



ZETADISPLAY AB (publ)
YEAR END REPORT
1 JANUARY – 31 DECEMBER 2022

Q4



Strong growth and continued investments

October - December 2022

- Net sales increased by 36.8 % to SEK 167.4 (122.4) million. Adjusted for currency effects, sales increased by 27.6% to SEK 166.9 (130.8) million.
- SaaS revenues increased by 10.4 % to SEK 49.8 (45.1) million.
- ARR amounted to SEK 197.7 million compared to (192.2) MSEK last quarter.
- EBITDA amounted to SEK 14.7 (15.3) million. Adjusted for items affecting comparability, EBITDA amounted to SEK 21.5 (17.9) million.
- Operating profit amounted to SEK 5.2 (6.0) million.

January - December 2022

- Net sales increased by 27.1 % to SEK 534.5 (420.5) million.
- SaaS revenues increased by 11.1 % to SEK 192.3 (173.1) million.
- EBITDA amounted to SEK 45.8 (50.1) million. Adjusted for items affecting comparability, EBITDA amounted to SEK 72.0 (72.4) million.
- Operating profit amounted to SEK 7.2 (14.5) million.

Significant events during the quarter

- No significant events occurred during the quarter.

Significant events after the quarter

- ZetaDisplay has completed the refinancing process of its senior unsecured bonds.

FINANCIAL INDICATORS (TSEK)	OCT-DEC	OCT-DEC	JAN-DEC	JAN-DEC
	2022	2021	2022	2021
Net sales	167 386	122 370	534 500	420 478
SaaS-revenues (recurring)	49 765	45 062	192 291	173 135
Gross margin (%)	49,9	57,2	55,5	61,4
Reported EBITDA	14 726	15 328	45 782	50 117
Hanover Operating Management	6 200	2 100	22 118	2 183
Other non-recurring costs	600	472	1 200	20 100
Restructuring costs	-	-	2 900	-
Adjusted EBITDA	21 526	17 900	72 000	72 400
EBITDA-margin (%)	12,9	14,6	13,5	17,2
Operating profit	5 243	6 034	7 190	14 463
Operating margin (%)	3,1	4,9	1,3	3,4
Profit/loss for the period	7 550	-1 924	-6 874	-6 092
Equity ratio (%)	35,2	34,2	35,2	34,2

Comments from the CEO

Strong growth and continued investments

ZetaDisplays net sales amounted to SEK 167.4 (122.4) million, which is an increase of 36.8% compared to the same period last year. Adjusted for currency effects, sales increased by 27.6% to SEK 166.9 (130.8) million. SaaS revenues amounted to SEK 49.8 (45.1) million and represented 29.7 (36.8) % of net sales. ARR was listed at SEK 197.7 million and EBITDA amounted to SEK 14.7 (15.3) million. Adjusted for items affecting comparability, EBITDA was SEK 21.5 (17.9) million.

Net sales are attributable to increasing activity in the market. Project sales were 52.1 % higher than the corresponding period last year and were quoted at SEK 117.6 (77.3) million. Gross profit amounted to SEK 83.4 (70.0) million, corresponding to a gross margin of 49.8 (57.2) %. The margin was affected by a higher share of project sales compared to the previous year.

Comment

The quarter has meant increased business activity with larger orders, both for our existing customers and in new customer sales. New and renegotiated framework agreements for 2023 accelerate our growth and contribute to our international expansion. The implementation of key group strategic initiatives is progressing according to plan and strengthens the organization's capabilities. We see good opportunities for continued growth in both the short and long term as well as increased activity regarding new business opportunities, especially in the large customer segment.

Outlook

We continue to closely monitor developments in the market and in the rest of the world. Through our strong partnerships with leading suppliers and through increasing efficiency coordination within the Group and a stable international customer portfolio, we are well prepared to handle any challenges. Our assessment is that the market will continue to show growth in the coming quarters.

During the quarter, we continued to invest consciously for the future, which paves the way for scalable growth in a growing market with strengthened organizational and product conditions.

I would especially like to thank our employees for their strong performance and commitment during the quarter and thank our customers for their trust.

