedish business magazine Veckans Affärer.

1999

JLT entered the US market, opening a sales office in Arizona. The first order, from Leica Geosystems, helped us quickly establish a strong position. This year, we also developed our third generation of vehicle-mounted touch-panel PCs, which has evolved into the platform for our current product range.

1995

JLT pioneered the rugged mobile computer market by introducing the second generation of mobile computers with features such as Intel Pentium processors and resistance to low temperatures (-20°C). These features set the standard for mobile computers. We began to create our global network, enabling us to serve large customers while maintaining the agility of a smaller organization.

1994 – When it all started!

JLT was founded by Jan Olofsson. His background in military electronics gave him valuable insights for the future market of rugged mobile computing. The first JLT products were marketed: hardware control systems for the Swedish forest industry.

Message from the CEO

It's exciting to be going forward in this new decade

2019 was another outstanding year for JLT. A year when many things fell into place. We reached a record volume of sales, MSEK 142, while still maintaining a healthy gross margin. Gross profit was MSEK 65, which is another record number.

Our ambition is to grow profitably at a faster pace than the rest of the market. To achieve this, we have created a long-term growth strategy based on three essential pillars.

The first is to continuously strengthen the sales channel, and this has been an ongoing effort throughout the year. As a result, we have expanded our customer base and developed the underlying running business further.

The second pillar is the development of our product portfolio. During the year, we have invested in the development of both new and existing products. This led among other things to the launch of the industry's fastest rugged vehicle-mounted computer in December, strengthening our position as the market leader when it comes to performance.

The third pillar is the creation of comprehensive solutions for customers by offering complementary products and services.

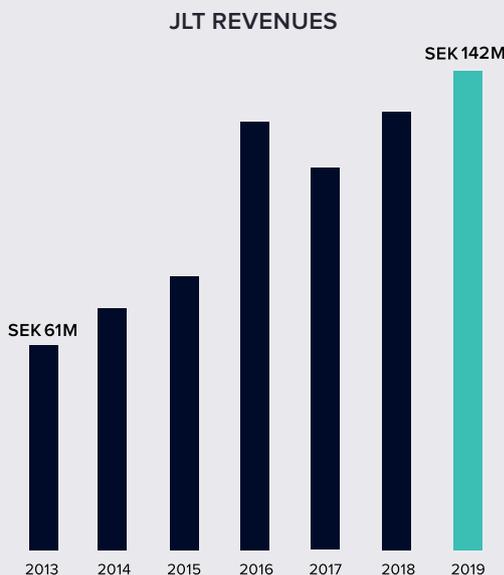
Our trusted partners are essential in making this happen. Our committed service focus is vital for our future, and we aim to keep increasing the service content in our total revenues. We are making good progress with this, with an increase of 21% over last year.

Marketing is an essential element in delivering on our strategy, which is why we have completely revised our marketing practices during the year. One crucial part of this is our new brand identity and website. We have designed these to reflect the modern, forward-looking company we are. Presenting a dynamic and consistent image will support our sales focus and help potential customers to understand the value we offer. In 2020, digital marketing will be crucial in driving growth and targeting prospects with good potential.

It's exciting to be going forward in this new decade, building on the fantastic success we have achieved in the previous one. I'm very proud to be part of the best team in this industry, which includes the dedicated people here at JLT and all of our expert partners, who are also vital to our future success. Together we make great things happen, and I can't wait to see what the coming years will bring.

I am confident that our strategy is the right formula to create success and value for our customers, our partners, our shareholders, and our own organization. We will continue to deliver on it in the years to come, and I am convinced we will make great leaps towards our vision of enabling hassle-free data communication for every business.

I'm looking forward to an outstanding year characterized by growth, collaboration, and new possibilities.



Per Holmberg,
CEO, JLT Mobile Computers AB

“Our committed service focus is vital for our future, and we aim to keep increasing the service content in our total revenues.”



The share

JLT's share has been traded on the First North exchange since 2006, and Eminova Fondkommission AB serves as its certified advisor. ABG Sundal Collier is its market maker, with the aim of promoting the liquidity of the company's share and reducing the spread between the bid and ask price during trading.

The share traded at a high of SEK 7.46 in October and a low of SEK 3.85 in January. The share's closing price at the end of 2019 was SEK 7.08.

A total of 7,837 thousand shares (8,400) were traded during 2019, representing 27 (30) percent of the total number of shares. There are 28,552,000 shares, each with a quota value of SEK 1.

At year-end 2019, JLT's market capitalization was MSEK 202.1 (111.9), based on the closing price of the share.

The Board of Directors proposes to the Annual General Meeting that a dividend of SEK 0.00 per share (0.22, of which 0.07 being extra dividend) be paid for the 2019 fiscal year.

JLT's dividend policy stipulates that the dividend shall correspond to 50-70 percent of the profit after tax, provided that such a dividend is warranted by the Group's financial position and other circumstances.

Shareholder list

Shareholder	Number of shares	Holding
Jan Olof Olofsson and family	8,374,866	29.33%
Grenspecialisten förvaltning AB	2,351,784	8.24%
Försäkringsbolaget, Avanza Pension	1,749,092	6.13%
Alcur Select	1,379,130	4.83%
Jerry Fredriksson and company	984,802	3.45%
Tommy Svensson	868,496	3.04%
Per Holmberg	726,152	2.54%
Nordnet Pensionsförsäkring AB	684,348	2.40%
Danica Pension Försäkrings AB	660,000	2.31%
Larne Wallisson and company	620,000	2.17%
Johan Magnus Hagberg	379,399	1.33%
Bo-Göran Kling	356,663	1.25%
Andreas Gustafsson	270,000	0.95%
Jan Sjöwall	250,000	0.88%
Stefan Käck and family	228,000	0.80%
Spiltan Aktiefond Småland	214,500	0.75%
Mats Fagerlund	202,370	0.71%
Ola Blomberg and family	168,311	0.59%
Swedbank Försäkring	160,000	0.56%
JRS Asset Management AB	150,000	0.53%
Other shareholders	7,774,087	27.23%
Total	28,552,000	100.00%
Warrants outstanding		1,200,000
Number of shares after maximum dilution		29,752,000

Share performance in 2019



Management report

The Board of Directors and the Chief Executive Officer of JLT Mobile Computers AB (publ), corporate registration number 556239-4071, registered in Växjö, Sweden, hereby submit the annual report and the consolidated financial statements for the financial year January 1, 2019 to December 31, 2019.

This annual report and these consolidated financial statements were approved by the Board of Directors and CEO on March 27, 2019 for publication and will be presented to the annual general meeting on May 6 for adoption.

Group structure and operations

JLT Mobile Computers AB is the parent company in a Group. Through its wholly owned subsidiaries JLT Mobile Computers Sweden AB, JLT Mobile Computers Inc., and JLT Mobile Computers UK Ltd, the Group operates in the field of rugged mobile computers. JLT Mobile Computers Inc., seated in Chandler, Arizona, was established and is part of the Group's operations since November 2014.

JLT Mobile Computers is a leading developer of reliable mobile computers for demanding environments. The computers are developed and manufactured in Sweden for professional use and are hallmarked by exceptional operational reliability despite moisture, dust, vibrations, electromagnetic fields or extreme temperatures – functions that are required for use in areas such as transportation, warehousing/logistics, ports, forestry, mining, automation and military and emergency response vehicles.

Today, JLT is one of the largest PC manufacturers in Sweden and has supplied more than 100,000 computers since its inception. It operates on a global level through its sales partners and sales companies, predominantly in Europe and the United States. JLT's mission is to empower customers' business by enabling hassle-free data communication in challenging environments.

Development, service and administration are conducted at the company's headquarters in Växjö, Sweden. The company was founded in 1994 and is listed on NASDAQ First North.

Group financial performance

For the full year 2019, the Group reported net sales amounting to MSEK 141.7 (129.4). The gross profit amounted to MSEK 65.3 (60.5), and the gross margin to 46.1 percent (46.5).

Operating expenses totalled MSEK 49.3 (45.4), of which other costs accounted for MSEK 18.0 (13.5). Personnel costs totalled MSEK 31.3 (31.8).

EBITDA for the year totalled MSEK 16.0 (15.2).

