

SEK 565.7 M

Net sales
in the quarter

13.3%

Operating margin
in the quarter

SEK 69.3 M

Net profit for the
quarter

Record-high delivery activity — strong increase in net sales and operating profit

Third quarter 2020

- Net sales amounted to SEK 565.7 M (232.5), an increase of 143 percent compared to the same period last year.
- Operating profit amounted to SEK 75.1 M (24.8), which corresponds to an operating margin of 13.3 percent (10.7).
- Order intake was SEK 440 M (222), an increase of 98 percent compared to the same period last year.
- Order backlog amounted to SEK 754 M (132), of which the majority is expected to be delivered in 2020.
- Profit for the period was SEK 69.3 M (27.0).
- Earnings per share (basic) were SEK 0.63 (0.25). Earnings per share (diluted) were SEK 0.62 (0.24).
- Cash flow from operating activities was SEK 38.2 M (-4.8).

January–September 2020

- Net sales amounted to SEK 1,079.2 M (765.1), an increase of 41 percent compared to the same period last year.
- Operating profit amounted to SEK 85.9 M (76.4), which corresponds to an operating margin of 8.0 percent (10.0).
- Order intake was SEK 1,135 M (661), an increase of 72 percent compared to the same period last year.
- Profit for the period was SEK 77.3 M (78.6).
- Earnings per share (basic) were SEK 0.70 (0.71). Earnings per share (diluted) were SEK 0.69 (0.71).
- Cash flow from operating activities was SEK 61.7 M (19.4).

Amounts in SEK M unless otherwise stated	Q3 2020	Q3 2019	9 mths 2020	9 mths 2019	Rolling 4 Q	Full year 2019
Order intake	440	222	1 135	661	1 978	1 504
Net sales	565,7	232,5	1 079,2	765,1	1 317,0	1 002,9
Gross margin, %	23,6%	33,7%	25,1%	32,0%	27,1%	33,0%
Operating profit	75,1	24,8	85,9	76,4	109,9	100,4
Operating margin, %	13,3%	10,7%	8,0%	10,0%	8,3%	10,0%
Cash flow ¹⁾	38,2	-4,8	61,7	19,4	187,6	145,3
Net profit for the period	69,3	27,0	77,3	78,6	96,4	97,7
Earnings per share, SEK ²⁾	0,63	0,25	0,70	0,71	0,87	0,89

1) Cash flow from operating activities

2) Basic earnings per share



Record-strong third quarter — continued investments to facilitate future growth



Comments from CEO Helena Holmgren

We can look back with satisfaction on a record-setting third quarter and with pride state that Pricer is continuing to deliver solutions that help strengthen our customers' market position even in a challenging situation due to the ongoing pandemic. I would like once again to applaud all our fantastic employees, who with courage, innovative thinking and hard work have made this positive development possible. Net sales in the third quarter amounted to just over SEK 565 M, which is an increase of 143 percent compared to the same period last year. The delivery delays resulting from various restrictions during the second quarter have been recouped, and activity on the market continues to be high. This was reflected in particular in the excellent order intake of SEK 440 M for the third quarter, which is almost twice the order intake from Q3 2019.

The operating profit of just over SEK 75 M for the third quarter is proof of the good scalability in the business. Apart from the costs directly attributable to sales, costs consist to a large extent of fixed costs. The major ongoing customer projects in the USA, the Netherlands, Norway and Canada have progressed according to plan. Production capacity has been expanded to manage the sharp volume increase and scalability in the supply chain has lived up to all expectations, despite the unusual challenges consequent to the pandemic.

Pricer decided during the spring not to furlough any employees or in any other way utilize the government support that was made available to companies hit hard by the rapidly changing market conditions. Instead, we have continued to consciously work our strategic markets and pave the way for continued growth. We also kept up the pace of our product development, in particular with regard to our new cloud-based offering, Pricer Plaza, which is in operation in more than 150 stores. We intend to continue to invest in product development, market presence, and system support to further build on our strong market position and ensure growth for many years going forward.