Per Mandorf
President and CEO

Market

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

Today, the Group has operations in six European countries and in the United States. ZetaDisplay continuously evaluates new form of alliances with companies and organizations within Digital

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

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

Financial overview

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

Fourth quarter October - December 2022

Net sales

Net sales for the quarter increased by 36.8 % to SEK 167.4 (122.4) million, compared with the corresponding quarter last year. Implementation projects, consisting of hardware and installation, increased by 52.1% while SaaS revenues increased by 10.4 % and amounted to SEK 49.8 (45.1) million. Of the total net sales, 29.7 (36.8) % consisted of SaaS revenues.

Gross profit

Gross profit amounted to SEK 83.5 (70.0) million, corresponding to a gross margin of 49.8 (57.2) %. The lower gross margin is explained by a larger share of hardware and project revenues compared to the fourth quarter last year.

Operating expenses

The cost of merchandise amounted to SEK -83.8 (-52.3) million and consists primarily of hardware and installations. The difference is attributable to a higher volume of implementation projects compared to the fourth quarter last year.

Other external costs amounted to SEK -26.4 (-20.5) million.

Personnel costs amounted to SEK -46.6 (-41.0) million. Costs have increased because of more staff to meet the increased growth.

Depreciation and amortization amounted to SEK -9.5 (-9.3) million.

EBITDA

EBITDA amounted to SEK 14.7 (15.3) million, against respondent had an EBITDA margin of 8.8 (12.5%).

Adjusted for costs for the strategic review and acquisition costs, EBITDA amounted to SEK 21.5 (17.9) million last year, corresponding to an EBITDA margin of 12.9 (14,6)%.

Operating income

Operating profit amounted to SEK 5.2 (6.0) million, corresponding to a margin of 3.1 (4.9) %.

Financial items

Financial items amounted to SEK -2.5 (-3.7) million. External interest expenses related to the bond loan amounted to SEK -5.0 (-3.6) million.

Tax

Tax expense for the quarter amounted to SEK 4.8 (-4.2) million.

Profit for the quarter

Profit for the quarter amounted to MSEK 7.6 (-1.9).

Cash flow

During the quarter, the Group generated cash flow from operating activities of SEK -6.6 (9.4) million. Cash flow from investing activities amounted to SEK -4.8 (-6.6) million, of which investments in intangible non-current assets amounted to SEK -4.8 (-5.8) million and acquisitions of property, plant and equipment amounted to SEK -0.0 (-0.3) million. Cash flow from financing activities amounted to SEK -3.0 (-0.9) million. Total cash flow during the quarter amounted to SEK -14.3 (1.8) million.

The period January - December 2022

Net sales

Net sales for the period increased by 27.1% to SEK 534.5 (420.5) million, compared with the corresponding period last year. The increase is partly explained by: the acquisition of NORDLAND systems GmbH but also recovery in the market as a result of the pandemic. SaaS revenues increased by 11.1% to SEK 192.3 (173.1) million. Of total net sales, 36.0% (41.2) consisted of SaaS revenues.

Gross profit

Gross profit amounted to SEK 296.7 (258.2) million, corresponding to a gross margin of 55.5 (61.4) %.

Operating expenses

The cost of commodities amounted to -237.9 (-162.3) MSEK and consists mainly of hardware and installations.

Other external costs amounted to SEK -97.4 (-79.3) million. The increase compared to the previous year is related to strategic investments to structure the Group for future growth and scalability.

Personnel costs amounted to SEK -172.5 (-149.4) million. Personnel costs include SEK -2.9 million, which is considered costs of an incomparable nature. The number of employees has increased in connection with the reinforcements that have been made of increased competencies centrally and acquisitions.

Depreciation and amortization amounted to SEK -38.6 (-35.7) million.

EBITDA

EBITDA amounted to SEK 45.8 (50.1) million, corresponding to an EBITDA margin of 8.6 (11.9) %.

Adjusted for costs affecting comparability, strategic review, EBITDA amounted to SEK 72.0 (72.4) million, corresponding to an EBITDA margin of 13.5 (17.2) %.

Operating income

Operating profit amounted to SEK 7.2 (14.5) million, corresponding to an operating margin of 1.3 (3.4) %.

