

# Q1



## PRECISE BIOMETRICS Q1 INTERIM REPORT 2020

## Growth and financial strength in an unsettling time

INTERIM REPORT FOR THE PERIOD JANUARY – MARCH 2020

### **FIRST QUARTER**

- Net sales totalled SEK 23.1 (12.1) million.
- Net operating profit/loss totalled SEK 0.1 (-7,9) million.
- The profit/loss totalled SEK 0.3 (-7,9) million.
- Earnings per share totalled SEK 0,00 (-0,02).
- Cash flow from operating activities totalled 6.9 (-10.2) million.

### **SIGNIFICANT EVENTS DURING THE QUARTER**

- Adjustment of operations due to COVID-19 to safeguard operations and employee safety
- Agreement signed with Exeger regarding biometric access to facilities
- Pilot project initiated with Friskis & Svetis in Lund to test Precise product for biometric access to facilities during unmanned periods

### **SIGNIFICANT EVENTS SINCE THE END OF THE FULL-YEAR PERIOD**

- Extended license agreement with leading provider of fingerprint sensors, Egis Technology. For 2020, the total revenue from Egis is estimated to amount to around MSEK 60.
- YOUNIQ 3-year contract with Temporary Space Nordics AB

## FINANCIAL DATA AND KEY INDICATORS

### KEY INDICATORS

Amounts in SEK thousand unless otherwise stated	2020 Q1	2019 Q1	2019 Full-year	Rolling 12 mth
Net sales	23 065	12 144	91 927	102 848
Net sales growth, %	89,9%	-33,1%	35,9%	66,9%
Gross margin, %	87,7%	71,2%	86,4%	88,5%
Operating profit/loss	148	-7 868	651	8 667
Operating margin, %	0,6%	-64,8%	0,7%	8,4%
Cash flow from the operating activities	6 935	-10 206	-477	16 664
Cash and cash equivalents	78 399	67 474	73 676	78 399

Definitions, see financial glossary.

### PRESENTATION OF THE INTERIM REPORT

In connection with today's interim report, we include an invitation to a telephone conference/webcast today at 10:00 AM.

**The conference call starts at 10:00 AM (CET).**

Link to all public information such as link to audiocast and participant number for the telephone conference.

<https://financialhearings.com/event/12329>

To take part, click on the link above to listen to and follow the presentation online, or call +443333009267 to follow it over the phone.

You will be asked to state your name when you connect to the conference call and there will be an opportunity to ask questions in Swedish. The conference call will be held in English.

Participating on behalf of Precise:

**Stefan K Persson, CEO**

**Ulrik Nilsson, CFO**

## CEO COMMENTS

The spread of Covid-19 has affected people and companies all over the world, and Precise's operational work has been put to the test during the quarter. It has been challenging, but at the same time very instructive, and altogether Precise has managed to successfully fend off the pandemic so far. The most important event so far in 2020 occurred after the end of the quarter, when we extended the agreement with sensor manufacturer Egis Technology regarding our identification software for mobile devices. This means that we now have approximately MSEK 60 in revenue for 2020 secured from a large and important partner with most of the major OEM manufacturers in their customer portfolio. The revenues from Egis are divided into license revenues, royalties and support and maintenance fees, which is important for a broad spread of current revenues.

Net sales for the first quarter amounted to SEK 23.1 million, an increase of 90 percent compared with the same period in the previous year. More pleasing news is that results have improved considerably, with a positive EBIT result of SEK 0.1 million, an increase of SEK 8 million compared with the corresponding period in the previous year. We are completely debt-free with cash and cash equivalents of SEK 78.4 million, which is a strength, not least in times like these. Through continued investments in all business areas, we are broaden our offering in order to be able to reduce our dependency on revenue from the mobile side (which remains volatile) in the future and therefore able to stand even more stable. We continue to take important steps on our journey towards growth and becoming a profitable company that creates value for our customers, end users and shareholders.

In the Digital Identity business area, we have accelerated our commercial activities, mainly regarding access applications. We have started a number of exciting pilot projects with players such as Friskis & Svettis in Lund, and we have also received our first commercial order from Exeger, a very innovative technology company. By installing our identification software, their employees and visitors can now gain access to the company's premises in a much simpler and more secure way than before. We have also initiated proof-of-concepts with some hospitals, where we installed our product for access in different medicine cabinets for easier and more secure handling and control of medicines and medicinal products. It is a very exciting project where we can be involved in digitizing and streamlining healthcare, which also shows the wide range of application areas our access product has.