Depreciation/amortization amounted to MSEK 2.3 (2.4) for the year, of which development expenditures were MSEK 1.2 (1.3) and goodwill MSEK 0.8 (0.6). The company's goodwill stems from the acquisition of the US operations in 2014 and is thus fully amortized. The Group's operating result amounted to MSEK 13.6 (12.7). The net financial result amounted to MSEK 0.2 (-0.3), leading to an MSEK 13.9 (12.5) profit before tax.

Group tax totalling MSEK 3.0 (2.7) led to a profit after tax of MSEK 10.9 (9.7). Orders received during the year amounted to MSEK 130.3 (142.3), and the order backlog at the end of the period amounted to MSEK 11.9 (23.3). The order backlog with delivery planned for the first quarter of 2020 amounted to MSEK 8.1 (20.0).

Orders with delivery planned within 12 months are reported as outgoing order backlog for 2019, while any order backlog with delivery planned for the next quarter is reported separately. Service agreements are not counted as part of the order backlog.

Comments on earnings for 2019

The Group's net sales increased 10 percent in 2019 compared with the previous year, and gross profit increased by 8 percent. The order intake fell by 8 percent during the course of 2019.

Costs have increased compared with the previous year. This increase is for the most part attributable to three factors in parity with each other: exchange rate effects, development costs and one-off expenses.

Exchange rate effects refers to overhead in the US subsidiary, which is affected by a strong USD exchange rate.

Development work during the year has focused on updating existing products and adaptations. No development costs have been capitalized during the year and are thus fully recognized in the income statement.

One-off expenses impacting the result refer to the preparation of a new brand profile and web site. During the period, provisions for variable remuneration were made in the amount of MSEK 0.5 (1.2).

Income statement, MSEK	2019	2018
Net sales	141.7	129.4
Gross profit	65.3	60.5
- Gross margin	46.1%	46.5%
Sales and marketing costs	-23.9	-21.5
Organizational costs and R&D	-25.5	-23.9
EBITDA	16.0	15.2
- EBITDA margin	11.3%	11.7%
Depreciation	-2.3	-2.4
Of which: Tangible fixed assets	-0.3	-0.6
- Development costs	-1.2	-1.3
- Goodwill	-0.8	-0.6
Operating result	13.6	12.7
- Operating margin	9.6%	9.8%

Sales of service agreements and other services continue to show a positive trend. Prepaid service agreements recognized as liability totalled MSEK 17.8 (13.9). Service-related revenues, less contract revenue and direct charges, amounted to MSEK 13.2 (10.9).

Operations in 2019

JLT's aim is to achieve profitable growth, and for several years we have been following a growth strategy in which we strengthen our sales channel, develop our product portfolio and extend our offering by way of complementary products, accessories and services.

Five-year overview

INCOME STATEMENT SUMMARY

	2019	2018	2017	2016	2015
Net sales, MSEK	141.7	129.4	112.7	126.9	81.1
Gross margin %	46.1	46.5	44.0	43.2	44.6
Operating profit, MSEK	13.6	12.7	9.3	13.1	2.5
Profit after net financial items, MSEK	13.9	12.5	9.3	13.1	2.6
Net profit for the year*, MSEK	10.9	9.7	6.8	10.8	1.9

MARGIN METRICS

Operating margin %	9.6	9.8	8.2	10.3	3.1
Profit margin %	9.8	9.6	8.3	10.3	3.2

CAPITAL, RETURN AND SOLIDITY

Total assets, MSEK	96.7	90.4	74.8	75.0	53.2
Capital employed, MSEK	60.6	55.9	47.6	43.7	33.3
ROACE %	23.4	24.5	20.5	34.0	8.7
Equity*, MSEK	58.6	54.1	46.3	43.7	33.3
Return on equity %	19.4	19.3	15.1	27.9	5.7
Net indebtedness, MSEK	-27.7	-29.1	-26.7	-28.0	-17.6
Debt/equity ratio, times	0.0	0.0	0.0	0.0	0.0
Solidity* %	61	60	62	58	63

SHARE DATA

Earnings per share, SEK	0.38	0.34	0.24	0.39	0.07
Equity per share, SEK	2.05	1.89	1.66	1.60	1.24
Net indebtedness per share, SEK	-0.97	-1.03	-0.96	-1.02	-0.65
Dividend per share, SEK	0.00	0.22	0.15	0.15	0.07
Share price (closing price for the year), SEK	7.08	3.92	4.46	4.20	1.80
Number of shares outstanding*, 000s	28,552	28,552	27,902	27,902	26,952
Average number of shares**, 000s	28,552	28,227	27,902	27,348	26,952

OTHER

Average number of employees	28	30	28	25	23
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Employees

Net sales per employee, MSEK	5.06	4.31	4.03	5.08	3.53
Earnings per employee, MSEK	0.39	0.32	0.24	0.43	0.08

**There are 1,200,000 warrants outstanding

*For definitions, see Note 25

Market development

Net sales increased by 10 percent during the year and order intake decreased by 8 percent. JLT's sales can be broken down into running business and project deals. The underlying running business represents the core of JLT's operations and comprises multiple small and medium-sized deals. Beyond the running business, JLT's total sales are also impacted by major, isolated project deals with extended sales cycles. In recent years, we have diversified our customer base while also forging long-term customer relations to achieve both stable sales and gross margins. As a result of this, the running business grew for the seventh consecutive year, increasing by 4 percent in 2019. Our sales are made in four business segments: The Nordic region, EMEA (Europe excluding the Nordics, the Middle East and Africa), the Americas (North and South America) and OEM (Original Equipment Manufacturer). The three first segments are geographic regions and the last one, OEM, comprises customers who build complete systems that include JLT's products. These systems are subsequently sold to end-users, often globally, under the customer's own brand. During the year, the EMEA and OEM segments demonstrated the strongest growth, but the Nordic region and the Americas have also increased their sales.

Among JLT's vertical target segments, the port segment has grown strongly during the year. Other segments (warehousing, transportation, manufacturing, mining and agriculture) have been stable. Product development has during the year comprised a technology update of the existing range, as well as customer-specific adaptations.

Research and development

Development of JLT products and associated research is conducted at the company's headquarters in Växjö, Sweden. Internal development resources are responsible for project management and definition as well as direct construction of both electronic and mechanical design. Collaboration with external resources takes place within specific areas of competence as well as through reinforcements in specific projects.

Running development comprises both customer-specific adaptations (which often become standard products as well) and continuous updates and improvements.

New developments refer to new product platforms, usually with a long-term view. The most recent development project, where a new product platform was established and the JLT6012 product was developed, was finished in 2018. The pace of development has been high during the year, and work has focused on upgrading the existing product range and on making customer adaptations. In addition, more research-related development has been conducted with the aim of extending the functionality and solutions based on the novel JLT6012 computer.

In December, JLT launched the fastest vehicle-mounted computer in the industry, thereby consolidating its position as the performance leader on the rugged computer market. With 70 percent better performance, the new computer opens for advanced applications in industries such as mining, oil, gas and agriculture. No development costs have been capitalized during the year.

Staff

New recruitment has taken place during the year within development in Sweden and sales in the United States. Additional recruitments have commenced but are not yet finalized.

Financial position and cash flow

Cash flow amounted to MSEK -1.5 (12.5) after dividend payments of MSEK 6.3 (4.2). The Group's cash and cash equivalents amounted to MSEK 47.9 (43.9) on the balance-sheet date.

The solidity was 61 percent (60), and the equity amounted to MSEK 58.6 (54.1). There are no interest-bearing liabilities.

As from the second quarter of 2017, 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 and amounted to MSEK 20.3 (14.8) at the end of the year.

The Parent Company

The parent company performs services for the subsidiary, and pass on the expenses. The operating result amounted to MSEK -4.3 (-2.3).

The Group's tax position

Remaining tax loss carryforwards at the end of the period totaled MSEK 3.4 (4.3), all of which were attributable to foreign subsidiaries. Remaining loss carryforwards were not recognized as deferred tax assets.

Dividend

The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the 2019 financial year; the preceding year's dividend was SEK 0.22.

JLT's dividend policy stipulates that the dividend shall correspond to 50-70 percent of the profit after tax, provided that such a dividend is warranted by the Group's financial position and other circumstances.

Due to events after the balance sheet date, the Board of Directors's proposal is to refrain from paying dividend for 2019.