Financial items

Financial items amounted to SEK -16.1 (-13.0) million. External interest expenses related to the bond loan amounted to SEK -16.8 (-14.4) million.

Tax

Tax expense for the period amounted to SEK 2.1 (-7.5) million.

Profit for the period

Profit for the period amounted to SEK -6.9 (-6.1) million.

Cash flow

During the period, the Group generated cash flow from operating activities of SEK -22.8 (34.2) million. Cash flow from investing activities amounted to SEK -21.2 (-57.1) million, of which investments in intangible non-current assets amounted to SEK -15.9 (-22.2) million, acquisition of property, plant and equipment amounted to SEK -0.2 million (-0.9) MSEK and acquisitions of subsidiaries amounted to -5.1 (-34.1). Cash flow from financing activities amounted to SEK -11.0 (-11.6) million. Total cash flow during the period amounted to SEK -55.0 (-34.5) million.

Financial position

The equity/assets ratio at the end of the period was 35.2 (34.2) %. The Group had a total of SEK 70.7 (124.2) million in cash and cash equivalents and unutilized credits as of December 31, of which SEK 59.2 (93.5) million related to cash and cash equivalents. Net debt at the end of the period amounted to SEK -260.0 (-229.1) million.

ZetaDisplay has renewed its current bond loan and has thus completed the refinancing process of its senior unsecured bonds. The new bonds will have a floating interest rate of 3m STIBOR plus 7.75 per cent per annum and a final maturity date in February 2026.

As the current bond loan matures on March 20, 2023, the loan has been classified as short-term in this quarterly report.

The ZetaDisplay Group has an outstanding claim of approximately SEK 3.0 million from a customer in Russia regarding services performed in 2021. Transfer of the proceeds from Russia is not possible at the moment, but management estimates that the proceeds will be paid in the short term. The group is in discussion with external legal counsel to ensure that relevant legislation and sanctions are complied with.

Segments

ZetaDisplay reports in segments. The segments consist of Sweden (including Denmark and other markets), Norway, Finland (including the Baltics), the Netherlands, Germany and the Group-wide segment. For financial information by segment and for the period, see Note 3.

Parent company

The operations of the parent company ZetaDisplay AB (publ) include a larger part of the business in segment Sweden, but also provide a number of group-wide support functions for other segments. These include software development, coordination of sales, purchasing, delivery, service and support, as well as finance.

Parent Company sales amounted to SEK 69.5 (34.4) million, for the fourth quarter. Operating profit amounted to SEK 25.1 (-0.9) million and profit after tax to SEK 22.9 (14.8) million.

The Parent Company had a total of SEK 45.3 (79.5) million in cash and cash equivalents and

unutilized credits as of December 31, of which SEK 25.3 (59.5) million related to cash and cash equivalents.

Investments in fixed assets during the period amounted to SEK 8.2 (4.0) million, of which investments in subsidiaries amounted to SEK 0 (0) million and investments in intangible assets amounted to SEK 3.1 (4.0) million.

Other information

Number of employees

The average number of full-time employees was 200 during the last 12-month period, compared with 189 in the corresponding period last year.

Related party transactions

In addition to what is described in the section share-related incentive programs above, there are no significant transactions except for customary transactions with Group companies, ordinary salaries and remuneration to senior executives and their companies, board fees and issued options and incentive programs. The Group obtains financial and other advisory services from Hanover.

Operating Management which is an entity related to the Group's parent entity.

The share and shareholders

Following compulsory acquisition of shares, Hanover Active Equity Fund II S.C.A SICAV - RAIF is the sole shareholder of the ordinary shares of ZetaDisplay as of 3 December 1, 2022 (525).

Annual General Meeting

The Annual General Meeting was held on 30 June 2022. The AGM resolved on all proposed matters in accordance with the board of directors' or shareholders' previously published proposals. For further information, please refer to ir.zetadisplay.com.

Significant risks and uncertainties

Through its operations, the Group is exposed to various financial risks such as market risk (consisting of currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management involves seeking minimal adverse effects on earnings and position.

The Group's business risks and risk management as well as financial risks are described in detail in the Annual Report for 2021, pages 33-35. At

publication of this interim report, the war was going on at the EU's borders. ZetaDisplay has only insignificant exposure to Russia, Belarus and Ukraine in terms of sales to customers in these countries.