Something we really take with us from the current pandemic in relation to our business is the importance of contactlessness, whether it is payments, access or other applications, where biometrics can best be used as a way of verifying the user's identity. We see that demand is increasing and we are working closely with our partners to remain at the forefront of innovation, user-friendliness and security in order to continue to gain ground in our business areas.

I am happy and proud of how we have performed both financially and operationally so far, where each employee has done their utmost to maintain and strengthen our leading position.

*Stefan K Persson, CEO*

## MARKET AND SALES

Precise develops and sells biometrics solutions for convenient and secure verification of people's digital identity in mobile phones, smart cards and digital platforms. The company offers the following products in each area:

### *Digital identity*

Precise YOUNiQ® - Secures digital identity in a simple, secure way

### *Mobile*

Precise BioMatch® Mobile - Verifies fingerprints in mobile phones and tablets

### *Smart cards*

Precise BioMatch® Card - Verifies fingerprints in smart cards

In addition to the areas listed above, Precise is working on selected projects within various applications.

## MARKET DEVELOPMENT

### *Digital Identity*

We increasingly use digital services that require identification of the user. Since the registration process is often complicated and users choose passwords that are too simple, there is growing demand for easier and safer ways of verifying our digital identity. Our increasingly more interconnected world also means that we not only use our digital identity in multiple channels, but also on a number of different devices, which amplifies the need for secure and effective identification.

By combining different biometric technologies to verify our digital identity, we can create the optimum balance between convenience and security. This combined technology can be applied in several different application areas, such as access to facilities, document verification and digital services, within such sectors as finance, games, healthcare and transport. According to an analysis from Goode Intelligence, by the year 2024 we can expect over two billion verifications of digital identity and documents, on an annual basis.

### *Mobile*

Continued demand for user-friendly telephones and tablets with full screens is driving the trend for mobile devices. The next development step is sensors that cover the full screen and can read a fingerprint wherever it is placed on the display. According to an analysis from IHS Market, optical and ultrasonic sensors for phones in the higher price segment will increase. As the average price of these sensors is much higher than for capacitive sensors, they will account for a significant share of the market value for fingerprint sensors. In overall terms, the value of the market for capacitive sensors is falling, as prices are dropping faster than volumes are rising.

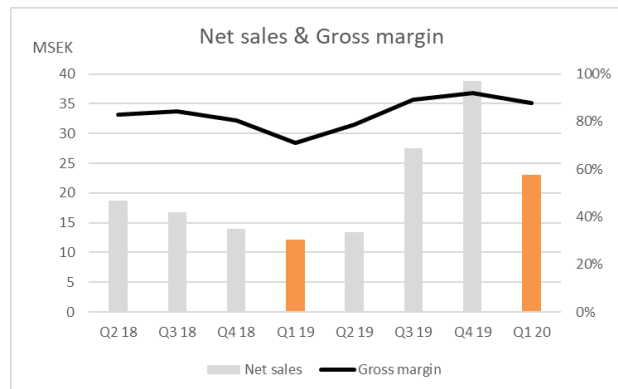
### *Smart Card*

Biometrics for identity verification has become an increasingly important tool in the battle against fraud in virtually all payment channels. Payments have become the primary driver of the development of biometrics in the consumer link, and analysts expect biometric cards to be a rapidly growing area in the coming years. Card manufacturers are focusing increasingly on the certification of contactless biometric payment cards, which is a precondition for card issuers to be able to achieve a broad-based market introduction. Sales of contactless biometric payment cards are expected to commence in 2020. In the wake of the Covid-19 pandemic, Precise foresees that the transition to biometric contactless payment cards may be accelerated as a result of higher demand for secure identification solutions that do not require physical contact.

### NET SALES AND OPERATING PROFIT/LOSS IN THE FIRST QUARTER

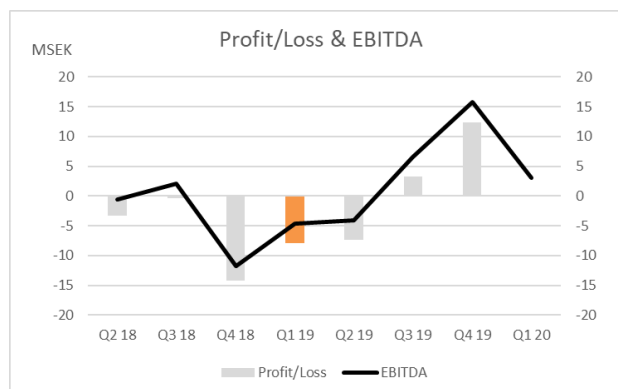
Net sales in the quarter increased by 89,9% and totalled 23.1 SEK (12.1) million. Net sales split between royalty revenues SEK 13.0 (2.1) million, license fees SEK 7.0 (6.5) million, support & maintenance SEK 1.5 (2.6) million and Other SEK 1.6 (1.0) million.

