

Year-end report 2023

- Order intake MSEK 135.4 (165.7)
- Net revenues MSEK 158.8 (167.2)
- Operating profit MSEK 1.9 (6.3)
- Profit after taxes MSEK 1.6 (5.3)
- No dividend is proposed (SEK 0.20)

CEO comments

The results of our targeted initiatives compensate for the weak economic situation in the transport sector

I am pleased to report a strong fourth quarter in such a challenging year for the industry. Order intake recovered and closed at MSEK 57, an increase from MSEK 53 last year. Net revenues also recovered during the fourth quarter, closing at MSEK 43, compared with MSEK 41 in the same period last year.

It is our OEM customers, who buy and use JLT's computers as a component in their system solutions, and port customers, who have increased the most during the year. The order intake from both the OEM and port segments grew by more than 60% from the previous year, and together, they accounted for more than 50% of the total order intake, compared to 23% the year before.

The strength of the above-mentioned segments compensates for weak demand in the transportation sector, where our end-customers, especially in the US, were affected in 2023 by a sharp drop in demand for transportation services. Many players in the transport industry have suffered due to reduced consumption and changes in consumer purchasing behavior after the pandemic. As a result, a large American transportation company, and a major project customer of JLT, filed for bankruptcy under Chapter 11 in August. JLT lost sales of approximately MSEK 15 in 2023. As a result of the bankruptcy, related service agreements have been recognized as profit and reported as income of MSEK 3.2. JLT suffered no credit losses.

Overall, net revenues for the full year were MSEK 159 compared with MSEK 167 the previous year. To adapt the operations to the lower revenues, measures were taken in the second half of the year to reduce the cost base. The operating profit for the year amounted to MSEK 1.9 compared with MSEK 6.3 the previous year.

We continue to deliver on our strategic initiatives

Especially given the current macroeconomic challenges, I am satisfied with how the organization has delivered on our strategic initiatives. We continue to strengthen our competitiveness and growth potential through product development, increased presence in our target markets, and streamlining of operations.

During the year, our software venture continued with the development of Insights™, a Business Intelligence (BI) solution. Through close cooperation with pilot customers, we have developed functionality that, combined with our JLT6012 computer, enables customers to streamline their operations significantly. With the Insights solution, we aim to match competing solutions and add unique customer value to our computers, giving us important competitive advantages.

We also further developed our Android solution for the JLT6012A computer. Offering computers with Android is a new territory for JLT, as we previously only sold our computers with Windows. In 2023, we have developed additional features in our Android offering, as requested by our target customers. These features will be launched in early 2024.

Our French subsidiary, established upon the acquisition of our local sales partner in 2022, continued its positive development during the year and reported a growth of 22%.

In May, we completed the acquisition of a minority stake in our Australian partner, Control Synergy Pty Ltd. ([press release on May 26, 2023](#)) The company has a strong presence with JLT's products in the Australian mining sector. With an option to acquire the remaining shares of the company in five years, it provides a future base for expansion in Asia Pacific (APAC). Control Synergy's orders to JLT increased in 2023 by 8% and contributed to our income statement with an associated shareholding of MSEK 0.4.

During the year, we centralized the management function in JLT to achieve more effective control and better use of the Company's existing resources. This reorganization strengthened all functions in the Company, including marketing, product development, operations, and finance. The changes were implemented without increasing the Company's ongoing costs. ([press release on September 19, 2023](#)).

With the purpose of being able to develop our headquarters based on the specific needs of the operations and eventually reduce costs, we have taken over the property in Växjö by acquiring the property company Fjällrenen Fastighets AB from Jan Olofsson. ([press release on November 9, 2023](#)).

Actively working to reduce inventories

During the global component shortage with long lead times for components in 2021 and 2022, JLT proactively decided to purchase components for its inventories, enabling a record revenue in 2022. The sudden slowdown in demand during 2023 has resulted in our inventories remaining high. We currently see no significant risk of obsolescence, and we continue to work actively to gradually reduce inventory levels.

Well positioned for a market recovery

By expanding into several geographies and industrial sectors, we have compensated for the prevailing weak macroeconomic environment. JLT's sales for the full year decreased compared to the record year of 2022 due to reduced demand, mainly in the transport sector. However, sales picked up strongly in the fourth quarter and my assessment is that we continue to gain market share. We have adapted our operations to the current market situation while maintaining a strong focus on delivering on our strategic initiatives. This positions us well for a recovery in our target markets, as we expect to achieve our long-term growth and profitability targets.