Related party transactions

Since 2002, JLT is renting its premises 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.

Corporate governance

The Board of JLT Mobile Computers AB (publ) comprises five members who are elected at the annual general meeting in May. The Board's composition represents a broad range of experience that is significant for the future development of the company.

The fixed formal rules of procedure lay down the obligations and responsibilities of the Board of Directors and the timetable and fixed agenda items of its corporate governance meetings.

JLT applies the Swedish Corporate Governance Code in all aspects except for the fact that it does not have a remuneration committee. JLT's Board features a broad representation of ownership, with just over 40 percent of all shares represented on the Board – a composition whose design reinforces the interests of the shareholders in the composition of the Board. Due to the size of the company, matters concerning remuneration to senior executives are deferred to the Chairman for execution at the scheduled Board meetings. During the year, six Board meetings were held, five of which were scheduled, as well as a statutory meeting. Minutes were taken at all of the Board meetings, which were numbered in chronological order. Material for discussion and decision-making was sent out prior to the Board meetings.

Fixed items on the agenda for monitoring at all scheduled Board meetings include:

- Progress toward the rolling 12-month forecast and adoption of forecast for the forthcoming 12-month period
- Monitoring of quality targets regarding products, production and deliveries
- Monitoring of indicators for marketing activities and sales
- Monitoring of potential customer base, as well as key business transactions/key accounts
- Monitoring of cash flow and outstanding accounts receivable
- Monitoring of ongoing development projects
- Monitoring of the overall state of business

The scheduled Board meetings over the year cover:

Meeting 1 – Adoption of year-end report and review of current contracts

Meeting 2 – Earnings report for the first quarter, as well as the Board's formal rules of procedure

Meeting 3 – Earnings report for the second quarter, along with a review and update of the long-term business plan

Meeting 4 – Earnings report for the third quarter, along with the business plan for the coming year and establishment of the Board's requirements for the company over the coming year

Meeting 5 – Adoption of business plan, strategy and budget for the forthcoming fiscal year, as well as an evaluation of the Board's work

Each quarterly report is reviewed before each Board meeting by the Board members tasked with specific roles concerning financial matters.

JLT has not adopted a diversity policy due to the company's size, and limited new recruitment results in every matter being handled independently by the company's management.

Nomination committee

According to the 2019 AGM's resolution, a nomination committee shall be elected consisting of three members appointed by the three major shareholders respectively. In addition to presenting proposals regarding the Board and its fees, the nomination committee shall nominate the Chairman of the AGM, propose auditor and auditor's fee, and propose a nomination committee for the following AGM.

The nomination committee has convened two times during the year.

Major shareholders

Shareholders with holdings greater than 10% are:

	Number of shares	Holding
Jan Olof Olofsson and family	8,508,866	29.33%

Risks

JLT's success is based on its ability to offer the market high-quality products that satisfy market demands at competitive prices. Our products are developed, produced and sold in close cooperation with our partners. The risks that our business faces are factors that limit or complicate our ability to deliver on these commitments.

Operational and organizational risks

Operational and organizational risks are defined as the risks involved in the organization and day-to-day business in the form of production, service, deliveries and so forth. The risk assessment includes our ability to meet shifts in demand and to recruit new employees for expansion, as well as our dependence on key business personnel.

An established network organization gives us favorable means to rapidly adapt the business to shifts in demand – both increases and decreases. Our current production capacity can cope with a sharp expansion given a reasonable amount of notice, and our fixed-cost commitments are limited in case of any decline in demand.

A small organization entails risks in key personnel falling ill or leaving. We are consistently working at both the management and operational level to ensure a state of “complementarity”, meaning that no single task rests exclusively on one individual. Responsibility and complementarity are part of JLT's management philosophy.

Continuous and ongoing efforts are being made to evaluate, document and enhance the efficiency of our business processes.

Product risks

JLT develops and produces computers and is active in multiple markets. The product risks of our business include; quality issues, higher service and warranty costs, access to components, specification and development of new products, costs for upgrading and phasing out existing products, external requirements, certification requirements, as well as legal requirements and claims.

Established quality objectives, documented processes and continuous monitoring are methods to swiftly identify deviations in quality.

A shortage of components leads to delivery problems and the potential loss of sales of individual models or configurations. Forecasts are done well in advance in close cooperation with the JLT sales partners. Current lead times are continuously monitored to identify potential bottlenecks early and present alternative solutions.

One example would be effects from the coronavirus outbreak on component supply, indirectly and directly.

In order to make sure new products meet the market requirements the network of resellers and system integrators as well as end customers are involved in the product development. This can also partially contribute to financing the development.

Continuous streamlining of materials management practices results in lower costs and greater control of materials sourcing and is an ongoing improvement effort. To minimize costs related to upgrades and the phasing out of existing products, there is considerable focus on efficient procedures and checklists for the management of inventories, purchasing, changes to production specifications, and forecasting.

Various forms of new and/or stricter external standards, including requirements for certification in new markets entail the risk of additional costs or limitations in specific markets or segments. Conversely, these standards and requirements may also entail significant competitive advantages.

Market-related risks

Market-related risks are divided into three core areas: new types of solutions change the competition landscape, downward pricing pressure due to a maturing market, and structural or organizational changes among sales partners and key accounts.

Competition stemming from alternative and new solutions that enter the market are a part of continuous market developments. JLT proactively works to strengthen its partner collaborations and expand its network of sales partners, thus getting closer to the end-users and increasing the understanding of future customer demands. A stronger sales network and constant monitoring of technological developments are critical factors in meeting the market's shifting needs and competitive landscape.

Greater downward pricing pressure and standardization in established segments yield a risk of declining margins. Expansion and the development of new segments, as well as stronger product offerings serve as a constant counterbalance. In the long term, efforts to strengthen JLT's brand in the market also play an important role in offsetting downward pricing pressure.

JLT works closely with several sales partners, which entails risks in the event of structural or other major changes among sales partners or end customers.

Financial risks

Sales in USD and USD-related component purchases yield a low overall net USD exposure. EUR-related purchases are limited, which yields a net EUR exposure.

A strong USD yields a temporary increase in margins, whereas a weaker USD yields an adverse corresponding impact on margins. This is due to component purchases most often being made in USD, and due to a time delay between delivery and invoicing.

Forward cover of currency is utilized in specific cases, such as when performing major individual business deals, but not regularly.

An increasing number of partners and greater proximity to the market increase the risk of customer losses. An established credit policy combined with credit insurance and continuous monitoring mitigates these risks.

The Company's cash balances are nominated in SEK with the exception of short-term currency requirements. As from the second quarter of 2017, 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.

Sustainability information

JLT strives to take environmental responsibility and promote long-term sustainability. We are doing this by reviewing and improving the procedures and practices that form our operations. JLT's products are characterized by high quality and ruggedness. They are developed to endure heavy workloads over long time. Production and logistics are carried out by partners in Sweden, while service is carried out by partners in both Sweden and the United States. In all of these instances, JLT is involved in the process development in order to ensure high quality and sustainability. In view of 2020, JLT has adopted a structured mode of operation to promote significant improvement in three areas of sustainability:

- Social
- Environmental
- Economic

Social

For JLT, as a small company, it is vital to make sure that the existing team members are developing in their roles over time and that they are given opportunities to progress within the company. The ability to attract competences and skilled personnel is an important component of long-term sustainability.

Good relations with partners and the capacity to develop alongside partners is a prerequisite for JLT's strategy to develop as a network company. This philosophy has been a cornerstone of the Company since its inception in 1994.

With an organization spread across Europe, Sweden and the United States, respect of different cultures and a common set of values are important.

Environmental

JLT's products have applications in logistics, agriculture and mining, and always contribute to the streamlining of logistic flows and/or control, thus reducing the environmental impact. From an environmental perspective, the product lifecycle

comprises the design perspective, including the choice of components and materials, as well as transports and eventual decommission. The product life is directly linked to environmental impact, as are minimized maintenance requirements over the product's lifecycle.

As one example, all JLT's cargoes are climate compensated as of 2020.

Economic

High quality minimizes aftermarket costs. A high level of customer-specific adaptation in the factory minimizes the cost of adaptations further down the distribution chain.