The gross margin for the quarter totalled 87.7% (71.2). Increase in margin primarily driven by the increase in revenue. The total amortization of capitalized development expenses was SEK 2.2 (2.3) million. Amortizations of intangible assets totalled SEK 0.2 (0.2) million.



Operating expenses for the quarter increased by SEK 3.6 million and totalled SEK 20.1 (16.5) million. The increased costs in R&D was related to increased investments in *Digital Identity* and *Mobile*. The higher turnover has led to increased cost for commission and foreign withholding tax. Other income includes positive impact from currency.

The operating profit/loss for the quarter totalled SEK 0.1 (-7.9) million. Improvements of the result is primarily explained by a higher gross profit, SEK 11.6 million, partly offset by higher operating expenses of SEK 3.6 million. The operating profit/loss totalled SEK 0.3 (-7.9) million. Total depreciation totalled SEK 2.9 (3.2) million. The profit/loss at EBITDA-level totalled SEK 3.1 (-4.7) million. Earnings per share (average number of shares) for the quarter totalled SEK 0,00 (-0,02).



### NET FINANCIAL ITEMS AND TAX

Precise holds no interest-bearing debt besides debt for leasing. Financial net is primarily connected with revaluation of cash in foreign currency and leasing debt. Net financial items for the total operations during the quarter totalled SEK 0.2 (0.1) million and the tax expense totalled SEK 0 (-0.1) million.

### CASH FLOW AND INVESTMENTS

Cash flow from the company's total operating activities in the quarter totaled SEK 6.9 (-10.2) million. During the quarter the Group has invested SEK 0.6 (0.1) million in tangible assets.

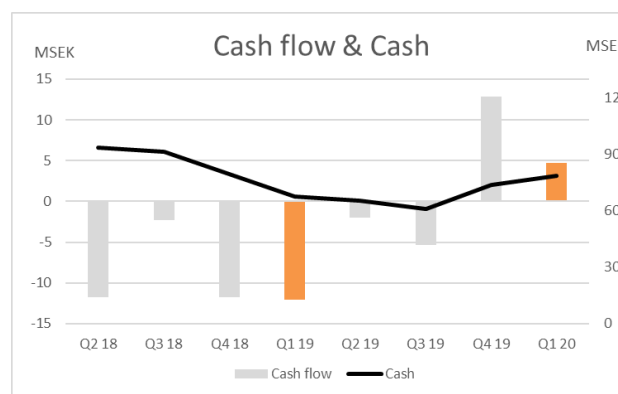
### CAPITALIZATION AND AMORTIZATION OF DEVELOPMENT WORK

During the quarter, development expenses of SEK 1.7 (1.7) million were capitalized. Depreciation of capitalized development expenses totaled SEK 2.2 (2.3) million.

### FINANCIAL POSITION AND LIQUIDITY

Cash and cash equivalents at the end of the interim period totaled SEK 78.4 (67.5) million.

Total equity at the end of the interim period totaled SEK 126.9 (117.6) million and equity per share was SEK 0.35 (0.33).



### **THE PARENT COMPANY**

The parent company's net sales for the full year amounted to SEK 22.6 (11.9) million. The operating profit/loss totaled SEK -0.9 (-8.8) million and was affected by amortizations of goodwill totaling SEK 0.6 (0.6) million.

Cash and cash equivalents at the end of the quarter totaled SEK 75.6 million (64.7) and total equity amounted to SEK 117.5 million (113.5).

### **ORGANIZATION AND STAFF**

The organization consists of the head office in Lund, Sweden and offices in Potsdam, USA and Shanghai, China. At the end of the interim period the Group had a workforce of 47 (39) people, including on-site consultants. The number of employees were 26 (22), of which 18 (16) in Sweden. Precise works agile together with several partners, which entail a fast-moving, scalable, organization. The number of employees does not include partners.

### **REPORTING DATES**

Q2 Interim report 2020	August 14, 2020
Q3 Interim report 2020	November 13, 2020
Year-end report 2020	February 16, 2021

### **ANNUAL GENERAL MEETING**

The Annual General Meeting will be held on May 15, 2020 at 2:00 PM at Mobilvägen 10, Lund, Sweden.

The Board of Directors proposes that no dividend will be paid for the financial year 2019.

### **RISK FACTORS**

The Group's and the parent company's business risks and risk management as well as the management of financial risks are described in detail in the Annual Report for 2019. There have been no events of significant importance during the year that would affect or change these descriptions of the Group's or the parent company's risks and how they are managed. To date, the company has not been noticeably affected by the Covid-19 pandemic, but it cannot be ignored that any future impact may arise.