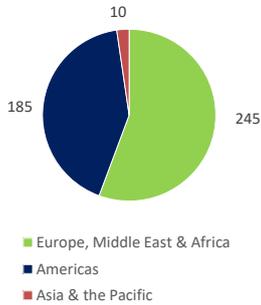
The outcome for the first three quarters of the year combined with an order backlog that is still high indicates that Pricer has doubled its business in the past three years. We are also noting on the market an accelerating need to digitalize store operations and utilize technology to strengthen competitiveness and meet the challenges facing physical retail. We stand by our previous assessment that the conditions are in place for strong market growth in Europe and North America over the next few years. The penetration rate for ESL systems continues to be low, and the task is to replace analogue paper labels with connected digital labels. Our focus going forward is to continue to build the organization and our offering to enable a further doubling of our business in the coming years.

To maintain a high growth rate, it will continue to be important to win large customer projects. The timing of these projects is difficult to influence, thus the day-to-day business based on small and mid-sized customer projects will continue to be an important part of the operations and the growth rate. In 2020, we continued our geographic expansion and established a presence with our own staff in the Netherlands and Taiwan. We have also strengthened our presence on a number of strategic markets.

In the short term, the uncertainty in the world continues to be high, and we are doing our best to be agile and adapt to the local guidelines and recommendations that are issued. The health and welfare of our staff is our top priority. Together we will create conditions for continued value creation and support for our customers for a long time.

Helena Holmgren
President and CEO

Order intake per region in Q3 2020, SEK M



Market development

Physical retail continues to be severely affected by the ongoing pandemic even if stores in most countries have been allowed to open again to consumers. Health and safety regulations with regards to store operations have been significantly tightened, but despite this it has been difficult in many places to attract consumers and staff back to the physical store. Minimized contact surfaces between people, often with the help of technology investments, is one way to adapt the operations to the new reality.

The transformation that retail is facing, primarily due to the growing e-commerce that accelerated as a result of the pandemic, will result in large investment needs over the next few years. We are noting high activity on several geographic markets and within several different retail verticals. As staffing costs increase and it becomes more difficult to recruit new staff, investments that enable a more efficient use of resources are prioritized. Pricer's system for digital in-store communication not only automates the work to change the prices on the shelf but also makes it possible to streamline a number of staff-intense store processes, such as replenishment, inventory and picking of e-commerce orders.

A trend we have mentioned earlier and that we are now seeing more evident signs of is that more investment decisions refer to all units in a store chain instead of a few stores at a time, which was the case previously. This means that the large procurements on the market are becoming bigger and more complex, both in terms of the sales process and, later, the project implementation. However, this results in a closer and more strategic collaboration with the customer that simplifies the introduction of new functionality and enables a better dialogue regarding product development.

Customer dialogues are progressing surprisingly smoothly given the imposed restrictions on travel and meetings on several of our most important markets. In addition to the USA and France, the Netherlands, Norway and Canada contribute to the positive development in the third quarter.

Order intake in the third quarter and the period January–September 2020

Order intake for the third quarter amounted to SEK 440 M (222), an increase of 98 percent compared to the same quarter last year. Adjusted for exchange rate fluctuations, order intake increased by 111 percent. Order intake is spread across a large number of customers on several geographic markets, with Canada, Norway and France the largest individual contributors. Large customer contracts that are included in the quarter's order intake are the Canadian Tire Dealer Association for initially around SEK 100 M and NorgesGruppen, via Norwegian reseller StrongPoint, of around SEK 65 M.

Order intake amounted to SEK 1,135 M (661) during the first nine months of the year, an increase of 72 percent compared to the same period last year. Adjusted for exchange rate fluctuations, order intake rose 74 percent. France, Canada, and the USA comprise the largest countries. The order intake has a wide geographic spread and includes several new customers that signed during the year.

Order intake, SEK M



Net sales and profit in the third quarter 2020 and the period 1 January–30 September 2020

NET SALES BY GEOGRAPHICAL REGION

Amounts in SEK M	Q3 2020	Q3 2019	9 mths 2020	9 mths 2019	Full year 2019
Europe, Middle East & Africa	249,8	171,7	559,7	606,5	807,7
Americas	300,6	35,5	494,2	88,4	122,7
Asia & the Pacific	15,3	25,3	25,3	70,1	72,5
Total net sales	565,7	232,5	1 079,2	765,1	1 002,9