Furthermore, ZetaDisplay has no subsidiaries in the countries in question nor any significant direct exposure to suppliers in Russia, Belarus or Ukraine. However, it is difficult in the current situation to assess the indirect impact of the war on GDP growth, inflation, global supply chains and – ultimately – consumer confidence and demand for the Group's products.

In the second half of 2022, the increase in marketing activities internationally has created some bottlenecks in hardware deliveries. To a large extent, we have

continued to be able to handle the situation thanks to a strong position with leading suppliers and through effective coordination within the Group. No significant events have occurred during the interim period that affect or alter these descriptions of the Group's risks and their management.

Financial targets

The most important lever in our business model is the share of SaaS revenues in sales and our ability to increase revenues over the term of the agreements.

The Group's success is based on an efficient and scalable delivery and service platform.

Malmö, February 28, 2022

Per Mandorf

President and CEO

This report has not been subject to review by the company's auditor.

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Om ZetaDisplay

ZetaDisplay is a leader in the Nordic region and second leader in Europe and we drive the digital transformation in physical environments on a daily basis. Our solutions, concepts and software digitize, influence and inform people's behaviour at the time of decision-making in stores, in public environments and in workplaces. Our solutions are known as Digital Signage which we develop and offer as SaaS solutions. We are a global leader that actively influences the development of the international Digital Signage market organically, through innovation and through acquisitions.

ZetaDisplay is based in Malmö, has a turnover of approximately SEK 500+ million and employs 220 employees in ten offices in six European countries and the United States. In total, the company manages over 80,000 installations in more than 50 markets. ZetaDisplay is owned by the British investment company Hanover Investors. More information at www.ir.zetadisplay.com and www.hanoverinvestors.com

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - SUMMARY (TSEK)

	3 MONTHS OCT-DEC 2022	3 MONTHS OCT-DEC 2021	12 MONTHS JAN-DEC 2022	12 MONTHS JAN-DEC 2021
Net sales	167 386	122 370	534 500	420 478
Capitalized work on own account	4 168	4 441	16 329	15 713
Other revenue	-17	2 299	2 671	4 896
Total Revenue	171 537	129 110	553 500	441 087
<i>Operating expenses</i>				
Goods for resale	-83 845	-52 322	-237 780	-162 283
Other external expenses	-26 360	-20 490	-97 395	-79 300
Personnel expenses	-46 606	-40 970	-172 543	-149 387
Depreciations and write-downs	-9 483	-9 294	-38 592	-35 654
Operating profit	5 243	6 034	7 190	14 463
Financial income	5 104	893	9 685	4 881
Financial expenses	-7 597	-4 632	-25 830	-17 915
Profit/loss after financial items	2 750	2 295	-8 955	1 429
Tax	4 800	-4 219	2 081	-7 521
Net profit/loss	7 550	-1 924	-6 874	-6 092

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (TSEK)

	3 MONTHS OCT-DEC 2022	3 MONTHS OCT-DEC 2021	12 MONTHS JAN-DEC 2022	12 MONTHS JAN-DEC 2021	12 MONTHS JAN-DEC 2021
Profit/loss for the period	7 550	-1 924	-6 874	-3 830	-6 092
Items that may later be transferred to profit/loss for the period					
Translations differences	8 344	4 971	32 064	7 989	16 570
Comprehensive income for the period	15 894	3 047	25 190	4 159	10 478
Attributable to shareholders in the Parent Company	15 894	3 047	25 190	4 159	10 478

CONSOLIDATED BALANCE SHEET - SUMMARY (TSEK)

	2022-12-31	2021-12-31
ASSETS		
Intangible assets	563 706	533 773
Tangible assets	12 252	8 226
Right of use assets	16 087	18 480
Deferred tax assets	1 205	1 112
Financial non-current assets	130	130
Total non-current assets	593 380	561 721
Inventories	12 940	9 238
Current receivables	156 642	86 990
Cash and cash equivalents	59 225	93 472
Total current assets	228 807	189 700
TOTAL ASSETS	822 187	751 421
EQUITY AND LIABILITIES		
Equity attributable to shareholders in the Parent Company	283 199	257 064
Total equity	283 199	257 064
Non-current liabilities	27 370	337 191
Current liabilities	511 618	157 166
Total liabilities	538 988	494 357
TOTAL EQUITY AND LIABILITIES	822 187	751 421