## **OWNERSHIP STRUCTURE**

Precise Biometrics AB (publ), corporate ID number 556545-6596, is the parent company in the Precise Biometrics Group. Precise Biometrics AB's shares are listed on the Small Cap list of the Nasdaq OMX Nordic. The number of shareholders at the end of the full-year period was 19 797 (21 519). 87 035 764 shares were traded during the quarter. The closing price on March 31 was SEK 1.08, and during the quarter the share price fluctuated between SEK 0.90 and, SEK 2.00.

## **AUDIT**

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

The undersigned certifies that the interim report provides a true and fair view of the parent company's and the Group's operations, financial position and financial results, and describes the significant risks and uncertainty factors faced by the parent company and the companies that belong to the Group.

*Lund, May 15 2020*

Torgny Hellström,

Chairman of the Board

Torbjörn Clementz,

Board member

Mats Lindoff,

Board member

Synnöve Trygg,

Board member

Åsa Schwarz,

Board member

Stefan K Persson

CEO

### **For more information, please contact:**

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*This information is information that Precise Biometrics AB is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 8:00 AM on May 15, 2020.*

## CONSOLIDATED INCOME STATEMENT

Amounts in SEK thousand	Note	2020 Q1	2019 Q1	2019 Full Year	Rolling 12 month
Net sales	2	23 065	12 144	91 927	102 848
Cost of goods sold		-2 840	-3 492	-12 470	-11 818
<b>Gross profit</b>		<b>20 225</b>	<b>8 652</b>	<b>79 457</b>	<b>91 030</b>
Marketing and sales expenses		-6 673	-5 600	-28 220	-29 293
Administrative expenses		-3 695	-4 025	-14 811	-14 481
R&D expenses		-11 024	-7 410	-35 794	-39 408
Other operating income/expenses		1 315	515	19	-819
		<b>-20 077</b>	<b>-16 520</b>	<b>-78 806</b>	<b>-82 363</b>
<b>Operating profit/loss</b>		<b>148</b>	<b>-7 868</b>	<b>651</b>	<b>8 667</b>
Financial income/expenses		178	62	-556	-440
<b>Profit/Loss before tax</b>		<b>326</b>	<b>-7 806</b>	<b>95</b>	<b>8 227</b>
Tax		0	-126	926	1 052
<b>Profit/Loss for the period</b>		<b>326</b>	<b>-7 932</b>	<b>1 021</b>	<b>9 279</b>
Profit/Loss after tax from discontinued operations		0	0	992	-427
<b>Profit/loss for the period attributable to parent company shareholders</b>		<b>326</b>	<b>-7 932</b>	<b>594</b>	<b>8 852</b>
Earnings per share, remaining operations, SEK					
- before dilution		0,00	-0,02	0,00	0,02
- after dilution		0,00	-0,02	0,00	0,02
<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>					
<b>Profit/Loss for the period</b>		<b>326</b>	<b>-7 932</b>	<b>594</b>	<b>8 852</b>
<b>Other comprehensive income:</b>					
<i>Items that may be reclassified to profit or loss</i>					
Changes in accumulated exchange rate differences		132	37	-4	91
<b>Other comprehensive income for the period</b>		<b>132</b>	<b>37</b>	<b>-4</b>	<b>91</b>
<b>Profit/Loss total</b>		<b>458</b>	<b>-7 895</b>	<b>590</b>	<b>8 943</b>

## CONSOLIDATED BALANCE SHEET – IN SUMMARY

Amounts in SEK, thousands

<b>ASSETS</b>	<b>Not</b>	<b>2020-03-31</b>	<b>2019-03-31</b>	<b>2019-12-31</b>
<b>ASSETS</b>				
Material assets		2 057	9 644	1 884
Immaterial assets		41 747	47 225	42 415
Deferred tax assets		5 750	5 087	5 750
<b>TOTAL FIXED ASSETS</b>		<b>49 554</b>	<b>61 956</b>	<b>50 049</b>
<b>CURRENT ASSETS</b>				
Accounts receivable	3	20 551	21 248	29 279
Other current receivables	3	3 714	3 196	3 594
Accruals and deferred income		1 889	818	1 875
Cash and cash equivalents	3	78 399	67 474	73 676
<b>TOTAL CURRENT ASSETS</b>		<b>104 553</b>	<b>92 736</b>	<b>108 424</b>
<b>TOTAL ASSETS</b>		<b>154 107</b>	<b>154 692</b>	<b>158 473</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Equity <sup>1</sup>		126 925	117 589	126 467
<b>TOTAL EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS</b>		<b>126 925</b>	<b>117 589</b>	<b>126 467</b>
<b>LONG-TERM DEBT</b>				
Long term debt		44	7 452	126
<b>TOTAL LONG-TERM DEBT</b>		<b>44</b>	<b>7 452</b>	<b>126</b>
<b>SHORT-TERM LIABILITIES</b>				
Short-term liabilities	3	27 138	29 651	31 880
<b>Total Short-term liabilities</b>		<b>27 138</b>	<b>29 651</b>	<b>31 880</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>154 107</b>	<b>154 692</b>	<b>158 473</b>