An active commitment to the product's functionality throughout its life, in the form of service, monitoring and life-prolonging upgrades, builds continuity in the relations with JLT's customers and promotes business relations that are sustainable in the long term.

Events after the balance sheet date

The consequences of the efforts to prevent the coronavirus from spreading have had major repercussions for the world economy in a short space of time, and currently affect basically every aspect of our everyday lives. At the time of writing (early April) we are likely still in the early stages of the crisis; it is difficult to envisage the long-term consequences, for the world economy as well as for JLT.

JLT is strong financially, with a robust cash position and a pronounced partner strategy which entails a high level of variable costs. It is likely that demand will fall in some of the segments where JLT operates, but at the same time, we can see an increase in some areas in warehouse logistics related to online commerce, for example. It is still too early to draw any final conclusions on the impact this will have on order intake in the near future.

There is some concern that customer loss will increase with regard to partners and customers.

Product deliveries could eventually be affected by component supply and reduced possibilities to distribute to final customers and carry out installations. At present and in the reasonably foreseeable future, we do not see any component availability issues. JLT has initiated a program to meet the challenges arising from the situation. The focus is to address the unsettled times we are in but also to make preparations for the future when the market returns to more normal conditions.

The program includes, among other things:

- Enhanced cost and cash flow control which entails some reductions in staff and notice of short-time work
- Minimized traveling combined with working from home, to follow the recommendations of local health authorities and protect the safety of the staff
- Continued activities in strategic development projects
- Enhanced credit monitoring and controlled support to

- existing partners and businesses
- Ongoing information to customers and partners
- Ongoing effort to secure supply capacities

The Board of Directors further announces that the previously disclosed proposal for dividend to the Annual General Meeting 2019 is being withdrawn (press release issued 2020-04-07) as a precautionary measure due to the prevailing uncertainty surrounding the COVID-19 situation and its consequences. The Board of Directors maintains its

assessment regarding the proposed level of dividend to the shareholders, but chooses to withdraw the dividend in order to better be able to take stock of and manage the current situation with regard to demand, deliveries, results and terms of government support measures.

A weakening of the Swedish krona against the euro, and in particular against the USD, results in higher component costs but also to better margins in sales outside Sweden.

See Note 26.

Equity – Group

2019-12-31					
	Share capital	Other contributed capital	Reserves	Retained earnings incl. net profit for the year	Total equity
Opening balance	28,552	2,218	4,757	18,536	54,063
Net profit or loss for the year				10,914	10,914
Direct changes in equity					
Translation difference			–	-104	-104
Fund for development costs			-1,118	1,118	–
Total	–		-1,118	1,014	-104
Transactions with owners					
Dividend				-6,281	-6,281
Total	–		–	-6,281	-6,281
At year-end	28,552	2,218	3,639	24,182	58,591

2018-12-31					
	Share capital	Other contributed capital	Reserves	Retained earnings incl. net profit for the year	Total equity
Opening balance	27,902	777	5,875	11,723	46,277
Net profit or loss for the year				9,726	9,726
Direct changes in equity					
Translation difference			–	154	154
Fund for development costs			-1,118	1,118	–
Total	–	–	-1,118	1,272	154
Transactions with owners					
Dividend				-4,185	-4,185
New share issue	650	1,441			2,091
Total	650	1,441	–	-4,185	-2,094
At year-end	28,552	2,218	4,757	18,536	54,063

Equity – Parent Company

December 31, 2019	Restricted equity			Non-restricted equity	
	Share capital	Statutory reserve	Premium reserve	Retained earnings incl. net profit for the year	Total equity
Opening balance	28,552	1,288	4,266	52,704	86,810
Net profit or loss for the year				497	497
Transactions with owners					
Dividend				-6,281	- 6,281
Total	-	-	-	-6,281	-6,281
At year-end	28,552	1,288	4,266	46,920	81,026

December 31, 2018	Restricted equity			Non-restricted equity	
	Share capital	Statutory reserve	Premium reserve	Retained earnings incl. net profit for the year	Total equity
Opening balance	27,902	1,288	2,825	53,113	85,128
Net profit or loss for the year				3,776	3,776
Transactions with owners					
Dividend				- 4,185	- 4,185
New share issue	650		1,441		2,091
Total	650	-	1,441	- 4,185	- 2,094
At year-end	28,552	1,288	4,266	52,704	86,810

Proposed distribution of unappropriated earnings**The Group**

Net profit for the year amounts to MSEK 10.9. Non-restricted equity amounts to MSEK 24.2 according to the consolidated balance sheet. There is no proposal to make a transfer to restricted equity in subsidiaries.

Parent company

The company's unrestricted equity is shown as follows (SEK).

Retained earnings	50,689,321
Net profit for the year	497,263

	51,186,583
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The Board of Directors and the CEO propose to the Annual General Meeting

To be carried forward	51,186,583
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	51,186,583
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The financial result and position of the Group and the Parent Company in general is set out in the income statements and balance sheets below, together with the notes to the accounts.

25 years of making communications work

Our story starts in 1994. The Internet was new. Industrial computers were basic and 3G was still a dream. Over the following decades, JLT pioneered the rugged computing market. By taking design and quality to new levels, we brought the possibilities of computing to industries where a typical office machine might last just minutes.

Today we are Sweden's largest PC manufacturer, with over 100,000 computers shipped worldwide. But our mission remains the same as ever: we're here to empower customers' business by enabling hassle-free data communication in challenging environments.

Income statement

Dec 31, 2019		Group		Parent Company	
Amounts in KSEK	Note	2019	2018	2019	2018
Net sales	2	141,694	129,376	4,356	4,356
Other operating income		–	645		
Total operating income		141,694	130,021	4,356	4,356
Operating costs					
Goods for resale		-76,422	-69,508		
Other external charges	3,6	-17,963	-13,538	-4,273	-2,305
Personnel costs	4	-31,345	-31 801	-4,423	-4,306
Depreciation/amortization of tangible and Intangible fixed assets	5	-2,328	-2,447		
Total operating costs		-128,058	-117,294	-8,696	-6,611
Operating profit		13,637	12,726	-4,340	-2,255
Result from financial items					
Interest income and similar items	7	239	–	1,998	1,359
Interest costs and similar items	8	–	-257	–	-257
Profit after financial items		13,875	12,469	-2,343	-1,153
Appropriations and taxes					
Group contributions received				3,000	6,000
Profit or loss before tax		13,875	12,469	657	4,847
Tax on profit for the year	9	-2,961	-2,743	-160	-1,071
Net profit or loss for the year		10,914	9,726	497	3,776

Industry's most compact fixed-mount vehicle computer

With the smallest footprint in its class, the JLT1014P rugged computer provides a cost-effective solution for warehousing and other logistics applications where space is limited, yet reliability and uptime are of utmost importance.



New JLT1014P



Balance sheet

ASSETS	Note	Group		Parent Company	
		Dec 31, 2019	Dec 31, 2018	Dec 31, 2019	Dec 31, 2018
Amounts in KSEK					
FIXED ASSETS					
Intangible fixed assets					
Capitalized expenditure for development work and similar	10	2,557	3,768		
Goodwill	11	–	790		
		2,557	4,558	–	–
Tangible fixed assets					
Equipment, tools, fixtures and fittings	12	619	533		
		619	533	–	–
Financial fixed assets					
Participations in Group companies	13			44,214	44,214
Receivables from group companies	14			7,694	11,663
Deferred tax asset	15	93	180	55	55
		93	180	51,963	55,932
Total fixed assets		3,269	5,271	51,963	55,932
CURRENT ASSETS					
Inventories, etc.					
Raw materials and goods for resale		19,313	19,248		
		19,313	19,248	–	–
Current receivables					
Accounts receivable		21,678	19,817		
Receivables from Group companies				9,953	20,242
Current tax assets		–	50	–	–
Other receivables		3,212	989	1,187	14
Prepayments and accrued income	16	1,273	1,124	163	116
		26,163	21,980	11,302	20,372
Short-term deposits		20,258	14,798	20,258	14,798
Cash and bank balances					
Cash and bank balances	22	27,661	29,125	1,084	43
		27,661	29,125	1,084	43
Total current assets		93,395	85,151	32,643	35,213
TOTAL ASSETS		96,664	90,422	84,606	91,145