**STATEMENT OF CHANGES IN EQUITY – SUMMARY
(TSEK)**

GROUP	CAPITAL STOCK	ADDITIONAL PAID-IN CAPITAL	TRANSLATION RESERVES	ACCUMULATED RESULTS	TOTAL EQUITY
					Attributable to shareholders in the parent company
Opening balance 2020-01-01	27 284	268 454	-10 500	-48 376	236 862
Changes in equity					
2021-01-01 - 2021-12-31					
Comprehensive income for the period				-6 092	10 478
<i>Transactions with shareholders:</i>					
Option premiums received		0			0
Stock issue	578	9 146	0	0	9 723
Closing balance 2021-12-31	27 862	277 600	6 070	-54 468	257 064
Changes in equity					
2022-01-01 - 2022-12-31					
Comprehensive income for the period			33 009	-6 874	26 135
Closing balance 2022-12-31	27 862	277 600	39 079	-61 342	283 199

CONSOLIDATED CASH-FLOW STATEMENTS (TSEK)

	3 MONTHS OCT-DEC 2022	3 MONTHS OCT-DEC 2021	12 MONTHS JAN-DEC 2022	12 MONTHS JAN-DEC 2021
Operating activities				
Operating profit	5 243	1 068	7 190	4 138
Adjustments for depreciation and amortisation	9 483	9 069	38 592	17 431
Interest received	2 806	-139	3 939	101
Interest paid	-5 889	-3 828	-18 810	-7 867
Adjustment for items not included in cash flow	729	1 062	-4 322	530
Income tax paid	3 328	-517	-3 412	-2 875
Cash flow from operating activities before changes in working capital	15 700	6 715	23 177	11 458
Change in working capital				
Change in inventories	-701	-1 515	-2 849	-863
Change in receivables	-32 939	-15 366	-61 401	2 368
Change in current liabilities	43 028	807	43 394	58
Total change in working capital	9 388	-16 074	-20 856	1 563
Cash flow from operating activities	25 088	-9 359	2 321	13 021
Investment activities				
Acquisition of subsidiaries	0	0	-5 107	-24 158
Acquisition of intangible assets	-4 990	-5 166	-20 930	-10 067
Acquisition of tangible assets	-762	-208	-914	-355
Cash flow from investment activities	-5 752	-5 374	-26 951	-34 580
Financing activities				
Stock issue	0	0	0	0
Amortisation of debt	0	-3 000	0	-14 305
Amortisation of lease debt	-2 932	-2 320	-11 006	-4 505
Change in factoring debt	680	1 668	-2 283	2 299
Cash flow from financing activities	-2 252	-3 652	-13 289	-16 511
Cash flow for the period	17 083	-18 385	-37 919	-38 070
Cash and cash equivalents at start of period	41 443	108 008	93 472	125 671
Exchange rate difference	698	-961	3 671	1 061
Cash and cash equivalents at end of period	59 225	88 662	59 225	88 662

PARENT COMPANY INCOME STATEMENT - SUMMARY (TSEK)

	3 MONTHS OCT-DEC 2022	3 MONTHS OCT-DEC 2021	12 MONTHS JAN-DEC 2022	12 MONTHS JAN-DEC 2021
Net sales	69 506	34 368	193 920	127 899
Capitalized work on own account	1 861	2 636	8 570	8 213
Other income	-524	1 205	471	2 330
Total income	70 843	38 209	202 961	138 442
<i>Operating expenses</i>				
Goods for resale	-14 973	-13 691	-74 901	-47 736
Other external expenses	-20 272	-15 178	-78 235	-59 586
Personnel expenses	-8 884	-8 718	-41 047	-35 474
Depreciation and amortisation	-1 651	-1 555	-7 354	-5 377
Operating profit	25 063	-934	1 424	-9 731
Result from participations in group companies	0	19 483	0	19 483
Interest income	5 089	1 497	11 514	6 933
Interest expenses	-7 280	-4 068	-24 216	-16 173
Profit/loss after financial items	22 872	15 978	-11 278	512
Tax	0	-1 217	0	-1 217
Profit/loss for the period	22 872	14 761	-11 278	-705