## CONSOLIDATED CASH FLOW

Amounts in SEK, thousands	Note	2020 Q1	2019 Q1	2019 Full Year	Rolling 12 month
Cash flow from operating activities		2 761	-5 150	11 488	19 399
Cash flow from changes in working capital		4 174	-5 056	2 364	-2 735
<b>Cash flow from operating activities</b>		<b>6 935</b>	<b>-10 206</b>	<b>-9 067</b>	<b>16 664</b>
Cash flow from investment activities		-2 266	-1 900	-5 843	-6 209
Cash flow from financing activities		0	0	396	396
<b>Cash flow for the period</b>		<b>4 669</b>	<b>-12 106</b>	<b>-5 924</b>	<b>10 851</b>
Cash and cash equivalents at the start of the period		73 676	79 543	79 543	67 474
Translation difference in cash and cash equivalents		54	37	57	74
<b>Cash and cash equivalents at the end of the period *</b>		<b>78 399</b>	<b>67 474</b>	<b>73 676</b>	<b>78 399</b>

\* The balance sheet item cash and cash equivalents contain only bank balances at the beginning of the period and at the end of the period.

## CHANGES IN EQUITY, GROUP

Amounts in SEK, thousands	Note	2020 Q1	2019 Q1	2019 Full year	Rullande 12 month
<b>Equity at start of period</b>		<b>126 467</b>	<b>125 481</b>	<b>125 481</b>	<b>117 589</b>
<b>Profit/loss for the period</b>		<b>326</b>	<b>-7 932</b>	<b>594</b>	<b>8 852</b>
<b>Other comprehensive income</b>					
<b>Exchange differences</b>		<b>132</b>	<b>40</b>	<b>-4</b>	<b>88</b>
<b>Total other comprehensive income</b>		<b>132</b>	<b>40</b>	<b>-4</b>	<b>88</b>
<b>Total comprehensive income</b>		<b>458</b>	<b>-7 892</b>	<b>590</b>	<b>8 940</b>
<b>Transactions with shareholders</b>					
<b>Stockoptions</b>	4	<b>0</b>		<b>396</b>	<b>396</b>
<b>Total transactions with shareholders</b>		<b>0</b>		<b>396</b>	<b>396</b>
<b>Equity end of period</b>		<b>126 925</b>	<b>117 589</b>	<b>126 467</b>	<b>126 925</b>

## NOTE 1 – ACCOUNTING PRINCIPLES

This full-year report has been prepared in accordance with IAS 34, Interim Reporting. The parent company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Annual Reporting Board's recommendation RFR2 Accounting for Legal Entities. The recognition and measurement policies as well as the bases of estimates applied in the Annual Report for 2019 have been used in this interim report.

## NOTE 2 – REVENUE ALLOCATION

Amounts in SEK, thousands	2020 Q1	2019 Q1	2019 Full year	Rolling 12 month
<b>Revenue type</b>				
Royalty	13 013	2 060	31 234	42 187
Licenses	6 951	6 502	45 515	45 964
Support & Maintenance	1 501	2 617	9 119	8 003
Other	1 600	965	6 059	6 694
<b>Total</b>	<b>23 065</b>	<b>12 144</b>	<b>91 927</b>	<b>102 848</b>
<b>Region/Country</b>				
Europe	767	2 441	11 083	9 410
- whereof Sweden	3	1 210	4 984	3 777
Asia	18 501	5 900	65 586	78 187
- whereof China	2 150	2 342	7 641	7 449
- whereof Taiwan	15 781	2 620	53 612	66 773
USA	3 512	3 803	15 258	14 967
<b>Total</b>	<b>23 065</b>	<b>12 144</b>	<b>91 927</b>	<b>102 848</b>
<b>Timing of revenue recognition</b>				
Services transferred over time	8 452	9 119	11 026	53 967
Services transferred at a certain time	14 613	3 025	2 922	48 881
<b>Total</b>	<b>23 065</b>	<b>12 144</b>	<b>91 927</b>	<b>102 848</b>