Per Holmberg, CEO



The Group's net sales and results for the full year 2023

For the full year 2023, the Group reported sales of MSEK 158.8 (167.2). The gross profit amounted to MSEK 65.8 (66.6) and the gross margin to 41.4 percent (39.9).

Operating expenses totaled MSEK 62.2 (58.5), of which other costs accounted for MSEK 22.7 (20.4). Personnel costs totaled MSEK 39.5 (38.1).

EBITDA for the year amounted to MSEK 4.8 (9.2).

Depreciation/amortization amounted to MSEK 3.4 (2.9) during the year, of which development expenditures were MSEK 2.5 (2.1) and tangible fixed assets MSEK 0.4 (0.3) and goodwill MSEK 0.5 (0.5).

The Group's operating profit amounted to MSEK 1.9 (6.3).

The net financial result amounted to MSEK 0.2 (-0.3), leading to MSEK 2.1 (6.0) profit before tax.

Taxes for the Group totaled MSEK 0.5 (0.7), resulting in after tax profit of MSEK 1.6 (5.3).

Order intake during the year amounted to MSEK 135.4 (165.7), and the order backlog at the end of the period amounted to MSEK 29.3 (52.7). The order backlog with delivery planned for the first quarter of 2024 amounted to MSEK 19.0 (29.4).

The recognized outgoing order backlog for 2023 includes orders with delivery planned within 12 months. Service contracts are not included in the order backlog.

Prepaid service agreements recognized as liability totaled MSEK 19.4 (24.2).



Comments on the result for 2023

A major customer in the US in the transportation segment filed for bankruptcy under Chapter 11 during the year. This company has been a significant project customer of JLT since 2021 ([press release on November 17, 2021](#)). No credit losses have been incurred by JLT and related service agreements have been recognized as profit.

JLT Insights, developed by JLT Software Solutions, is a cloud service for monitoring and controlling JLT computers, primarily in warehouse applications. The basic platform is now fully developed and operated in close cooperation with end customers. In 2023, MSEK 1.3 (4.2) was capitalized related to the basic platform and depreciation/amortization amounted to MSEK 1.2 (0).

During the year, a minority stake in Control Synergy in Australia was acquired, which has affected non-current financial assets by MSEK 2.8, of which MSEK 0.7 relates to goodwill. Associated shareholding before tax amounts to MSEK 0.4 (0) for the full year.

During the year, Fjällrenen Fastighets AB was acquired from Jan Olofsson in accordance with an AGM resolution in 2023. The acquisition has affected tangible fixed assets by MSEK 6.8 consisting of property, land and equipment, and it had a cash impact of MSEK 6.4.

At the beginning of 2023, JLT stored goods on behalf of customers that were paid for to a value of MSEK 8.7. These have now been delivered, which has reduced inventory and current liabilities.

Inventories remain high, which is an effect of building up a safety stock to ensure deliveries during a period of component supply shortages and long lead times. It will be possible to gradually reduce inventories in the coming quarters, provided the component situation does not become problematic again.

Group revenue decreased by 5.0% in 2023 compared to the previous year and the gross margin increased by 1.5 percentage points. Order intake for the year decreased by 18.3% compared to the previous year.

Provisions for variable pay during the year amounted to MSEK 0.9 (0.7).

Income statement, MSEK	2023 Q4	2022 Q4	2023 FY	2022 FY
Net Revenues	42,5	41,1	158,8	167,2
Gross Profit	19,8	18,0	65,8	66,6
Gross margin	46,5%	43,8%	41,4%	39,9%
Other income	0,5	0,3	1,2	1,1
<i>Of which:</i>				
<i>Other operating income</i>	0,7	0,0	1,0	0,0
<i>Capitalized work on own account</i>	-0,2	0,3	0,2	1,1
Sales & marketing costs	-6,1	-9,1	-27,9	-31,0
Overhead and R&D costs	-8,9	-7,4	-34,3	-27,5
EBITDA	5,3	1,9	4,8	9,2
EBITDA margin	12,3%	4,5%	3,0%	5,5%
Depreciation	-0,8	-0,7	-3,4	-2,9
<i>Of which:</i>				
<i>Property, plants and equipment</i>	-0,2	-0,1	-0,4	-0,3
<i>Intangible fixed assets</i>	-0,5	-0,4	-2,5	-2,1
<i>Goodwill</i>	-0,1	-0,2	-0,5	-0,5
Result from associated company	0,1	0,0	0,4	0,0
Operating Profit/Loss	4,5	1,2	1,9	6,3
Operating margin	10,5%	2,8%	1,2%	3,7%