PARENT COMPANY BALANCE SHEET – SUMMARY (TSEK)

	2022-12-31	2021-12-31
ASSETS		
Intangible assets	32 525	25 962
Tangible assets	819	1 644
Participations in group companies	437 100	436 997
Deferred tax assets	0	0
Financial non-current assets	130	130
Total non-current assets	470 574	464 733
Inventories	581	295
Current receivables	127 235	118 649
Cash and cash equivalents	43 358	59 471
Total current assets	171 174	178 415
TOTAL ASSETS	641 748	643 148
EQUITY AND LIABILITIES		
Equity	216 357	227 636
Total equity	216 357	227 636
Provisions	0	0
Non-current liabilities	492	310 375
Current liabilities	424 899	105 137
Total liabilities	425 391	415 512
TOTAL EQUITY AND LIABILITIES	641 748	643 148

Notes

Note 1 ZetaDisplay

ZetaDisplay AB (publ), 556603-4434, is a Swedish limited liability company with its registered office in Malmö Municipality, Skåne County, Sweden. The company's head office is in Malmö and has the address: Höjdrodergatan 21, 212 39 Malmö.

COMPANY	REG. NUMBER	SEAT	SHARES
ZetaDisplay AB	556603-4434	Malmö	
ZetaDisplay Sverige AB	556642-5871	Malmö	100
ZetaDisplay Finland OY	1914200-9	Vantaa	100
ZetaDisplay Danmark A/S	29226342	Köpenhamn	100
ZetaDisplay Baltics OU	12435080	Tallinn	100
ZetaDisplay BV	27285283	Rosmalen	100
Gauddi Inc	D18921700	Baltimore	100
ZetaDisplay Norway AS	981106431	Oslo	100
LiveQube AS	995543478	Oslo	100
NORDLAND systems GmbH	HRB 9974 HL	Ahrensburg	100

Note 2 Accounting principles

The consolidated financial statements for ZetaDisplay AB (publ) have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, the Swedish Annual Accounts Act (ÅRL) and the Financial Reporting Board RFR 1 "Supplementary accounting rules for groups". The parent company's financial statements are prepared in accordance with the Annual Accounts Act and RFR 2, "Accounting for legal entities".

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

New standards and interpretations that entered into force on January 1, 2022, have not had any effect on the

Group's or the Parent Company's financial statements for the interim period.

The interim report is prepared in accordance with IAS 34 "Interim reports". Disclosures under IAS 34 p. 16A are disclosed both in notes and elsewhere in the interim report.

ESMA's guidelines on Alternative Performance Measures are applied, which means that the report contains disclosure requirements regarding financial measures that have not been defined under IFRS. For definitions see pages 18-19.

Note 3 Segment reporting

TSEK OCT-DEC	SWEDEN		NORWAY		FINLAND		NETHERLANDS	
	2022	2021	2022	2021	2022	2021	2022	2021
	SaaS-revenues (recurring)	9 703	7 996	13 943	14 288	5 721	5 723	15 364
Hardware, installation and other services	23 298	21 145	14 365	15 309	7 821	11 049	11 824	14 763
Other income	-526	1 205	0	1	1	-1	0	499
Internal income	2 366	688	1 959	1 535	75	22	0	2 553
Total income	34 842	31 034	30 268	31 134	13 617	16 794	27 188	31 019
EBITDA *)	16 131	6 199	7 123	9 461	5 571	2 946	2 111	6 709
<i>EBITDA margin</i>	<i>48,9%</i>	<i>21,3%</i>	<i>25,2%</i>	<i>32,0%</i>	<i>41,1%</i>	<i>17,6%</i>	<i>7,8%</i>	<i>24,0%</i>
Depreciation and amortisation	-423	-435	-1 975	-1 835	-805	-798	-1 688	-1 758
Operating profit	15 709	5 763	5 147	7 626	4 766	2 147	423	4 951
Financial income								
Financial expenses								
Profit before tax	15 709	5 763	5 147	7 626	4 766	2 147	423	4 951