NET SALES AND PROFIT

Amounts in SEK M	Q3 2020	Q3 2019	9 mths 2020	9 mths 2019	Full year 2019
Net sales	565,7	232,5	1 079,2	765,1	1 002,9
Cost of goods sold	-432,0	-154,1	-808,8	-520,6	-672,0
Gross profit	133,7	78,4	270,4	244,5	331,0
Gross margin	23,6%	33,7%	25,1%	32,0%	33,0%
Operating expenses	-65,0	-52,5	-192,6	-167,6	-227,2
Other income and expenses	6,4	-1,1	8,2	-0,5	-3,3
Operating profit	75,1	24,8	85,9	76,4	100,4
Operating margin	13,3%	10,7%	8,0%	10,0%	10,0%

ADJUSTED FOR F/X

Amount in SEK M unless otherwise stated	Reported current period	Reported change	Adjusted for F/X
Third quarter compared with the same period last year			
Net sales	565,7	143%	159%
Cost of goods sold	-432,0	180%	201%
Gross profit	133,7	71%	77%
Operating expenses	-65,0	24%	26%
Other income and expenses	6,4	-	-
Operating profit	75,1	203%	218%
January - September compared with the same period last year			
Net sales	1 079,2	41%	44%
Cost of goods sold	-808,8	55%	60%
Gross profit	270,4	11%	11%
Operating expenses	-192,6	15%	16%
Other income and expenses	8,2	-	-
Operating profit	85,9	12%	12%

Third quarter

Net sales amounted to SEK 565.7 M (232.5) in the quarter, an increase of 143 percent compared to the same quarter last year. Adjusted for exchange rate fluctuations, net sales increased by 159 percent. The majority of the sales occurred in the USA, the Netherlands and France. Net sales in Q3 2020 were spread across a large number of customers, of which a significant portion was related to the large US customer project.

Gross profit amounted to SEK 133.7 M (78.4), and the gross margin amounted to 23.6 percent (33.7) for the quarter. The change in the gross margin continued to be primarily an effect of the product and contract mix, where the majority of the net sales came from large customer projects. Access to freight solutions improved during the third quarter compared to Q2 2020, but prices remained high, especially for flights. The majority of the customer deliveries in the third quarter were shipped by boat. A write-down of an activated development project burdened gross profit for the quarter by SEK -2.3 M (-). The majority of the company's costs for goods sold were in USD, while net sales were generated primarily in USD and EUR. The currency effects had a positive influence on gross profit compared to last year.

Operating expenses increased to SEK -65.0 M (-52.5) in the quarter, an increase of 24 percent compared to the same quarter last year. The increase is primarily due to staff and consultants related to investments to expand the customer service offer, product development, and an enhanced market presence on several geographic markets. Operating expenses are primarily in SEK, but they are also in EUR and USD.

Other income and expenses amounted to SEK 6.4 M (-1.1) and consisted of the net effect of realized and unrealized currency revaluations of trade receivables and trade payables.

Operating profit amounted to SEK 75.1 M (24.8), which corresponded to an operating margin of 13.3 percent (10.7). An increase in the gross profit led to an increase in both the operating profit and the operating margin.

Financial items, primarily consisting of currency revaluation of balance sheet items such as cash and cash equivalents and the Parent Company's loans to subsidiaries in foreign currency, had a negative impact on the quarter and amounted to SEK -5.2 M (3.2), which was largely due to negative translation effects on currency accounts in USD.

Tax for the quarter amounted to SEK -0.6 M (-1.0), of which SEK 0.7 M (-0.1) refers to deferred tax and SEK -1.3 M (-0.9) to current tax. The current tax rate amounted to -2 percent (-3), and the reported total tax rate amounted to -1 percent (-4). The low tax rate is due to the capitalization during the period of part of the parent company's previously non-recognized tax loss carried forward. Deferred tax assets related to capitalized losses carried forward amounted in the balance sheet on September 30, 2020, to SEK 70.4 M (70.4).

Profit for the period was SEK 69.3 M (27.0). The increase compared to the last year can be attributable to an increase in operating profit.

Translation differences in other comprehensive income of SEK 0.5 M (6.5) consisted of currency revaluation of net assets in foreign operations.

January 1–September 30, 2020

Net sales amounted to SEK 1,079.2 M (765.1) during the first nine months of the year, an increase of 41 percent compared to the same period last year. Net sales were spread across a large number of customers. The majority of the sales occurred in the USA, France and Norway. A significant portion of the net sales was related to the large US customer project. Adjusted for changes in exchange rates, net sales increased by 44 percent.