**NOTE 3 – FINANCIAL INSTRUMENTS**

	2020-03-31	2019-03-31
<b>Financial assets</b>		
<i>Financial assets valued at the accrued cost of acquisition</i>		
Accrued income	20 551	21 248
Accounts receivable	3 714	3 196
Other receivable	78 399	67 474
Cash and cash equivalents	<b>102 664</b>	<b>91 917</b>
<b>Financial liabilities</b>		
<i>Financial liabilities at fair value via the income statement</i>		
Derivates	0	56
<i>Financial liabilities valued at the accrued cost of acquisition</i>		
Accounts payable	6 843	4 180
Other liabilities	-331	1 445
Other accrued expenses	9 214	15 679
<b>Total</b>	<b>15 726</b>	<b>21 360</b>

Derivatives consist of forward currency contracts and are used for hedging purposes and are valued according to level 2. The fair value with respect to other financial assets and liabilities corresponds in all material respects with the carrying amount in the balance sheet.

**NOTE 4 – OPTION PROGRAMS**

At the annual general meeting in 2017, a decision was made to offer an incentive program for the company's employees to the effect that a maximum of five million (5,000,000) stock options could be issued, with each stock option providing entitlement to subscribe to one (1) share in the company. Subscription to the stock options was to take place no later than December 31, 2017. Subscription through the exercising of stock options may take place during the period June 1, 2020 until June 30, 2020. The subscription price for the options was set at SEK 0.06 and the subscription price for the shares at SEK 5.40. At the end of the first half of 2019, 1,230,000 options had been subscribed, corresponding to 25% of the total stock option; this was after options subscribed by employees, including former CEO, had been bought back. Assuming that all stock options are exercised to subscribe to new shares, the number of shares in the company will increase by 1,230,000 shares.

At the annual general meeting 2019, a decision was made to offer an incentive program for the company's CEO and CFO by way of issuing a maximum of 1,300,000 stock options, with each stock option providing entitlement to subscribe to one (1) share in the company. Subscription to the stock options was to take place no later than June 31, 2019, with the board having the right to extend the subscription period. Subscription through the exercising of the subscription warrants may take place during June 1, 2022 until June 30, 2022. The subscription price for the options is set at SEK 0.32 and the subscription price for the shares at SEK 1.65. At the end of the first half of 2019, 1,300,000 options had been subscribed, corresponding to 100% of the total stock option. Assuming that all stock options are exercised to subscribe to new shares, the number of shares in the company will increase by 1,300,000 shares.

Dilution is considered in cases where earnings per share deteriorate. Dilution has not been considered as the average share price during the interim period was below the price of the incentive programs.

**INCOME STATEMENT, PARENT COMPANY**

Amounts in SEK thousand	Not	2020 Q1	2019 Q1	2019 Full Year	Rolling 12 Month
Net sales		22 557	11 852	90 363	101 068
Cost of goods sold		-4 109	-4 086	-19 944	-19 967
<b>Gross profit</b>		<b>18 448</b>	<b>7 766</b>	<b>70 419</b>	<b>81 101</b>
Marketing and sales expenses		-6 322	-5 376	-25 899	-26 835
Administrative expenses		-3 685	-4 137	-14 784	-14 332
R&D expenses		-10 620	-7 607	-32 732	-35 745
Other operating income/expenses		1 315	515	-407	393
		-19 312	-16 605	-73 812	-76 519
<b>Operating profit/loss</b>		<b>-864</b>	<b>-8 839</b>	<b>-3 393</b>	<b>4 582</b>
Financial income/expenses		179	166	-255	-242
<b>Profit/loss before tax</b>		<b>-685</b>	<b>-8 673</b>	<b>-3 648</b>	<b>4 340</b>
Tax		0	-0	-430	-430
<b>Profit/loss for the period*</b>		<b>-685</b>	<b>-8 673</b>	<b>-4 078</b>	<b>3 910</b>

