



JLT Mobile Computers AB (publ)

Interim report January–March 2024

- Order intake 33.7 MSEK (34.0)
- Net sales 37.7 MSEK (49.9)
- Operating profit 0.8 MSEK (2.6)
- Profit after taxes 0.5 MSEK (2.2)

CEO comments

Overall, the order intake for the first quarter ended at 34 million SEK, the same level as the first quarter of the previous year. Net sales for the period were 38 million SEK, a decrease from the record-high 50 million SEK in the corresponding period last year. Operating profit stood at 0.8 million SEK, compared to 2.6 million SEK last year.

A continued weak demand in our target markets, especially within the transportation and logistics segments, impacted our revenue negatively during the first quarter. While we see signs of stabilization in these segments, it remains challenging to predict when a broader recovery will occur given the current economic conditions. The lower demand in transportation and logistics was partially offset by strong activity from our OEM customers in agriculture, construction, and our port customers.

To adapt our operations to the prevailing economic situation, we implemented cost-saving measures that began yielding results during the quarter. Our cost base was reduced by 2 million SEK compared to the same period in the previous year.

Continuing to deliver on our strategic initiatives

During the last quarter, we secured a significant order worth nearly 6 million SEK for our Android product, the JLT6012A. It's gratifying to see our efforts paying off, especially as one of the largest bottling and distribution companies for soft drinks in the USA chose to invest in our technology.

Simultaneously, we remain committed to advancing our work on JLT Insights™, our business intelligence solution. By integrating complementary software solutions with our computers, we create unique value for customers and increase our competitiveness in the market.

Actively managing the stock

After several years of component shortages and a sudden drop in demand, our stock levels increased, and we have worked diligently to reduce them during the quarter. Since the beginning of the year, we've successfully decreased the stock by 4 million SEK, and we'll continue these efforts throughout the year.

We are well-positioned for a market recovery

In summary, we are well-positioned for a market recovery as we've adjusted our operations to the current market situation while staying focused on delivering our strategic initiatives. With a diversified customer base across multiple segments, we anticipate achieving our long-term growth and profitability goals.

Per Holmberg, CEO

The Group's net sales and result for the period January to March 2024

For the period, the Group reported net sales of MSEK 37.7 (49.9), a decrease of 25 percent. The gross profit amounted to MSEK 16.6 (19.8) and the gross margin to 44.0 percent (39.6).

Operating expenses totaled MSEK 14.8 (16.9), of which other costs accounted for MSEK 6.2 (6.9). Personnel costs totaled MSEK 8.7 (10.0).

EBITDA for the period amounted to MSEK 1.7 (3.4).

Depreciation/amortization amounted to MSEK 0.9 (0.8) during the period, of which development expenditures were MSEK 0.6 (0.6), tangible fixed assets MSEK 0.2 (0.1) and goodwill MSEK 0.1 (0.1).

The Group's operating profit amounted to MSEK 0.8 (2.6).

The net financial result amounted to MSEK 0.0 (0.1), leading to an MSEK 0.8 (2.7) profit before tax.

Fixed taxes for the Group totaling MSEK 0.3 (0.5), led to a profit after tax of MSEK 0.5 (2.2).

Order intake during the period amounted to MSEK 34.1 (34.0), and the order backlog at the end of the period amounted to MSEK 25.8 (36.2).

Prepaid service agreements recognized as liability totaled MSEK 20.8 (26.3).

Income Statement, MSEK	2024 Q1	2023 Q1	2023
Net Revenues	37.7	49.9	158.8
Gross Profit	16.6	19.8	65.8
Gross margin	44.0%	39.6%	41.4%
Other income	0.0	0.6	1.2
<i>Of which:</i>			
<i>Other operating income</i>	0.0	0.3	1.0
<i>Capitalized work on own account</i>	0.0	0.2	0.2
Sales & marketing costs	-6.9	-7.7	-27.9
Overhead and R&D costs	-7.9	-9.2	-34.3
EBITDA	1.7	3.4	4.8
EBITDA margin	4.6%	6.7%	3.0%
Depreciation	-0.9	-0.8	-3.4
<i>Of which:</i>			
<i>Property, plants and equipment</i>	-0.2	-0.1	-0.4
<i>Intangible fixed assets</i>	-0.6	-0.6	-2.5
<i>Goodwill</i>	-0.1	-0.1	-0.5
Operating Profit/Loss	0.8	2.6	1.9
Operating margin	2.2%	5.1%	1.2%

Comments on the result for the first quarter

The group's turnover decreased by 25 percent during the first quarter compared to the same period last year. The gross margin for the quarter is 44.0 percent (39.6). In the first quarter of 2023, a larger deal with a lower margin was invoiced, which affects the comparison with the quarter.

Reduced overhead costs compared to the first quarter of 2023 is a result of cost savings implemented mainly in 2023.

The inventory has decreased by SEK 4.4 million since the turn of the year, which is a consequence of reduced safety stocks that were built up in connection with component shortages in 2022 and partly in 2023.