Gross profit amounted to SEK 270.4 M (244.5), and the gross margin amounted to 25.1 percent (32.0) for the period. The change in the gross margin is primarily a continued consequence of the product and contract mix. Shipping alternatives were limited primarily during the second quarter due to the coronavirus. As a result, the cost for air freight increased significantly, thus making shipping costs higher than normal. The majority of the company's costs for goods sold were in USD, while net sales were generated primarily in EUR and USD. The currency effects on gross profit were the same compared to last year.

Operating expenses increased to SEK -192.6 M (-167.6) in the period, an increase of 15 percent compared to the same period last year. The increase was primarily a result of increased costs for marketing and staff and consultants related to investments in a broader customer

service offer, product development, and an enhanced market presence in a number of geographic markets.

Other income and expenses amounted to SEK 8.2 M (-0.5) for the period and consisted of the net effect of realized and unrealized currency revaluations of trade receivables and trade payables.

Operating profit amounted to SEK 85.9 M (76.4), which corresponded to an operating margin of 8.0 percent (10.0). The increase in net sales and gross profit resulted in an increase in operating profit but with a lower operating margin.

Financial items, which consist primarily of currency revaluation of balance sheet items such as cash and cash equivalents, impacted the period negatively and amounted to SEK -6.6 M (4.8).

Tax for the period amounted to SEK -2.0 M (-2.6), of which SEK 1.0 M (0.6) refers to deferred tax and SEK -3.0 M (-3.2) to current tax. The current tax rate amounted to -4 percent (-4), and the reported total tax rate amounted to -3 percent (-3). The low tax rate is due to the capitalization during the period of part of the parent company's previously non-recognized tax loss carried forward.

Profit for the period was SEK 77.3 M (78.6). The decrease compared to the last year can be attributable to negative net financial items.

Translation differences in other comprehensive income of SEK 1.8 M (16.7) consisted of currency revaluation of net assets in foreign operations.

Cash flow, investments and financial position

Third quarter

Cash flow from operating activities amounted to SEK 38.2 M (-4.8) for Q3. The change in working capital during the quarter had a negative impact on cash flow from the operating activities of SEK -45.0 M (-37.1). The high delivery activity in the quarter combined with the size of the order backlog resulted in increased trade receivables and increased inventory levels, which was partially offset by a decrease in receivables from suppliers for component purchases that are re-invoiced. Project-based payment terms related to the large customer projects have temporarily strengthened the cash flow. Cash flow from operating activities should be analyzed over time.

Cash flow from investing activities amounted to SEK -15.2 M (-11.3) in the third quarter and consisted primarily of capitalized development expenditure of SEK -10.9 M (-10.2) for continued investments in product development and investments in property, plant and equipment of SEK -4.3 M (-1.1) attributable primarily to production equipment.

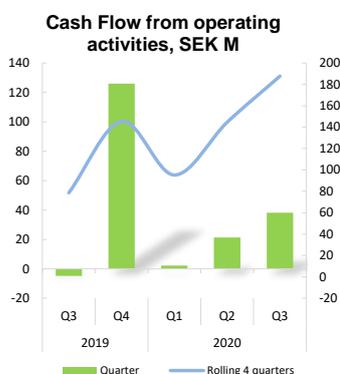
Cash flow from financing activities amounted to SEK -2.8 M (-2.1) during the third quarter and referred to amortization of lease liabilities.

Exchange rate differences in cash and cash equivalents amounted to SEK -2.5 M (3.5), which was a result of negative translation effects on currency accounts in USD and EUR.

Cash and cash equivalents amounted to SEK 150.5 M (89.6) on September 30, 2020. In addition to cash and cash equivalents, the company has an unutilized overdraft facility of SEK 150 M (50). During the second quarter, the company negotiated an increase in the overdraft facility from SEK 50 M to SEK 150 M for the period July 1–December 31, 2020, to secure the ramp-up in the production rate.

January 1–September 30, 2020

Cash flow from operating activities amounted to SEK 61.7 M (19.4) for the period. The change in working capital had a negative impact of SEK -55.4 M (-86.0) on cash flow from operating



activities, primarily due to an increase in inventory and trade receivables, which reduced cash flow, and an increase in trade payables, which increased cash flow.