Fourth quarter 2023

The quarter is impacted by recognition of profits related to terminated service contracts to the amount of 3.2 MSEK. Excluding this the Group's revenue decreased by 4.5 percent during the fourth quarter compared to the same period in the previous year. The gross margin for the quarter was then 42.2 percent (43.8), which resulted in a gross profit of MSEK 16.6 (18.0).

The Group's overhead costs during the fourth quarter amounted to MSEK 15.0 (16.4).

Order intake for the quarter amounted to MSEK 56.5 (53.2).

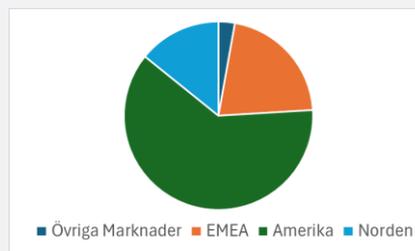


Market development

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

Sales by geographical region:

	2023	2022
Other markets	3%	6%
EMEA	21%	20%
Americas	62%	58%
Nordics	14%	17%



The acquisition of the associated company in Australia has enabled new market shares in the country. In addition, JLT has increased its presence in Spain, Portugal, and Italy through market-oriented efforts.

Product development

Product development took place in three areas during the year:

- Continuous technical development of the existing hardware products
- The basic platform for cloud services, JLT Insights
- Customer-driven development

The development of JLT's software offering was initiated in 2021 through the establishment of JLT Software Solutions AB. Capitalized development costs in JLT Software amount to MSEK 1.3 (4.2). Related depreciation/amortization for the year amounted to MSEK 1.2 (0.0).

Project	Capitalized costs	Of which 2023	Residual value 2023
JLT6012A, vehicle-mounted Android computer	4.9	0.0	2.6
Computer-based functions, software	1.3	0.0	0.8
JLT Insights platform	6.3	1.3	5.1

Press releases apart from financial reporting issued in 2023

31 January	JLT Mobile Computers targets the port, manufacturing, and warehousing segments with upgraded JLT6012™ computer
5 April	Förändring i JLT Mobile Computers AB:s styrelse (Swedish only)
26 May	JLT Mobile Computers makes strategic acquisition – becomes a shareholder in its Australian sales partner
19 September	JLT Mobile Computers AB streamlines and enhances focus on growth by centralizing its management
9 November	JLT Mobile Computers AB acquires the property for its headquarters in Växjö, Sweden

Financial position and cash flow

Cash flow amounted to MSEK -21.5 (-12.1) after dividend payments of MSEK 5.7 (7.8), acquisition of property for MSEK 6.4 and acquisition of minority stake in Control Synergy for MSEK 2.8. The Group's cash and cash equivalents amounted to MSEK 6.5 (28.0) on the balance-sheet date.

The solidity was 57 percent (48), and the equity amounted to MSEK 55.2 (59.9).

During the year, an overdraft facility of MSEK 5 has been activated, unused at the balance sheet date.

Parent company

The parent company performs services for the subsidiary and pass on the expenses. The operating result amounted to MSEK -8.0 (-6.3).

Accounting principles

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

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

Dividend

The Board of Directors proposes to the Annual General Meeting that no dividend (SEK 0.20) be paid for the fiscal year 2023.

The Company's dividend policy normally stipulates that the dividend should correspond to 50–70 percent of the profit for the year, for 2023 corresponding from SEK 0.03 to SEK 0.04.

For the fiscal years 2021 and 2022, the Company has paid a dividend in excess of 100 percent of the profit, motivated by the Company's strong financial position. This state of affairs remains, but several investments during the year, as well as substantial capital tied up in inventories, albeit temporarily, mean that the amount of cash available is limited.

Related party transactions

Since 2002, JLT's headquarters premises in Växjö have been rented from a property company, which was wholly owned by the company's main owner, Jan Olofsson. In the second half of the year, JLT acquired this company and its property. The acquisition was decided at the Annual General Meeting in 2023.

The share

In total, 1.3 million shares (4.8) were traded during the period, corresponding to 4.6 percent of the total number of shares outstanding.