TSEK OCT-DEC	GERMANY		GROUP-WIDE		GROUP ELIMINATIONS		TOTAL FOR THE GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021
	SaaS-revenues (recurring)	5 033	3 852	0	0	0	0	49 765
Hardware, installation and other services	60 311	15 040	0	0	0	0	117 620	77 307
Other income	508	596	1	0	0	0	-16	2 301
Internal income	0	0	-13 920	3 113	9 520	-7 912	0	0
Total income	65 853	19 489	-13 919	3 113	9 520	-7 912	167 369	124 673
EBITDA *)	8 098	-174	-24 309	-9 811	0	0	14 726	15 329
<i>EBITDA margin</i>	<i>12,4%</i>						<i>8,8%</i>	<i>12,5%</i>
Depreciation and amortisation	-567	-601	-4 420	-3 878	394	367	-9 483	-9 295
Operating profit	7 531	-775	-28 728	-13 689	394	367	5 243	6 034
Financial income							-3 967	893
Financial expenses							0	-4 632
Profit before tax	7 531	-775	-28 728	-13 689	394	367	1 276	2 293

TSEK JAN-DEC	SWEDEN		NORWAY		FINLAND		NETHERLANDS	
	2022	2021	2022	2021	2022	2021	2022	2021
	SaaS-revenues (recurring)	30 631	28 863	61 515	55 930	22 888	22 951	59 035
Hardware, installation and other services	109 529	79 435	50 426	42 318	32 673	33 764	45 108	47 080
Other income	469	2 494	0	146	7	203	0	421
Internal income	4 536	2 990	4 657	6 026	27	63	6 270	8 659
Total income	145 166	113 782	116 599	104 421	55 594	56 982	110 413	108 328
EBITDA *)	33 279	25 581	33 418	36 689	11 169	6 201	25 208	25 789
<i>EBITDA margin</i>	<i>23,7%</i>	<i>23,6%</i>	<i>29,9%</i>	<i>37,3%</i>	<i>20,1%</i>	<i>10,9%</i>	<i>24,2%</i>	<i>26,0%</i>
Depreciation and amortisation	-1 676	-1 738	-8 028	-8 035	-3 112	-3 207	-6 728	-7 316
Operating profit	31 604	23 842	25 389	28 654	8 057	2 993	18 480	18 473
Financial income								
Financial expenses								
Profit before tax	31 604	23 842	25 389	28 654	8 057	2 993	18 480	18 473

TSEK JAN-DEC	GERMANY		GROUP-WIDE		GROUP ELIMINATIONS		TOTAL FOR THE GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021
	SaaS-revenues (recurring)	18 220	13 223	0	0	0	0	192 291
Hardware, installation and other services	104 472	44 744	0	0	0	0	342 209	247 342
Other income	2 194	1 632	1	0	0	0	2 671	4 897
Internal income	0	2 448	8 281	11 706	-23 771	-31 893	0	0
Total income	124 887	62 048	8 282	11 706	-23 771	-31 893	537 171	425 375
EBITDA *)	15 225	4 009	-72 517	-48 151	0	0	45 782	50 118
<i>EBITDA margin</i>	<i>12,4%</i>	<i>6,9%</i>					<i>8,6%</i>	<i>11,9%</i>
Depreciation and amortisation	-2 336	-1 387	-18 244	-15 432	1 531	1 461	-38 592	-35 654
Operating profit	12 889	2 622	-90 760	-63 582	1 531	1 461	7 190	14 463
Financial income							614	4 881
Financial expenses							-18 233	-17 915
Profit before tax	12 889	2 622	-90 760	-63 582	1 531	1 461	-10 429	1 429

INTANGIBLE AND TANGIBLE ASSETS TSEK DEC	SWEDEN		NORWAY		FINLAND		NETHERLANDS	
	2022	2021	2022	2021	2022	2021	2022	2021
	Intangible assets	0	0	23 652	21 357	3 826	4 989	72 178
Tangible assets	1 102	2 575	1 070	2 101	1 694	2 709	15 695	6 872
Total intangible and tangible assets	1 102	2 575	24 722	23 458	5 520	7 698	87 873	76 135

INTANGIBLE AND TANGIBLE ASSETS TSEK DEC	GERMANY		GROUP-WIDE		GROUP ELIMINATIONS		TOTAL FOR THE GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021
	Intangible assets	0	13	452 381	428 901	11 668	9 249	563 705
Tangible assets	7 916	9 695	862	2 756	0	0	28 339	26 707
Total intangible and tangible assets	7 916	9 708	453 243	431 657	11 668	9 249	592 044	560 479

SaaS revenues in the period and quarter consist of revenues that are recognized over time and hardware, installation and other services as well as internal revenue consists of revenue that is recognized at a certain time.