Cash flow from investing activities amounted to SEK -52.4 M (-35.0) during the period and consisted primarily of capitalized development expenditure of SEK -39.5 M (-26.3) and investments in property, plant and equipment of SEK -12.9 M (-8.7) attributable primarily to production equipment.

Cash flow from financing activities amounted to SEK -50.4 M (-73.2) during the period and referred to the dividend of SEK -44.1 M (-66.2), amortization of lease liabilities of SEK -8.5 M (-7.0), and a decrease in treasury shares of SEK 2.1 M (-). According to a resolution by the Annual General Meeting, the dividend has been divided into two payouts of SEK 0.40 per share each, which will be paid in May and November 2020.

Exchange rate differences in cash and cash equivalents amounted to SEK -2.7 M (7.3), which was a result of negative translation effects on currency accounts in USD and EUR.

Equity

ISSUED AND OUTSTANDING SHARES

Stated in thousands of shares	Class A	Class B	Total
Outstanding shares at the beginning of the year	226	110 746	110 972
Issued and converted shares in the year	-	-	-
Issued at the end of the period	226	110 746	110 972
Treasury shares	-	-477	-477
Outstanding shares at end of period	226	110 269	110 495

Class A share carries five votes and class B share carries one vote

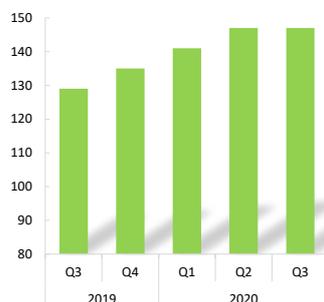
Pricer's holdings of treasury shares amounted on September 30, 2020, to SEK 477 thousand (705) Class B shares. These shares are held to be able to meet the promise of matching and performance shares under the outstanding performance share plans. The value of the promise is expensed during the vesting period.

From the 2017 performance share plan, 228 thousand shares have been transferred free of charge in June 2020 to the participants. Due to the fulfillment of the performance share plan, Pricer decreased its treasury shares by 228 thousand shares.

Performance share plan (LTI)	Maximum in thousands of shares	Vesting period	Transferred free of charge to the participants
LTI 2018	409	Jun 2018 - May 2021	Jun 2021
LTI 2019	316	Jun 2019 - May 2022	Jun 2022
LTI 2020	525	Jun-2020 - May 2023	Jun 2023

For more information about the performance share plans from 2018 and 2019, please refer to Note 4 of the 2019 Annual Report. Read more under Note 5 2020 Share Performance Plan in this interim report.

Number of employees



Employees

The average number of employees during the third quarter was 146 (128), and the number of employees at the end of the period was 147 (129). The average number including hired staff and consultants was 167 (146) in the third quarter and 176 (153) at the end of the period. The organization was strengthened in several areas, such as customer project development, support, product development, and sales. In order to further meet the challenges within the digitalization of physical stores that the retail trade is facing, and to broaden the system's area of use, the company continued to expand its R&D organization. The presence in several geographic markets was also strengthened to support the increased demand and the growing installed customer base. During the quarter, a new sales office was established in Taiwan.

Parent Company

The Parent Company's net sales amounted to SEK 1,200.2 M (652.2), and the profit for the period amounted to SEK 61.9 M (127.1). Profit from financial items decreased since the item last year also included dividends from subsidiaries of SEK 52.8 M. The Parent Company's cash and cash equivalents amounted to SEK 134.6 M (66.9) at the end of the period.

Risks and uncertainty factors

Pricer's earnings and financial position are affected by various risk factors that must be considered when assessing the Group and the Parent Company and their future potential. These risks apply primarily to the development of the market for not only digital shelf edge labels and systems and large currency fluctuations but also to political factors affecting trade such as import duties. In view of the client structure and the scope of the agreement, a delay in the installations or large fluctuations in exchange rates can have a significant effect in any given quarter. More information regarding risks is available in the 2019 Annual Report; see page 22 and Note 20.

Effects from the coronavirus

Pricer, like other global companies, is affected by pandemics, and in 2020 the company has been affected by COVID-19. During the first and second quarters, net sales and profitability were impacted negatively by the combined effects of the pandemic, primarily due to postponed customer deliveries but also due to effects that are difficult to quantify and are related to delays in new procurements and investments that have been postponed for practical reasons.