Short-term receivables have increased by SEK 13.1 million since the turn of the year, of which accounts receivable accounts for SEK 14.6 million. Some larger deals were delivered and invoiced at the end of the quarter, which led to increased accounts receivable at the end of the quarter.

Development of JLT Insights during the quarter has mainly been customer-driven and no development costs have been capitalized in the period. Of the group's total depreciation, 0.4 (0.4) MSEK relates to JLT Insights and 0.2 (0.2) other capitalized development expenses.

Financial position and cash flow

Cash flow amounted to MSEK -1.7 (1.4). The Group's cash and cash equivalents amounted to MSEK 4.8 (29.4) on the balance sheet date.

The solidity was 56 percent (51), and the equity amounted to MSEK 57.2 (62.0).

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 -2.1 (-1.9).

Accounting principles

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

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

Dividend

The Board of Directors proposes to the Annual General Meeting that 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.



The share

In total, 1.0 million shares (0.3) have been traded during the period, corresponding to 4 percent of the total number of shares outstanding.

The share price was SEK 4.23 at the beginning of the period and SEK 3.80 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.

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Remaining report dates 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, May 7, 2024

On behalf of the Board of directors:

Per Holmberg, CEO

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

This information is information that JLT Mobile Computers AB (pub) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 1:00 pm CET on Tuesday, May 7, 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

	2024 Q1	2023 Q1	2023
Income statement, MSEK			
Net revenue	37.7	50.5	160.0
Operating expenses			
Materials and supplies	-21.1	-30.2	-93.0
Other external costs	-6.2	-6.9	-22.7
Personnel costs	-8.7	-10.0	-39.5
Depreciation	-0.9	-0.8	-3.4
Operating profit/loss	0.8	2.6	1.5
Net financial items	0.0	0.1	0.2
Result from associated company	0.0	0.0	0.4
Profit/Loss after financial items	0.8	2.7	2.1
Taxes	-0.3	-0.5	-0.5
Net profit/loss for the period	0.5	2.2	1.6
Earnings/loss per share (SEK)	0.02	0.08	0.06
Earnings/loss per share after dilution	0.02	0.07	0.05
Balance sheet, MSEK			
	2024 31 mar	2023 31 mar	2023 31 Dec
Assets			
Intangible assets	9.2	12.2	10.0
Property, plant and equipment	7.6	1.1	7.7
Non-current financial assets	3.8	0.3	3.8
Total non-current assets	20.6	13.7	21.6
Inventories	40.8	42.4	45.2
Current receivables	37.0	35.2	23.9
Cash and cash equivalents	4.8	29.4	6.5
Total current assets	82.6	107.0	75.6
	0.0	0.0	0.0
Total assets	103.2	120.7	97.2
Equity and liabilities			
Share capital	28.7	28.7	28.7
Restricted equity	11.1	15.1	11.7
Retained earnings	17.0	18.2	14.8
Total equity	56.7	62.0	55.2
Provisions	1.7	1.7	1.7
Long-term liabilities	0.5	-	0.0
Current liabilities	44.3	57.0	40.4
Total equity and liabilities	103.2	120.7	97.2

* Mathematical rounding

Statement of cash flows, MSEK	2024 Q1	2023 Q1	2023
Cash flow resulting from current operations before changes in working capital	0.9	1.8	3.1
Change in working capital	-2.6	0.9	-8.3
Operating activities	-1.7	2.7	-5.2
Investing activities	0.0	-1.4	-10.6
Financing activities	0.0	0.0	-5.7
Cash flow for the year	-1.7	1.4	-21.5
Cash and cash equivalents	-1.7	1.4	-16.4
Net debt*	4.8	29.4	6.5

Statement of changes in equity, MSEK	2024 Q1	2023 Q1	2023
Opening equity	55.2	59.9	59.9
Profit/loss for the period	0.5	2.2	1.6
Translation differences	1.0	-0.1	-0.6
New share issue	0.0	0.0	0.0
Dividend	0.0	0.0	-5.7
Closing equity	56.7	62.0	55.2

Key data		2024 Q1	2023 Q1	2023
EBITDA margin	%	4.6	6.7	4.8
Operating margin	%	2.2	5.1	0.9
Profit margin	%	2.1	5.3	1.3
Capital employed	MSEK	56.7	62.0	55.2
ROACE	%	5.3	17.1	3.6
Equity	MSEK	56.7	62.0	56.8
Return on equity	%	3.6	14.1	2.8
Net indebtedness includ. short-term deposits	MSEK	-4.8	-29.4	-6.5
Debt/equity ratio	times	0	0	0
Solidity	%	55	51	57
Earnings/loss per share	SEK	0.02	0.08	0.06
Equity per share	SEK	1.98	2.16	1.92
Net debt per share*	SEK	-0.17	-1.02	-0.23
Closing market price of share	SEK	3.80	5.32	4.32
No. of shares outstanding	x 1,000	28,712	28,712	28,712
Average number of shares outstanding	x 1,000	28,712	28,712	28,712
No. of shares outstanding after dilution	x 1,000	29,712	29,712	29,712

*Negative value = net cash