The share price was SEK 5.20 at the beginning of the period and SEK 4.32 at the end of the period.

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

Eminova Fondkommission AB

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Annual General Meeting

The Annual General Meeting will be held on Tuesday, May 7, 2024, 4:00 pm at PM & Vänner in Växjö, Sweden.

Report dates 2024

Interim Report, January–March 2024	May 7, 2024
Interim Report January–June 2024	August 14, 2024
Interim Report January–September 2024	October 25, 2024
Year-end Report 2024	February 12, 2025

Växjö, February 9, 2024

On behalf of the Board of Directors:

Per Holmberg, CEO

Contact details JLT Mobile Computers

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Or visit the Company's website www.jltmobile.com.

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

This information is information that JLT Mobile Computers AB (pub) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 am CET on February 9, 2024.

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



The Group's accounts

JLT Mobile Computers Group

Income statement, MSEK	2023 Q4	2022 Q4	2023 FY	2022 FY
Total revenue	43,0	41,4	160,0	168,3
Operating expenses				
Materials and supplies	-22,7	-23,1	-93,0	-100,5
Other external costs	-4,8	-5,9	-22,7	-20,4
Personnel costs	-10,2	-10,5	-39,5	-38,1
Depreciation	-0,8	-0,7	-3,4	-2,9
Result from associated company	0,1	0,0	0,4	0,0
Operating profit/loss	4,5	1,2	1,9	6,3
Net financial items	0,0	0,1	0,2	-0,3
Profit/Loss after financial items	4,5	1,3	2,1	6,0
Taxes	-1,0	0,2	-0,5	-0,7
Net profit/loss for the period	3,6	1,5	1,6	5,3
Earnings/loss per share (SEK)	0,12	0,05	0,06	0,18
Earnings/loss per share after dilution	0,12	0,05	0,05	0,18
			2023 31 dec	2022 31 Dec
Balance sheet, MSEK				
Assets				
Intangible assets			10,0	11,6
Property, plant and equipment			7,7	1,2
Non-current financial assets			3,1	0,3
Total non-current assets			20,8	13,1
Inventories			45,2	46,3
Current receivables			24,2	37,1
Cash and cash equivalents			6,5	28,0
Total current assets			76,0	111,4
Total assets			96,8	124,5
Equity and liabilities				
Share capital			28,7	28,7
Restricted equity			11,7	14,1
Retained earnings			14,8	17,1
Total equity			55,2	59,9
Provisions			1,7	1,7
Longterm liabilities			0,5	-
Current liabilities			39,5	62,9
Total equity and liabilities			96,8	124,5

* Mathematical rounding

Statement of cash flows, MSEK	2023 FY	2022 FY
Cash flow resulting from current operations before changes in working capital	3,1	9,1
Change in working capital	-8,3	-8,0
Operating activities	-5,2	1,2
Investing activities	-10,6	-5,5
Financing activities	-5,7	-7,8
Cash flow for the year excluding short-term investments	-21,5	-12,1
Cash flow for the year including short-term investments	-21,5 #	1,9
Cash and cash equivalents	6,5	28,0
Net indebtedness	-6,5	-28,0

Statement of changes in equity, MSEK	2023 FY	2022 FY
Opening equity	59,9	60,0
Profit/loss for the period	1,6	5,3
Translation differences	-0,6	1,3
New share issue	0,0	1,0
Dividend	-5,7	-7,8
Closing equity	55,2	59,9

Key data		2023 FY	2022 FY
EBITDA margin	%	3,0	5,5
Operating margin	%	1,2	3,8
Profit margin	%	1,3	3,6
Capital employed	MSEK	55,2	61,6
ROACE	%	3,6	10,2
Equity	MSEK	55,2	59,9
Return on equity	%	2,8	8,8
Net indebtedness includ. short-term deposits	MSEK	-6,5	-28,0
Debt/equity ratio	times	0	0
Solidity	%	57	48
Earnings/loss per share	SEK	0,06	0,18
Equity per share	SEK	1,92	2,09
Net debt per share*	SEK	-0,23	-0,81
Closing market price of share	SEK	4,32	5,20
No. of shares outstanding	x 1.000	28 712	28 712
Average number of shares outstanding	x 1.000	28 712	28 632
No. of shares outstanding after dilution	x 1.000	29 712	29 712

*Negative value = net cash