Uncertainty about the course of the pandemic is still high. Pricer is continuing to follow the guidelines and recommendations set up in each country where the company is active. The health of the staff has continued to be Pricer's top priority.

Forecast

No forecast is provided for 2020.

New accounting principles

The same accounting principles and bases for calculation were applied for the Group and the Parent Company as in the latest annual report.

Annual General Meeting

The Annual General Meeting will be held in Stockholm on April 29, 2021, at 2:00 PM at Kapitel 8 Klara Strand, Klarabergsviadukten 90, Stockholm, Sweden. The notice will be duly distributed.

Publication of Year-end Report February 11, 2021

Events after the end of the reporting period

Pricer's CFO, Susanne Andersson, has announced that she is leaving the company for a similar role in another company. The work to appoint a replacement has been started. Susanne Andersson will continue in her current role while the search for her replacement is underway, although for no more than six months.

Financial Calendar

February 11, 2021	Year-end Report 2020
No later than March 31, 2021	Annual Report 2020
April 23, 2021	Interim Report January–March 2021
April 29, 2021	Annual General Meeting
July 20, 2021	Interim Report January–June 2021
October 22, 2021	Interim Report January–September 2021

The Board of Directors and CEO hereby certify that this interim report provides a true and fair view of the results of the operations, financial position and performance for the Parent Company and the Group and describes the significant risks and uncertainties to which the Parent Company and other companies in the Group are exposed.

This interim report for Pricer AB (publ) was submitted on the authorization of the Board of Directors.

Stockholm, October 23, 2020

Pricer AB (publ)

Helena Holmgren
President and CEO

This information is information that Pricer AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted through the agency of the contact person mentioned below for publication on October 23, 2020, at 8:30 AM CET.

For more information, please contact:

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Auditor's review

Pricer AB, CIN 556427-7993

Västra Järnvägsgatan 7
111 64 Stockholm

Introduction

We conducted a review of the summary interim financial information (interim report) for Pricer AB as at September 30, 2020, and the nine-month period ending on this date. The Board of Directors and the CEO are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion about this interim report based on our review.

Focus and scope of the review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and a substantially narrower scope than that of an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices.

The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that may have been identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, no circumstances have come to our attention that bring cause for us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, October 23, 2020

Ernst & Young AB

Rickard Andersson
Authorized public accountant

Financial Reporting

CONSOLIDATED INCOME STATEMENT IN SUMMARY

Amounts in SEK M	Q3 2020	Q3 2019	9 mths 2020	9 mths 2019	Full year 2019
Net sales	565,7	232,5	1 079,2	765,1	1 002,9
Cost of goods sold	-432,0	-154,1	-808,8	-520,6	-672,0
Gross profit	133,7	78,4	270,4	244,5	331,0
Selling expenses	-32,6	-28,5	-104,1	-92,3	-124,0
Administrative expenses	-21,2	-14,7	-54,9	-48,9	-67,5
Research and development costs	-11,3	-9,3	-33,6	-26,4	-35,8
Other income and expenses	6,4	-1,1	8,2	-0,5	-3,3
Operating profit	75,1	24,8	85,9	76,4	100,4
Net financial items	-5,2	3,2	-6,6	4,8	0,8
Net profit before tax	69,9	28,0	79,3	81,2	101,3
Income tax	-0,6	-1,0	-2,0	-2,6	-3,5
Net profit for the period	69,3	27,0	77,3	78,6	97,7
Net profit for the period attributable to:					
Owners of the Parent Company	69,3	27,0	77,3	78,6	97,7

EARNINGS PER SHARE

	Q3 2020	Q3 2019	9 mths 2020	9 mths 2019	Full year 2019
Basic earnings per share, SEK	0,63	0,25	0,70	0,71	0,89
Diluted earnings per share, SEK	0,62	0,24	0,69	0,71	0,88
Number of shares before dilution, millions	110,5	110,3	110,4	110,3	110,3
Diluted number of shares, millions	111,7	111,2	111,5	111,2	111,2

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK M	Q3 2020	Q3 2019	9 mths 2020	9 mths 2019	Full year 2019
Net profit for the period	69,3	27,0	77,3	78,6	97,7
<i>Items that are or may be reclassified to profit or loss for the period</i>					
Translation differences	0,5	6,5	1,8	16,7	6,7
Other comprehensive income for the period	0,5	6,5	1,8	16,7	6,7
Net comprehensive income for the period	69,8	33,6	79,1	95,3	104,5
Net comprehensive income for the period attributable to:					
Owners of the Parent Company	69,8	33,6	79,1	95,3	104,5

The breakdown between Selling expenses and Administrative expenses has been reviewed in 2020 and adjusted retroactively for the comparative figure for 2019 to improve comparability between the years.