\*Result for the period is equivalent of total result for the period

**BALANCE SHEET, PARENT COMPANY**

Amounts in SEK thousand

<b>ASSETS</b>	<b>Not</b>	<b>2020-03-31</b>	<b>2019-03-31</b>	<b>2019-12-31</b>
<b>Fixed assets</b>				
Fixed assets		928	596	525
Immaterial assets		35 062	42 990	36 342
Financial assets		7 528	7 538	7 528
<b>TOTAL FIXED ASSETS</b>		<b>43 518</b>	<b>51 124</b>	<b>44 395</b>
<b>CURRENT ASSETS</b>				
Accounts receivable		20 011	20 656	28 811
Other receivables		3 714	4 655	3 595
Förutbetalda kostnader och upplupna intäkter		1 706	703	1 557
Cash		75 578	64 703	70 216
<b>TOTAL CURRENT ASSETS</b>		<b>101 009</b>	<b>90 717</b>	<b>104 179</b>
<b>TOTAL ASSETS</b>		<b>144 527</b>	<b>141 841</b>	<b>148 574</b>
<b>EGET KAPITAL &amp; SKULDER</b>				
<b>EGET KAPITAL</b>				
Eget Kapital		117 546	113 240	118 231
<b>Summa Eget kapital</b>		<b>117 546</b>	<b>113 240</b>	<b>118 231</b>
<b>Långfristiga skulder</b>				
Långfristiga skulder		0	0	52
<b>Summa långfristiga skulder</b>		<b>0</b>	<b>0</b>	<b>52</b>
<b>Kortfristiga skulder</b>				
Kortfristiga skulder		26 981	28 601	30 291
<b>Summa kortfristiga skulder</b>		<b>26 981</b>	<b>28 601</b>	<b>30 291</b>
<b>SUMMA EGET KAPITAL OCH SKULDER</b>		<b>144 527</b>	<b>141 841</b>	<b>148 574</b>



## CONSOLIDATED KEY FIGURES

	2020	2019	2019	Rolling
Amounts in SEK thousand unless otherwise stated	Q1	Q1	Full Year	12 Month
Net sales	23 065	12 144	91 927	102 848
Net sales growth, %	89,9%	-33,1%	35,9%	66,9%
Gross margin, %	87,7%	71,2%	86,4%	88,5%
Operating profit/loss	148	-7 868	651	8 667
Operating profit/loss, total operations	148	-7 868	224	8 240
Working capital, total operations	77 415	63 085	76 544	77 415
Capital employed, total operations	126 925	117 589	126 593	126 925
Liquidity ratio, total operations, %	385%	313%	340%	385%
Equity/assets ratio, total operations, %	82,4%	76,0%	79,8%	82,4%
Earnings per share before dilution, SEK	0,00	-0,02	0,00	0,02
Earnings per share before dilution, total operations, SEK	0,00	-0,02	0,00	0,02
Earnings per share after dilution, SEK	0,00	-0,02	0,00	0,02
Earnings per share after dilution, total operations, SEK	0,00	-0,02	0,00	0,02
Equity per share, total operations, SEK	0,35	0,33	0,35	0,35
Number of shares (thousands)	360 231	360 231	360 231	360 231
Weighted average number of shares, adjusted for dilution effect (thousands)	360 231	360 231	360 881	360 881
Number of employees at the end of the period	26	22	22	26
Average number of employees during the period	26	28	22	23

## RECONCILIATION OF ALTERNATIVE KEY INDICATORS

	2020	2019	2019	Rolling
Amounts in SEK thousand unless otherwise stated	Q1	Q1	Full Year	12 Month
Net sales	23 065	12 144	91 927	102 848
Net sales growth, %	89,9%	-33,1%	35,9%	66,9%
Gross profit	20 225	8 652	79 457	91 030
Net sales	23 065	12 144	91 927	102 848
<b>Gross margin, %</b>	<b>87,7%</b>	<b>71,2%</b>	<b>86,4%</b>	<b>88,5%</b>
Operating profit/loss	148	-7 868	651	8 667
Net sales	23 065	12 144	91 927	102 848
<b>Operating margin, %</b>	<b>0,6%</b>	<b>-64,8%</b>	<b>0,7%</b>	<b>8,4%</b>
Operating profit/loss remaining operations	148	-7 868	651	8 667
Operating profit/loss discontinued operations	0	0	-427	-427
<b>Rörelseresultat total verksamhet</b>	<b>148</b>	<b>-7 868</b>	<b>224</b>	<b>8 240</b>
EBITDA	3 060	-4 709	13 791	21 560
Depreciation and amortization	-2 912	-3 159	-13 140	-12 893
<b>Operating profit/loss remaining operations</b>	<b>148</b>	<b>-7 868</b>	<b>651</b>	<b>8 667</b>
EBITDA	3 060	-4 709	13 364	21 133
Depreciation and amortization	-2 912	-3 159	-13 140	12 893
<b>Operating profit/loss total operations</b>	<b>148</b>	<b>-7 868</b>	<b>224</b>	<b>8 240</b>
Sales expenses	-6 673	-5 600	-28 220	-29 293
Administrative expenses	-3 695	-4 025	-14 811	-14 481
R&D expenses	-11 024	-7 410	-35 794	-39 408
Other operating income/expenses	1 315	-515	19	819
<b>Total operating expenses</b>	<b>-20 077</b>	<b>-16 520</b>	<b>-78 806</b>	<b>-82 363</b>
Balance sheet total, total operations	154 107	154 692	158 473	154 107
Non-interest-bearing liabilities, total operations	27 113	29 651	31 880	27 113
<b>Capital employed, total operations</b>	<b>126 969</b>	<b>125 041</b>	<b>126 593</b>	<b>126 994</b>
Closing equity, total operations	126 925	125 041	126 467	126 925
<b>Average equity, total operations</b>	<b>119 275</b>	<b>132 438</b>	<b>116 941</b>	<b>119 275</b>
Current assets minus inventories	104 553	92 736	108 424	104 553
Current liabilities	27 138	29 651	31 880	27 138
<b>Liquidity ratio, total operations</b>	<b>386%</b>	<b>313%</b>	<b>340%</b>	<b>386%</b>
Equity	126 925	125 041	126 467	126 925
Total assets	154 107	154 692	158 473	154 107
<b>Equity/assets ratio, total operations</b>	<b>82,4%</b>	<b>80,8%</b>	<b>79,8%</b>	<b>82,4%</b>