FIXED ASSETS PER GEOGRAPHICAL AREA*

	2022-12-31	2021-12-31
Sweden	35 157	31 978
Denmark	743	668
Norway	172 659	171 335
Finland	79 202	75 484
Netherlands	219 943	199 196
Germany	84 341	81 819
Total fixed assets	592 045	560 479

**Does not reconcile with the breakdown of fixed assets in the segment reporting. Goodwill and other surplus values are presented in a group-wide segment to the Chief Executive Officer but is included in different geographical areas. A segment can also contain several geographical areas.*

NOTE 4 FINANCIAL ASSETS AND LIABILITIES (TSEK)

(TSEK)	2022-12-31	2021-12-31
Financial assets measured at amortized cost (Hold to Collect)		
Trade accounts receivable	121 060	63 690
Contract assets	19 499	15 023
Other financial receivables	130	130
Cash and cash equivalents	59 225	93 472
Financial assets	199 914	172 315
Financial liabilities		
<i>Other financial liabilities valued at amortised cost</i>		
Liabilities to credit institutions	3 601	5 667
Debenture loan	299 609	297 898
Leasing liability	16 069	18 982
Liabilities to related parties	0	0
Liabilities related to acquisitions	19 137	3 193
Trade accounts payable	52 082	29 660
<i>Financial liabilities measured at fair value</i>		
Contingent considerations relating to acquisitions	9 990	28 635
Financial liabilities	400 488	384 035

Additional purchase costs

The liabilities relate to earn-outs associated with acquisitions.

These are valued at fair value, which is done according to level 3. This means that fair value is determined based on valuation models where material inputs are based on unobservable data. Liabilities are measured at fair value and are based on certain performance thresholds related to EBITDA in 2021 and 2022.

Alternative performance measures

ZetaDisplay presents some financial measures in the financial statements which are not defined under IFRS. The Company considers that these measures provide valuable additional information to investors, as they allow the Company's performance to be assessed. As not all businesses calculate financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should therefore not be seen as a substitute for measures defined in accordance with IFRS.

ARR (Annual recurring revenue)	Last month for the quarter/period SaaS-revenues (recurring) calculated to 12 months	The performance measure indicates recurring revenues over the next 12 months based on revenues from existing customers at the end of the period. The key ratio is also essential to facilitate industry comparison
Gross margin	Net sales minus cost of goods for resale in relation to net sales	Measure to show the margin before the effect of costs such as other external expenses, staff costs and depreciation
EBITDA	Operating profit excl. depreciation and amortization of tangible and intangible noncurrent assets	EBITDA is adjusted for items that affect comparability, so the company believes this is a useful indicator of results from operating activities
EBITDA-margin	EBITDA in relation to net sales	The EBITDA margin is adjusted for items that affect comparability, so the company believes this is a useful indicator of the margin from operating activities
Net debt	Interest-bearing liabilities decreased by interest-bearing assets and cash and cash equivalents.	Measures to show the Company's indebtedness
Operating profit	Profit/loss for the period before financial items and tax	Operating profit is a useful indicator of income from operating activities
Operating margin	Operating profit in relation to net sales	The operating margin is a useful indicator to compare the change in operating profit between two periods
SaaS-revenues (recurring)	Income of a recurring nature such as licenses, support and other agreed income	This measure is useful in showing how much of the revenue is of a recurring nature and how it nominally changes between quarters and over time
Equity ratio	Equity in relation to total assets	The company considers that this indicator is useful, and a supplement to other performance measures, for assessing the possibility of making dividend payments and strategic investments and to judge the company's ability to meet its financial commitments