EQUITY AND LIABILITIES		Group		Parent Company	
Amounts in KSEK	Note	Dec 31, 2019	Dec 31, 2018	Dec 31, 2019	Dec 31, 2018
EQUITY					
Share capital	17	28,552	28,552		
Statutory reserve		2,218	2,218		
Other contributed capital		3,639	4,757		
Retained earnings incl. net profit for the year		24,182	18,536		
Total equity		58,591	54,063	–	–
Restricted equity					
Share capital	17			28,552	28,552
Statutory reserve				1,288	1,288
Total restricted equity				29,840	29,840
Non-restricted equity					
Premium reserve				4,266	4,266
Retained earnings				46,423	48,928
Net profit or loss for the year				497	3,776
Total non-restricted equity	18			51,187	56,970
Total equity		58,591	54,063	81,027	86,810
Provisions					
Provisions for warranty commitments	19	2,000	1,828		
Current liabilities					
Accounts payable		10,540	10,793	1,479	186
Current tax liabilities		3,181	3,103	117	1,961
Other liabilities		34	2,403	–	239
Accruals and deferred income	20	22,318	18,232	1,984	1,949
Total current liabilities		36,073	34,531	3,580	4,335
TOTAL EQUITY AND LIABILITIES		96,664	90,422	84,606	91,145

Cash flow statement

CASH FLOW STATEMENT		Group		Parent Company	
Amounts in KSEK	Note	2019	2018	2019	2018
OPERATING ACTIVITIES					
Profit after financial items		13,875	12,469	-2,343	-1,153
Adjustment for non-cash items	21	2,000	3,263	-459	-102
Income tax paid		-2,833	-1,274	-2,004	-
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGE IN WORKING CAPITAL		12,565	14,458	-4,806	-1,255
Cash flow from changes in working capital					
Increase (-)/Decrease (+) in inventories		-65	1,536	-	-
Increase (-)/Decrease (+) in operating receivables		-4,233	-1,853	-1,219	-
Increase (+)/Decrease (-) in operating liabilities		1,464	5,697	1,089	398
CASH FLOW FROM OPERATING ACTIVITIES		9,731	19,838	-4,936	-857
Investing activities					
Acquisition of tangible fixed assets		-391	-281	-	-
Investments in financial assets		-5,000	-5,000	-5,000	-5,000
CASH FLOW FROM INVESTING ACTIVITIES		-4,914	-5,281	-5,000	-5,000
FINANCING ACTIVITIES					
New share issue		-	2,091	-	2,091
Net change in intra-Group transactions		-	-	17,258	7,691
Dividends paid to parent company shareholders		-6,281	-4,185	-6,281	-4,185
CASH FLOW FROM FINANCING ACTIVITIES		-6,281	-2,094	10,977	5,597
Cash flow for the year		-1,465	12,463	1,041	-260
Opening cash and cash equivalents		29,125	16,662	43	303
Closing cash and cash equivalents	22	27,661	29,125	1,084	43
Cash and cash equivalents, including short-term deposits		47,918	43,923	21,341	14,841

Notes

NOTE 1

Additional disclosures

All amounts in KSEK unless otherwise specified.

General accounting policies, etc.

the Swedish Annual Accounts Act and pursuant to the general recommendations of the Swedish Accounting Standards board BFNAR 2012:1 Annual accounts and consolidated financial statements (K3).

The Parent Company applies the same accounting principles as the Group, except in cases as specified below under the section "Accounting principles in the Parent Company".

Assets, provisions and liabilities are measured at cost unless otherwise specified below. The company conducts operations in the association form of a limited company, and has its registered office in Växjö municipality.

Consolidated Financial Statements

Subsidiaries are companies in which the parent company directly or indirectly holds more than 50% of the voting rights or otherwise has a controlling influence. Controlling influence means a right to formulate a company's financial and operational strategies in order to obtain financial benefits. The recognition of business combinations is based on the unit perspective, meaning that the acquisition analysis is conducted on the date on which the acquiring party gains a controlling interest. From this point onwards, the acquirer and the acquired entity are regarded as an accounting unit. Application of the unitary view also means that all assets (including goodwill) and liabilities, as well as income and expenses, are included in their entirety even for part-owned subsidiaries.

Acquisition value of subsidiaries is calculated at the total fair value at the time of acquisition of assets paid, plus accrued and assumed liabilities, issued equity instruments, expenses directly attributable to the business acquisition, and any additional purchase price. In acquisition analysis, the fair value is, with some exceptions, determined at the time of acquisition. Included are acquired identifiable assets and assumed liabilities and holdings without controlling influence, measured at fair value at the time of acquisition. From the acquisition date, the acquired company's income and expenses, identifiable assets and liabilities, as well as any goodwill or negative goodwill, are included in consolidated financial statements.

Intra-group receivables and liabilities, income and expenses and unrealized gains or losses arising from transactions between group companies are eliminated in their entirety. Unrealized gains arising from transactions with associated companies are eliminated to the extent that corresponds to the Group's ownership interest in any such company. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no indication of any need for impairment.

Revenue recognition

Revenue recognition when selling goods takes place at delivery. Service contracts are recognized in revenue in relation to their elapsed contract periods. Sales are reported after deduction for VAT, similar taxes and discounts.

Receivables and liabilities

Receivables and liabilities in foreign currency are valued at the closing day rate. In cases where currency-hedging measures have been implemented, for example through hedging, accounting is done under the heading 'financial instruments'.

Inventories

Inventories are valued at cost or fair value, whichever is lower.

Provisions

A provision is recognized in the balance sheet when the company has a legal or informal obligation as a result of an event whereby it is probable that an outflow of resources is required to settle the obligation and a reliable estimate of the amount can be made. On initial recognition, provisions are valued at the best estimate of the amount that will be required to settle the liability on the balance sheet date. Provisions are reviewed on each balance sheet date.

Provisions are recognized at the present value of future payments required to settle the obligation.

Provisions have been made for known or feared risks after individual testing.

Intangible assets

Research and development costs

Costs for research, that is, planned and systematic search for new scientific or technological knowledge and insight, is recognized as cost when incurred.

Development costs are recognized according to the capitalization model. That means expenditures arising during the development phase are reported as assets when all of the following prerequisites are met:

- It is technically possible to complete the intangible fixed asset for use or sale.
- The intention is to complete the intangible fixed asset and to use it or sell it.
- There are prerequisites for using or selling the intangible fixed asset.
- It is likely that the intangible fixed asset will generate future economic benefits.
- Sufficient and adequate technological, financial and other resources are available to complete the development and use or sell the intangible asset.
- The costs that are attributable to the intangible asset can be calculated reliably.

Other intangible fixed assets

Other intangible fixed assets acquired are reported at cost less accumulated depreciation and impairment losses. Expenses for internally generated goodwill and brands are recognized in the income statement as expenses as they arise.

Depreciation

Depreciation is recognized on a straight-line basis over the asset's estimated useful life, and as an expense in the income statement. The following depreciation periods are applied:

Business systems	3 – 5 years
Balanced development costs	3 – 5 years
Goodwill	5 years

Goodwill refers to acquisition-related goodwill for the long-term development of markets within JLT's core business, and so 5 years is considered a relevant depreciation period.

Tangible fixed assets

Tangible fixed assets are reported after deductions for accumulated depreciation according to plan. Depreciation according to plan is made on a linear basis, based on a facility's cost values and estimated useful life.

Tangible fixed assets are depreciated directly over the estimated useful life. The following depreciation periods are applied:

Office inventory	5 years
Production tools	3 – 5 years
IT equipment	4 years

Leasing

All leases have been classified as financial or operational leases. A financial lease is a lease under which the risks and advantages that are associated with owning an asset are, in all material respects, transferred from the lessor to the lessee. An operating lease is a lease that is not a financial lease.

Financial leases

Rights and obligations under financial leases are recognized as assets and liabilities on the balance sheet. On the first accounting date, the asset and liability are valued at whichever is lower of the asset's fair value and the present value of the minimum lease payments. Expenses directly attributable to the conclusion and arrangement of the lease are added to the amount recognized as an asset.

After the first accounting period, minimum lease fees are distributed across interest and amortization of debt according to the effective interest method. Variable fees are reported as expenses in the financial year in which they are incurred. The leased asset is amortized over its useful life.