CONSOLIDATED BALANCE SHEET IN SUMMARY

Amounts in SEK M	Sep 30 2020	Jun 30 2020	Mar 31 2020	Dec 31 2019	Sep 30 2019
ASSETS					
Intangible assets	352,3	346,5	352,3	325,8	325,1
Property, plant and equipment	30,0	28,7	29,0	24,3	23,3
Right-of-use assets	46,3	48,5	53,0	53,8	53,7
Deferred tax assets	77,4	76,7	76,5	76,3	76,7
Total non-current assets	506,0	500,4	510,7	480,2	478,7
Inventories	464,3	413,9	188,4	218,7	269,2
Trade receivables	312,6	155,2	193,2	147,6	204,9
Prepaid expenses and accrued income	13,4	17,2	13,1	12,2	26,5
Other current receivables	200,9	335,0	142,5	68,1	41,8
Cash and cash equivalents	150,5	132,9	180,1	194,2	89,6
Total current assets	1 141,8	1 054,2	717,4	640,8	632,0
TOTAL ASSETS	1 647,7	1 554,6	1 228,1	1 121,0	1 110,6
EQUITY AND LIABILITIES					
EQUITY					
Share capital	111,0	111,0	111,0	111,0	111,0
Other capital contributions	408,3	405,5	404,8	404,4	404,0
Reserves	36,7	36,2	56,0	34,9	44,9
Accumulated profits including profit for the year	249,0	179,7	274,8	259,9	240,7
Shareholder's equity attributable to the Parent Company's shareholders	805,0	732,4	846,6	810,2	800,6
LIABILITIES					
Non-current provisions	18,7	17,0	16,3	15,4	16,5
Non-current lease liabilities	36,0	38,1	42,2	43,1	43,3
Total non-current liabilities	54,7	55,1	58,5	58,5	59,8
Advances from customer	9,8	7,5	9,1	8,3	20,0
Trade payables	609,8	603,9	199,6	155,5	130,5
Current lease liabilities	11,8	11,7	11,9	11,5	11,1
Other current liabilities	57,2	55,4	11,9	9,0	7,8
Accrued expense and deferred income	79,8	70,5	73,6	51,7	62,4
Current provisions	19,7	18,0	16,8	16,2	18,5
Total current liabilities	788,1	767,1	322,9	252,2	250,2
Total liabilities	842,8	822,2	381,5	310,8	310,0
TOTAL EQUITY AND LIABILITIES	1 647,7	1 554,6	1 228,1	1 121,0	1 110,6
Basic shareholders' equity per share, SEK	7,29	6,63	7,68	7,35	7,26
Diluted shareholders' equity per share, SEK	7,21	6,58	7,61	7,29	7,20

CHANGES IN CONSOLIDATED EQUITY IN SUMMARY

Amounts in SEK M	9 mths 2020	6 mths 2020	3 mths 2020	Full year 2019	9 mths 2019
Equity at the beginning of the period	810,2	810,2	810,2	769,3	769,3
Net profit for the period	77,3	8,0	14,8	97,7	78,6
Other comprehensive income for the period	1,8	1,3	21,1	6,7	16,7
<i>Net comprehensive income for the period</i>	<i>79,1</i>	<i>9,3</i>	<i>35,9</i>	<i>104,5</i>	<i>95,3</i>
Decreased number of treasury shares	2,1	2,1	-	-	-
Dividend	-88,2	-88,2	-	-66,2	-66,2
Share based payments, equity settled	1,7	-1,1	0,4	2,6	2,2
<i>Total transactions with owners of the Group</i>	<i>-84,3</i>	<i>-87,1</i>	<i>0,4</i>	<i>-63,6</i>	<i>-64,0</i>
Equity at the end of the period	805,0	732,4	846,6	810,2	800,6
Attributable to:					
- Owners of the parent company	805,0	732,4	846,6	810,2	800,6

