

JLT Mobile Computers AB (publ)

Interim report January – June 2021

- Order intake MSEK 83.1 (58.0)
- Net sales MSEK 65.7 (56.6)
- Operating profit MSEK 5.5 (0.9)
- Profit after taxes MSEK 4.6 (0.4)

CEO comments

The activity on our primary markets continue to increase and we do a strong second quarter with an order intake of record high MSEK 55, which is an almost doubling compared to the same quarter last year. Net sales amounted to MSEK 36, an increase by 21%.

The current global component shortage results in long lead times and increasing prices for several of the parts of our devices. However, thanks to having our own development and production locally in Sweden we have been able to do product adaptations as needed and secure long-term material supply. Thereby we have managed to keep up customer deliveries while maintaining a stable gross margin of 42% during the quarter, compared to 40% last year. The situation currently seems promising, but the component shortage is not over, and it is difficult to predict how it will impact our delivery capacity in the time ahead.

As part of our long-term strategy to increase our service offering and with the ambition to create unique competitive advantages, generate new business opportunities and recurring earnings, the subsidiary JLT Software Solutions was established during the first quarter of the year. The CEO and development manager are working on a proof of concept for initial business conversations and future customer projects.

We are in the final steps of Google certifying our coming JLT6012A rugged computer, a vehicle mount device with Android operating system to be launched this fall. The coming computer has been developed as a response to an increased demand for Android based products for use in challenging environments as it can simplify and make the use of mobile devices more effective for our customers.

Half way through the year our markets are slowly starting to open up again. Meeting and travelling restrictions have hampered us throughout the year, as these are now being eased we are in a strong position, ready to execute on our growth strategy to strengthen our sales channel, marketing and our product offering. With a strong quarter behind us, a world starting to return to what it used to be and new products and solutions around the corner I am hopeful and optimistic about the future.

Per Holmberg, CEO

The Group's net sales and result for the period January to June 2021

For the period, the Group reported net sales of MSEK 65.7 (56.6). The gross profit amounted to MSEK 27.8 (25.1) and the gross margin to 42.3 percent (44.3).

Operating expenses totaled MSEK 24.0 (23.7), of which other costs accounted for MSEK 7.9 (7.2). Personnel costs totaled MSEK 16.0 (16.5).

EBITDA for the period amounted to MSEK 6.0 (1.6).

Depreciation/amortization amounted to MSEK 0.4 (0.7) during the period, of which development expenditures were MSEK 0.3 (0.6) and tangible fixed assets 0.1 (0.1).

The Group's operating profit amounted to MSEK 5.5 (0.9).

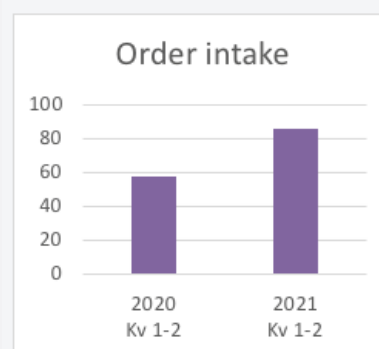
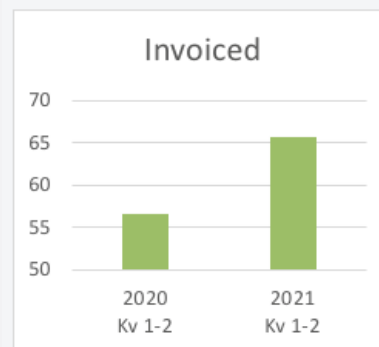
The net financial result amounted to MSEK 0.4 (-0.5), leading to an MSEK 5.9 (0.4) profit before tax.

Fixed taxes for the Group totaling MSEK 1.3 (0.1), led to a profit after tax of MSEK 4.6 (0.4).

During the period, development costs totaling MSEK 2.3 (1.0) were capitalized, MSEK 0.1 (0.3) of which internally generated.

Order intake during the period amounted to MSEK 83.1 (58.0), and the order backlog at the end of the period amounted to MSEK 32.2 (13.0), of which MSEK 22 expected to be delivered within the third quarter.

Prepaid service agreements recognized as liability totaled MSEK 13.3 (19.0). The decreasing value of the agreements is mainly due to a large replacement project of old devices currently being done on the US market.



Income Statement, MSEK	2021 Q2	2020 Q2	2021 Q1-2	2020 Q1-2	2020
Net Revenues	36.3	29.9	65.7	56.6	110.3
Gross Profit	15.1	11.9	27.8	25.1	47.1
- Gross margin	41.7%	39.8%	42.3%	44.3%	42.7%
Other Income	2.1	0.3	2.2	0.3	0.5
Of which:					
- Other operating income	2.1	0.0	2.1	0.0	0.0
- Capitalized work for own account	0.0	0.3	0.1	0.3	0.5
Sales & marketing costs	-5.3	-5.2	-10.4	-12.3	-23.0
Overhead and R&D costs	-8.2	-4.8	-13.6	-11.4	-21.0
EBITDA	3.7	2.1	6.0	1.6	3.6
Depreciation	-0.2	-0.4	-0.4	-0.7	-1.5
Of which:					
- Property, plants and equipment	-0.1	-0.1	-0.1	-0.1	-0.3
- Intangible fixed assets	-0.2	-0.3	-0.3	-0.6	-1.2
Operating Profit	3.5	1.8	5.5	0.9	2.1
- Operating margin	9.2%	5.8%	8.2%	1.6%	1.9%

Comments on the result for the second quarter

Gross margin for the second quarter is 41.7 percent (39.8), the variation between the quarters is mainly due to mix of products in separate orders and currency effects.