Operational lease agreements

Leasing fees under operating leases, including increased first-time rent but excluding expenses for services such as insurance and maintenance, are recognized as expenses on a straight-line basis over the leasing period.

Remuneration to employees

Remuneration to employees after termination of employment

Classification

Post-employment benefits plans are classified as either defined contribution or defined benefit.

Under defined-contribution plans, fixed fees are paid to another company, generally an insurance company, with no further obligations to the employee once the fee has been paid. The size of the employee's post-employment remuneration depends on the fees that were paid and the returns that the fees generate.

Under defined-benefit plans, the company has an obligation to pay the agreed remuneration to its current and former employees. The company essentially carries the risk that the remuneration will be higher than expected (actuarial risk), and in part the risk any return on assets may deviate from expectations (investment risk). Investment risk exists even if the assets are transferred to another company.

Defined-contribution plans

Fees for defined-contribution plans are recognized as an expense. Unpaid fees are recognized as a liability.

Defined-benefit plans

The company has elected to apply the simplification rules offered under BFNAR 2012:1.

Plans with paid pension premiums are reported as defined contributions, meaning that the contributions are expensed in the income statement.

Pension obligations in the Group's foreign subsidiaries are recognized in the same way as in the foreign subsidiary.

Guarantee costs

Estimated costs for product guarantees are charged to operating profit at the time of sale.

Taxes

Tax on profit for the year in the income statement consists of current tax and deferred tax liabilities. Current tax is income tax for the current financial year, which relates to the taxable profit for the year and the part of the previous financial year's income tax that has not yet been reported. Deferred tax is income tax for taxable profit for future financial years as a result of past transactions or events.

Deferred tax assets are measured at no more than the amount that will likely be returned based on present and future taxable earnings. The valuation is reassessed on every balance sheet date.

Financial instruments

Financial assets and liabilities are reported in accordance with Chapter 11 (Financial instruments valued based on cost) in BFNAR 2012:1.

A financial asset or financial liability is recognized in the balance sheet when the company becomes party to the instrument's contractual terms. Accounts receivable are recognized in the balance sheet when an invoice has been sent. Accounts payable are recognized when an invoice has been received.

A financial asset is removed from the balance sheet when rights in the agreement are realized, expire or the company loses control of them. The same applies to part of a financial asset. A financial liability is removed from the balance sheet when the contractual obligation is fulfilled or otherwise extinguished. The same applies to part of a financial liability.

Futures in US dollars (sales) are used to hedge the net flow of transactions (sales and purchases) in US dollars. The assessment of whether the stock of futures is to be further developed over time varies occasionally, as regards the assessment of the net flow volume development and the utility of the hedge relative to the current exchange rate and calculation situation.

In the balance sheet and income statement, hedged items are recognized in the light of forward contracts. The principle means that unrealized and unrecognized gains or losses exist if existing stock of futures exceeds the financial net asset in the currency.

NOTE 2

NET SALES PER GEOGRAPHIC MARKET		
The Group	2019	2018
Nordics	48,399	34,999
EU (excl. the Nordics)	30,166	27,344
US	61,977	63,405
Other markets	1,152	3,628
	141,694	129,376

Valuation of financial assets

Financial assets at the first accounting opportunity are valued at cost, including any transaction expenses that are directly attributable to the acquisition of the asset.

Impairment losses: tangible and intangible fixed assets, shares in Group companies

At each balance sheet date, an assessment is made as to whether there is any indication that an asset value is lower than its carrying amount. If such an indication exists, the asset's recoverable amount is calculated. Impairment testing is carried out annually on capitalized expenses relating to ongoing development projects.

Contingent liabilities

Contingent liabilities are:

- A possible obligation that, as a result of events that have occurred and whose occurrence will only be affirmed by one or more uncertain future events not entirely within the control of the company, occurs or does not, or
- An existing obligation as a result of events occurring, but which is not recognized as a liability or provision since it is unlikely that an outflow of resources will be required to regulate the obligation, or the size of the obligation cannot be calculated with sufficient reliability.

Contingent liabilities are a summary term for such guarantees, financial obligations and any liabilities that are not included in the balance sheet.

Parent company's accounting policies

Participations in subsidiaries are recognized at acquisition cost including any expenses directly attributable to the acquisition. Shareholder contributions are made directly to shareholders' equity with the recipient and are capitalized as shares and units with the dealer to the extent that no write-down is required.

The accounting policies of the parent company in other respects are consistent with the accounting policies set out above in the consolidated financial statements.

NOTE 3

FEES AND PAYMENT OF EXPENSES TO THE AUDITORS		
Group and Parent Company	2019	2018
KPMG		
Audit engagements	311	243
Other tasks	81	104
	392	347

Audit engagements refer to the examination of the annual report and accounts and the Board of Directors' and the CEO's administration, as well as other tasks which are for the Company's auditor to perform, and consultation and other assistance in response to observations made during the aforementioned performance of audits and other tasks.



VERSO™ Series

The well-proven VERSO™ series is a family of high-performance computers specifically developed for use in the harshest conditions.



NOTE 4 Employees, personnel costs and board fees

Average number of employees

	2019		2018	
	Employees	Of whom men	Employees	Of whom men
Parent company, Swe	2	100%	2	100%
Total in parent company	2	100%	2	100%
Subsidiary, Sweden	14	71%	15	73%
Subsidiary, US*	12	92%	13	92%
Total in subsidiaries	26	81%	28	82%
Group, total	28	82%	30	83%

Gender distribution of the senior management	2019 Percentage of women	2018 Percentage of women
Parent company		
Board of Directors	20%	0%
Other senior management	0%	0%
Group, total		
Board of Directors	20%	0%
Other senior management	0%	0%

Salaries, other remunerations and social security contributions including pension costs

	2019		2018	
	Salaries and remuneration	Social security Contr.	Salaries and remuneration	Social security Contr.
Parent company	2,798	1,780	2,662	1,766
(of which pension costs)	1)	761	1)	726
Subsidiary	21,639	4,455	22,299	4,571
(of which pension costs)		1,170		1,175
Group, total	24,437	6,235	24,961	6,337
(of which pension costs)		1,931		1,901

1) Of the Group's pension costs, kSEK 476 (459) pertain to the company's CEO and Board.

Remuneration to senior management

Parent company 2019			
KSEK	Base pay board fees	Variable pay	Pension costs
Chairman of the Board Ola Blomberg	190	–	–
Director Jessica Svenmar	90	–	–
Director Jan Olofsson	90	–	–
Director Per Ädelroth	90	–	–
Director Jan Sjöwall	90	–	–
Chief Executive Officer	1,066	71	384
Executive Vice President	1,008	56	229
Total	2,624	127	613

Parent company 2018			
KSEK	Base pay board fees	Variable pay	Pension costs
Chairman of the Board Ulf Ahlén	165	–	–
Director Ola Blomberg	100	–	–
Director Jan Olofsson	75	–	–
Director Per Ädelroth	75	–	–
Director Jan Sjöwall	75	–	–
Chief Executive Officer	1,057	188	369
Executive Vice President	1,014	130	217
Total	2,561	318	586

Share-related remuneration

Employee warrant program 2018/2021: In 2018, the company's employees were offered to buy warrants at a value calculated in accordance with Black & Schole's valuation method. The warrants entitle the holder to subscribe for shares at an exercise price of SEK 7.00 in the period from 1 June 2021 to 30 June 2021. Each warrant entitles its holder to subscribe for one share. 1,200,000 warrants were issued according to the AGM's resolution in 2018, and were kept in custody of JLT Mobile Computers Sweden AB. As of 2018-12-31, 455,000 warrants had been allotted to the company's employees.

Change in the number of employee warrants (with corresponding exercise prices) and share rights

2019	Number of warrants	Average exercise price	Number of share rights
Outstanding at year-end	455,000	7,00	455,000

2018	Number of warrants	Average exercise price	Number of share rights
Allotted during the year	455,000	7,00	455,000
Exercised/issued during the year	-650,000	3,17	-650,000
Expired during the year	-350,000	–	-350,000
Outstanding at year-end	455,000	7,00	455,000

Severance payment

The agreed severance payment for the company's CEO amounts to 12 monthly salaries if terminated by the company and 6 monthly salaries if terminated by the CEO.