## **FINANCIAL GLOSSARY**

### **NET SALES GROWTH**

Percentage change compared with the corresponding period in the previous year. A key figure on how the company's sales are growing.

### **GROSS MARGIN**

Gross profit/loss divided by net sales. Shows how large share of sales that remains to cover salaries, operating costs, interests and profits.

### **OPERATING PROFIT/LOSS**

Profit/loss before financial net and tax. A key figure on how the company's profit before interests and taxes, i.e. the difference between revenue and operating costs. Divestment operations are not included in total operations.

### **OPERATING PROFIT/LOSS, TOTAL OPERATION**

Operating profit/loss plus profit/loss after tax from discontinued operation. A key figure on the company's profits before interest and taxes, i.e. the difference between revenues and operating costs. Divested operations are part of the total operation.

### **OPERATING EXPENSES**

Operating expenses excluding cost of goods sold. Operating expenses are costs that is not connected directly to a specific good or group of goods. Normal operating expenses are for example, salaries and other personnel costs and rentals costs.

### **EBITDA**

Profit/loss before financial net and depreciation. This key figure shows the Group's profit/loss before depreciation/amortization of capitalized assets. The figure enables comparisons with other companies independent of the operation based on acquisitions or via organic growth.

### **OPERATING MARGIN**

Operating profit/loss divided by net sales. Specifies how large share of each crown that remains to cover interest, tax and provide a potential profit.

### **CASH FLOW, TOTAL OPERATION**

Cash flow from operating activities after changes in working capital. The operating cash flow indicates if a company is generating enough positive cash flow to maintain and develop its operations, or if extern financing is necessary.

### **WORKING CAPITAL, TOTAL OPERATION**

Current assets minus current liabilities. This key figure t shows the capital a company needs to finance the operating activities.

### **CAPITAL EMPLOYMENT, TOTAL OPERATION**

Total assets less non-interest-bearing liabilities and provisions. The key figure shows how much capital that is used in the operations and with that the one component to measure return from the operations.

### **EQUITY, TOTAL OPERATION**

Equity at the end of the period. Equity is the difference between assets and liabilities, which corresponds to the company's equity capital contributed by owners and the Group's accumulated results.

**AVERAGE EQUITY, TOTAL OPERATION**

Calculated as equity for the last four quarters divided by four.

**LIQUIDITY RATIO, TOTAL OPERATION**

Current assets excluding inventories divided by current liabilities. This key figure shows the Group's ability to pay in the short term.

**EQUITY/ASSETS RATIO, TOTAL OPERATION**

Equity divided by total assets on the balance sheet date. This key figure shows what proportion of assets is funded by equity. This measure can be of interest when assessing the Group's ability to pay in the long term.

**EARNINGS PER SHARE, REMAINING OPERATION, BEFORE DILUTION**

Profit/loss for the period from remaining operation divided by average number of shares.

**EARNINGS PER SHARE, REMAINING OPERATION, AFTER DILUTION**

Profit/loss for the period from remaining operation divided by weighted average number of shares.

**EARNING PER SHARE, TOTAL OPERATION, BEFORE DILUTION**

Profit/loss for the period from total operation divided by average number of shares.

**EARNINGS PER SHARE, TOTAL OPERATION, AFTER DILUTION**

Profit/loss for the period from total operation divided by weighted average number of shares.

**EQUITY PER SHARE, TOTAL OPERATION**

Equity on the balance sheet date divided by the number of shares on the balance sheet date.