Other operating income of MSEK 2.1 refers to a Corona related state subsidy to our American company intended to secure the business during the pandemic when its consequences were new and unknown. The grant initially given as a loan have now been forgiven. These funds will mainly be reinvested in the US sales organization.

As of the second quarter 2021 the subsidiary JLT Software solutions AB (JLT SW) is consolidated in the results. JLT SW is a long-term investment intended to complement the JLT offering with software to enhance and expand our total solutions for the primary markets. The total costs for JLT Software solutions amounted to MSEK 1.0 during the period.

Development costs totaling at MSEK 0.2 (1.0), of which MSEK 0.0 (0.3) internally generated, have been capitalized during the quarter.

Provisions for variable salaries have been entered to the amount of MSEK 1.2 (0.0) during the quarter.

Order intake for the quarter was MSEK 55.0 (29.0).

Financial position and cash flow

Cash flow amounted to MSEK -11.4 (0.4) after MSEK 7.7 in dividend. The Group's cash and cash equivalents amounted to MSEK 38.7 (48.3) on the balance sheet date.

The solidity was 64 percent (60) and the equity amounted to MSEK 57.0 (59.0).

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

There are no interest-bearing liabilities.

Parent Company

The parent company performs services for the subsidiary, and pass on the expenses. The operating result amounted to MSEK -2.2 (-2.2).

Accounting principles

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

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

The share

In total, 2.7 million shares (3.3) have been traded during the period, corresponding to 10 percent of the total number of shares outstanding.

The share price was SEK 5.43 at the beginning of the period and SEK 5.30 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 Advisor.

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Report dates 2021

Interim Report Jan - Sept 2021	October 22, 2021
Year-end Report 2021	February 10, 2022

Växjö, August 12, 2021
On behalf of the Board of directors: Per Holmberg, CEO

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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 pm CET on Thursday, August 12, 2021.

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

Income Statement, MSEK	2021 Q2	2020 Q2	2021 Q1-2	2020 Q1-2	2020 Year
Net Revenue	38.4	30.2	67.9	56.9	110.8
Operating Expenses					
Materials and supplies	-21.2	-18.0	-37.9	-31.5	-63.2
Other external costs	-4.4	-3.0	-7.9	-7.2	-13.1
Personnel costs	-9.1	-7.0	-16.0	-16.5	-30.9
Depreciation	-0.2	-0.4	-0.4	-0.7	-1.5
Operating Profit/Loss	3.5	1.8	5.5	0.9	2.1
Net financial items	0.2	-0.4	0.4	-0.5	-0.3
Profit/Loss After Financial Items	3,7	1.3	5.9	0.4	1.8
Taxes	-0.8	-0.3	-1.3	-0.1	-0.3
Net Profit/Loss For The Period	2,9	1.0	4.6	0.4	1.5
Earnings/loss per share (SEK)	0.10	0.03	0.16	0.01	0.05

Balance Sheet, MSEK	2021 30 Jun	2020 30 Jun	2020 31 Dec
Assets			
Intangible assets	5.4	2.9	3,5
Property, plant and equipment	1.4	0.5	1.3
Non-current financial assets	0.2	0.2	0.2
Total non-current assets	7.0	3.6	5.0
Inventories	16.6	21,0	17,4
Current receivables	26.6	25.9	21,8
Cash and cash equivalents	38.7	48.3	50.1
Total current assets	81.8	95.2	89.2
Total Assets	88.8	98.8	94,2
Equity and liabilities			
Share capital	28.6		
Restricted equity	8.9	6.3	6,9
Retained earnings	19.6	24.1	24,5
Total Equity	57.0	59.0	60,0
Provisions	1.7	1.9	1,7
Current liabilities	30.1	38.0	32.5
Total Equity And Liabilities	88.8	98.8	94.2

Statement of Cash Flows, MSEK	2021 Q1-2	2020 Q1-2	2020 Year
Cash flow resulting from current operations before changes in working capital	5.0	-2.6	0.0
Change in working capital	-6.3	3.6	5.3
Operating Activities	-1.3	1.0	5.4
Investing Activities	-2.5	-0.6	-3.2
Financing Activities	-7.7	0.0	0.0
Cash Flow for the Period	-11.4	0.4	2.2
Cash and cash equivalents	38.7	48.3	50.1

Statement of Changes in Equity, MSEK	2021 30 Jun	2020 30 Jun	2020 31 Dec
Opening Equity	60.0	58.6	58,6
Profit/loss for the period	4.6	0.4	1,5
Translation differences	0.1	0.0	-0,1
New share issue	0.0	0.0	0,0
Dividend	-7.7	0.0	0,0
Closing Equity	57.0	59.0	60,0

Key Data		2021 Q1-2	2020 Q1-2	2020 Year
EBITDA margin	%	8.8	2.9	3,2
Operating margin	%	8.2	1.6	1.9
Profit margin	%	8.8	0.8	1,6
Capital employed	MSEK	57.0	59.0	60.0
ROACE	%	20	2	3
Equity	MSEK	57.0	59.0	60,0
Return on equity	%	16	1	3
Net indebtedness incl. short-term deposits	MSEK	-38.7	-48.3	-50.1
Debt/equity ratio	%	64	60	64
Earnings/loss per share	SEK	0.16	0.01	0.05
Equity per share	SEK	2.00	2.07	2,10
Net debt per share	SEK	-1.35	-1.69	-1.76
Closing market price of share	SEK	5.30	4.62	5.32
No. of shares outstanding	x 1.000	28 552	28 552	28 552