NOTE 5 Depreciation/amortization of tangible and intangible fixed assets

	2019	2018
The Group		
Depreciation/amortization according to plan divided by asset		
Capitalized expenditure for development work and similar	1,211	1,294
Goodwill	811	563
Equipment, tools, fixtures and fittings	306	589
	2,328	2,447

NOTE 6 Operational leasing

Lease agreements where the company is the lessee

	2019	2018
The Group		
Future minimum leasing fees for Non-cancellable operational leases		
Within a year	1,406	1,285
Between 1 and 5 years	339	1,150
	1,745	2,435
Leasing fees expensed during the financial year	1,400	1,285

NOTE 7 Interest income and similar items

	2019	2018
The Group		
Exchange gains	123	–
Realized investment gains	116	–
	239	–
Parent company		
Interest income, Group companies	396	587
Realized investment gains	116	–
Exchange gains	1,486	772
	1,998	1,359

NOTE 8 Interest costs and similar items

	2019	2018
The Group		
Investment losses	–	-257
	–	-257
Parent company		
Investment losses	–	-257
	–	-257

NOTE 9 Tax on profit for the year

Reconciliation of effective tax rate	2019		2018	
	Percentage	Amount	Percentage	Amount
The Group				
Profit or loss before tax		13,875		12,469
Tax at current tax rate for parent company	21.4%	-2,969	22.0%	-2,743
Effect of other tax rates for foreign subsidiaries	-0.3%	38	0.0%	
Other non-deductible costs	-0.4%	56	1.1%	-138
Other	0.6%	-86	-1.1%	138
Recognized effective tax	21.3%	-2,961	22.0%	-2,743
Parent company				
Profit or loss before tax		657		4,847
Tax at current tax rate for parent company	21.4%	-141	22.0%	-1,066
Non-deductible costs	2.3%	-15	0.1%	-5
Övrigt	0.6%	-4	0.0%	–
Recognized effective tax	24.3%	-160	22.1%	-1,071

NOTE 10 Capitalized expenditure for development work

	2019-12-31	2018-12-31
The Group		
Accumulated acquisition cost		
At the beginning of the year	7,475	7,475
At year-end	7,475	7,475
Accumulated depreciation/amortization		
At the beginning of the year	-3,707	-2,413
Depreciation/amortization for the year	-1,211	-1,294
At year-end	-4,918	-3,707
Carrying amount at year-end	2,557	3,768

NOTE 11 Goodwill

	2019-12-31	2018-12-31
The Group		
Accumulated acquisition cost		
At the beginning of the year	3,015	2,945
Translation differences for the year	21	70
At year-end	3,036	3,015
Accumulated amortization		
At the beginning of the year	-2,225	-1,662
Amortization for the year	-811	-563
At year-end	-3,036	-2,225
Carrying amount at year-end	0	790

NOTE 12 Equipment, tools, fixtures and fittings

	2019-12-31	2018-12-31
The Group		
Accumulated acquisition cost		
At the beginning of the year	7,886	7,605
New acquisitions	391	281
Translation differences for the year	8,277	7,886
Accumulated depreciation		
At the beginning of the year	-7,353	-6,764
Depreciation for the year	-306	-589
At year-end	-7,659	-7,353
Carrying amount at year-end	619	533

NOTE 13 Participations in Group companies

	2019-12-31	2018-12-31
Accumulated acquisition cost		
At the beginning of the year	44,214	44,214
At year-end	44,214	44,214
Carrying amount at year-end	44,214	44,214

Specification of Parent Company's and Group's participations in Group companies

	Number of participations	Participation, percentage	Carrying amount	
			2019	2018
JLT Mobile Computers Sweden AB	10,000	100	43,936	43,936
JLT Mobile Computers UK Ltd	10,000	100	2	2
JLT Mobile Computers Inc	6,000	100	276	276
			44,214	44,214

Information about corporate registration numbers and registered offices

	Reg.no.	Registered office
JLT Mobile Computers Sweden AB	556602-8394	Växjö, Sweden
JLT Mobile Computers UK Ltd	05094647	Cheshire, UK
JLT Mobile Computers Inc	61-1748396	Chandler, AZ, USA

NOTE 14 Receivables from Group companies

	2019-12-31	2018-12-31
Parent company		
Accumulated acquisition cost		
At the beginning of the year	11,663	11,413
Additional receivables	–	250
Settled receivables	-3,969	–
At year-end	7,694	11,663
Carrying amount at year-end	7,694	11,663

NOTE 15 Deferred tax

2018-12-31		
The Group	Deferred tax liabilities	Net
Impairment of securities	55	55
Warranty provisions	125	125
Deferred tax asset/liability (net)	180	180

Remaining tax loss carryforwards at the end of the period totaled MSEK 4.3, all of which attributable to foreign subsidiaries. Remaining loss carryforwards were not recognized as deferred tax assets.

2018-12-31		
The Group	Deferred tax assets	Net
Material temporary differences		
Impairment of securities	55	55
Warranty provisions	38	38
Deferred tax asset/liability (net)	93	93

Remaining loss carryforwards amounted to MSEK 3.4 at the end of the period, all attributable to foreign subsidiaries. Remaining loss carryforwards were not recognized as deferred tax assets.

2018-12-31		
Parent company	Deferred tax assets	Net
Impairment of securities	55	55
Deferred tax asset	55	55

2019-12-31		
Parent company	Deferred tax liabilities	Net
Impairment of securities	55	55
Deferred tax asset/liability (net)	55	55

NOTE 16 Prepayments and accrued income

	2019-12-31	2018-12-31
The Group		
Prepaid insurance	157	192
Prepaid rent	118	110
Other items	998	822
	1,273	1,124
Parent company		
Prepaid insurance	13	6
Other items	150	110
	163	116

NOTE 17 Number of shares and quota

JLT shares	2019-12-31	2018-12-31
Number of shares	28,552,000	28,552,000
Quota value	1	1

NOTE 18 Appropriation of profit or loss

Proposed appropriation of the company's profit or loss
The Board of Directors proposes that non-restricted equity of kSEK 51,187 be appropriated as follows:

To be carried forward		51,187
Total		51,187

NOTE 19 Other provisions

	2019-12-31	2018-12-31
The Group		
Warranty provisions		
Carrying amount at the beginning of the year	1,828	1,352
Provisions made during the year 1)	172	476
Carrying amount at year-end	2,000	1,828

1) The company's products are covered by a three-year warranty commitment – these provisions refer to the estimated cost of covering outstanding warranties.

NOTE 20 Accrued expenses and deferred income

	2019-12-31	2018-12-31
The Group		
Accrued salaries	2,821	2,759
Accrued social security contributions	1,057	1,113
Prepaid agreements	17,913	13,943
Other items	527	417
	22,318	18,232
Parent company		
Accrued salaries	1,363	1,320
Accrued social security contributions	396	429
Other items	225	200
	1,984	1,949

NOTE 21 Other cash flow statement disclosures

Adjustments for non-cash items, etc.

	2019	2018
The Group		
Depreciation	2,328	2,447
Realized results, financial assets	-460	257
Other provisions	172	476
Other non-cash items	-40	83
	2,000	3,263
Parent company		
Realized results, financial assets	-459	-101
	-459	-101

NOTE 22 Cash and cash equivalents

	2019-12-31	2018-12-31
The Group		
The following subcomponents are included in cash and cash equivalents		
Bank balances	27,661	29,125
	27,661	29,125
Parent company		
The following subcomponents are included in cash and cash equivalents		
Bank balances	1,084	43
	1,084	43

The items above are classified as cash and cash equivalents on the grounds that they:

- Are subject to an insignificant risk of changes in value.
- Are easily convertible to a known amount of cash.
- They have a maturity of at most 3 months from the date of acquisition.

NOTE 23 Group information

Of the parent company's total purchases and sales measured in SEK, less than 1 (1) percent of purchases and 100 (100) percent of sales pertain to other companies within the Group.

NOTE 24 Pledged assets and contingent liabilities

	2019-12-31	2018-12-31
The Group		
Pledged assets		
For own liabilities and provisions		
Business mortgages	7,500	7,500
Total pledged assets	7,500	7,500
Parent company		
Pledged assets	none	none

The parent company is the guarantor of all outstanding liabilities of JLT Mobile Computers Limited (05094647) as of 31 December 2019 until they are settled in full. Hence, JLT Mobile Computers Limited considers itself exempted from the UK auditing requirements pursuant to the Companies Act 2006, p. 479a.

Outstanding liabilities external to the Group amounted to GBP 0 (0) as of 31 December 2019.

NOTE 25 Definitions of indicators

Operating margin:	Operating profit / Net sales
Balance sheet total:	Total assets
Return on average capital employed (ROACE):	(Operating profit + financial income) / Average capital employed
Financial income:	Net financial items attributable to assets (which are included in capital employed)
Capital employed:	Total assets - non-interest-bearing liabilities
Non-interest-bearing liabilities:	Liabilities that do not accrue interest. Pension liabilities are regarded as interest-bearing.
Return on equity:	Profit for the year attributable to the parent company's shareholders / Average equity attributable to the parent company's shareholders
Solidity:	Equity + untaxed reserves less deferred taxes) / Total assets

NOTE 26 Significant events after the end of the financial year

The direct effects of the coronavirus, and of the following lockdown of society which has been instigated in many parts of the world, are by early April primarily concentrated to a wide stock market decline and currency effects.

JLT's cash and cash equivalents are partly under discretionary management, with a maximum of 20 percent in shares or share-based investments as stated by policy. There may be some need for impairment in conjunction with the interim report for the first quarter.

The weakening of the SEK against the USD impacts the cash assets positively since a significant share of the cash has been held in USD. All in all, these two factors are deemed to offset each other.

Signatures

The balance sheet and income statements of the Parent Company and the Group will be adopted at the Annual General Meeting on May 6, 2020

Växjö, April 7, 2020



Ola Blomberg
Chairman



Jan Sjöwall



Per Holmberg
Chief Executive Officer



Per Ädelroth



Jessica Svenmar



Jan Olofsson

Our audit report was submitted on April 7, 2020

KPMG AB



Michael Johansson
Chartered Accountant

Auditor's report

To the general meeting of shareholders of JLT Mobile Computers AB (publ), reg.no. 556239-4071

Report on the annual accounts and consolidated account

Opinions

We have audited the annual accounts and consolidated accounts of JLT Mobile Computers AB (publ) for the year 2019. The annual accounts and consolidated accounts of the company are included on pages 11-34 in this document. In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company and the group as of 31 December 2019 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other information than the annual and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 2-10,38,39. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information vi and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the

information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, the auditor exercises professional judgment and maintains professional skepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement in the annual accounts and consolidated accounts, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of the company's internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Concludes on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. The auditor also draws a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion

on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. The auditor must also inform the Board of Directors of significant audit findings during the audit, including any significant deficiencies in internal control that the auditor identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also examined the administration of the Board of Directors and the CEO of JLT Mobile Computers AB (publ) for 2019 as well as the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general. The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes, among other things, continuous assessment of the company's and the group's financial situation and

ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and, among other matters, take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden

will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act. As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The review of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on the auditor's professional judgment guided by risk and materiality. This means that the auditor focuses the review on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. The auditor reviews and tests decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to the opinion concerning discharge from liability.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

This annual report is a translation of the Swedish original and has not been separately audited. Any information in this annual report regarding auditing thus refers to the Swedish original.

Växjö, April 7, 2020
KPMG AB
Michael Johansson
Chartered Accountant

Board, management and auditors

The company has fixed formal rules of procedure and convened six times in 2019. The remuneration of the Board of Directors is shown in Note 4 of the additional disclosures. Matters addressed by the Board are described in the Management Report.

Board of Directors

Ola Blomberg (born 1957)

Chairman of the Board Ola Blomberg (born 1957) was elected at the 2019 Annual General Meeting. Former Deputy President of JLT (2002 - 2005). CEO of Sport Utveckling Sweden AB. Background as Director of Gota Media AB and Enator AB (publ) and CEO of Dotcom Solutions AB. A selection of other directorships: APP Rockstar Equity, Tryckeriaktiebolaget Öland. Owns 168,311 shares in the company, corresponding to 0.59%. Independent in relation to the company/company management and/or major shareholders.

Jan Olofsson (born 1943)

Elected to the Board in 2002. Founder/entrepreneur of JLT Mobile Computers Sweden AB. Has extensive experience of engineering work in electronics in the military since his time as project manager at Telub and Bofors. Owns 8,508,866 shares in the company, corresponding to 29.80%, thus not independent in relation to the company/company management and/or major shareholders.

Jessica Svenmar (born 1972)

Elected to the Board in 2019. Became CEO of Nim Distribution i Skåne AB, Tidningsbärarna KB, and before that worked for several years at Consafe Logistics AB, including as Business Area Director WMS and General Manager for Sweden. Previous Board assignments in MTD Morgontidig Distribution. Independent in relation to the company/company management and/or major shareholders.

Jan Sjöwall (born 1957)

Elected to the Board in 2017; no formal assignments within the company. Previously active in the Kinnevik Group as founder/CEO of TV-Shop Europe/CDON and CEO and Senior VP of Metro International S.A. Current Chairman of the Board of Add Benefits Europe AB and Huvudverket Konsult & Finans AB. A selection of other directorships: Roos & Tegnér AB, Lifeclean International AB, Malmö Redhawks Holding AB, Malmö Redhawks Ishockey AB. Owns 250,000 shares in the company, corresponding to 0.88%. Independent in relation to the company/company management and/or major shareholders.

Per Ädelroth (born 1966)

Elected to the Board in 2014. Currently VP, Operations at Axis Communications AB with extensive experience within the company. Independent in relation to the company/company management and/or major shareholders. Owns 70,000 shares in the company, corresponding to 0.25%.

Management

Per Holmberg (born 1963) CEO

Per Holmberg assumed the position of CEO in 2009 and has experience from the US where he was marketing manager for Xilinx Inc. Per is also sales manager. Shareholding: 726,152 shares. Call options: 100,000.

Stefan Käck (born 1955), executive Vice President/CFO since May 2005.

CFO with primary responsibility for production and logistics. Former board member of JLT. Shareholding (including family): 228,000 shares. Call options: 50,000.

Eric Miller (born 1968) CEO of JLT Mobile Computers Inc. since 2014. Former sales manager at DAP

technologies with responsibility for sales of JLT products in the US. Shareholding: 0

Auditors

Michael Johansson (born 1964)

Chartered Accountant. Partner at KPMG AB. Auditor of the company since 2013.

Annual General Meeting and company information

Annual General Meeting

The Annual General Meeting (AGM) of JLT Mobile Computers AB (publ) will be held on Wednesday, May 6, 2020, at 16:00, at PM & Vänner Hotell, Västergatan 10, Växjö, Sweden.

Participation

To be entitled to participate in the AGM it is required to be registered as a shareholder in the shareholder registry maintained by Euroclear Sweden AB by Tuesday, April 29, 2020, and to notify intent to attend by no later than Tuesday, April 29, 2020.

Notification can be made in writing using the address:

JLT Mobile Computers AB (publ), Isbjörnsvägen 3, 352 45 Växjö, Sweden (mark the envelope: Annual General Meeting), by email to george.oguz@jltmobile.com, or by phone at +46 470-53 03 00 (weekdays 9:00-16:00).

Please state your name, personal identity number or corporate registration number, number of shares held, daytime phone number and, where applicable, the number of assistants (no more than two) who will accompany you at the AGM. If a shareholder intends to be represented by proxy, a power of attorney and other forms of authorization should be enclosed with the registration.

Nominee-registered shares

Shareholders who hold shares through a trustee must register the shares in their own name in order to participate in the AGM. Such registration, which may be temporary, must be made effective by Tuesday, April 29, 2020. This means that the shareholders must notify their trustee of the above well in advance of this date.

Notice convening general meetings

Notification will be given no earlier than six weeks and no later than four weeks prior to the AGM by way of an ad in the Swedish Gazette (Post- och Inrikes Tidningar) and on www.jltmobile.com. Confirmation that notice has been given shall be published in "Svenska Dagbladet". The notification will also be published via a press release.

Ekonomisk information

Financial calendar

Interim report Jan-Mar 2020	May 6, 2020
Interim report Jan-Jun 2020	August 13, 2020
Interim report Jan-Sep 2020	October 23, 2020
Year-end Report 2020	February 10, 2021

Press releases and reports are available on www.jltmobile.com



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