CONSOLIDATED CASH FLOW STATEMENTS IN SUMMARY

Amounts in SEK M	Q3 2020	Q3 2019	9 mths 2020	9 mths 2019	Full year 2019
OPERATING ACTIVITIES					
Operating profit	75,1	24,8	85,9	76,4	100,4
Adjustment for non-cash items	10,3	8,8	35,8	31,8	39,3
- of which depreciations and amortizations	12,9	9,0	32,4	27,8	37,7
- whereof other non-cash items	-2,6	-0,3	3,4	4,0	1,6
Interest received	-	-	0,1	0,0	0,6
Interest paid	-0,3	-0,4	-1,0	-0,9	-1,3
Paid income tax	-1,8	-0,9	-3,7	-1,9	-2,8
Cash flow from operating activities before changes in working capital	83,2	32,3	117,1	105,5	136,1
<i>Cash flow from changes in working capital</i>					
Increase(-)/decrease(+) inventories	-51,7	-5,1	-246,9	-76,0	-28,5
Increase(-)/decrease(+) trade receivables	-161,0	39,1	-169,5	76,8	129,6
Increase(-)/decrease(+) other current receivables	138,2	21,9	-133,4	20,4	6,7
Increase(+)/decrease(-) trade payables	16,4	-87,6	462,2	-78,5	-56,9
Increase(+)/decrease(-) other current liabilities	13,2	-5,4	32,2	-28,7	-41,7
Cash flow from changes in working capital	-45,0	-37,1	-55,4	-86,0	9,2
Cash flow from operating activities	38,2	-4,8	61,7	19,4	145,3
INVESTING ACTIVITIES					
Acquisition of intangible assets	-10,9	-10,2	-39,5	-26,3	-39,0
Acquisition of tangible assets	-4,3	-1,1	-12,9	-8,7	-11,0
Cash flow from investing activities	-15,2	-11,3	-52,4	-35,0	-50,0
FINANCING ACTIVITIES					
Amortization of lease liabilities	-2,8	-2,1	-8,5	-7,0	-10,1
Dividend paid	-	-	-44,1	-66,2	-66,2
Decreased number of treasury shares	-	-	2,1	-	-
Net cash used in financing activities	-2,8	-2,1	-50,4	-73,2	-76,3
Net cash flow for the period	20,2	-18,2	-41,1	-88,8	19,1
Cash and cash equivalents at beginning of period	132,9	104,3	194,2	171,0	171,0
Exchange rate losses/gains in cash and cash equivalents	-2,5	3,5	-2,7	7,3	4,1
Cash and cash equivalents at end of period	150,5	89,6	150,5	89,6	194,2
Unutilized bank overdraft facility	150,0	50,0	150,0	50,0	50,0
Available funds at end of period	300,5	139,6	300,5	139,6	244,2

PARENT COMPANY INCOME STATEMENT IN SUMMARY

Amounts in SEK M	9 mths 2020	9 mths 2019	Full year 2019
Net sales	1 200,2	652,2	848,7
Cost of goods sold	-1 025,0	-485,4	-620,1
Gross profit	175,3	166,8	228,7
Selling expenses	-46,0	-37,4	-51,8
Administrative expenses	-38,1	-34,3	-46,1
Research and development costs	-33,6	-26,4	-35,8
Other income and expenses	8,2	-0,5	-3,3
Operating profit	65,8	68,2	91,7
<i>Result from financial items:</i>			
Result from participations in group companies	-	52,8	50,0
Interest income and similar profit/loss items	0,8	5,9	2,4
Interest expenses and similar profit/loss items	-5,8	-0,2	-0,2
Profit/loss before tax	60,8	126,8	143,9
Income tax	1,1	0,4	-0,6
Net profit for the period	61,9	127,1	143,3

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK M	9 mths 2020	9 mths 2019	Full year 2019
Net profit for the period	61,9	127,1	143,3
<i>Comprehensive income for the period</i>			
<i>Items that are or may be reclassified to profit or loss for the period</i>			
Comprehensive income for the period	-	-	-
Net comprehensive income for the period	61,9	127,1	143,3

The breakdown between Selling expenses and Administrative expenses has been reviewed in 2020 and adjusted retroactively for the comparative figure for 2019 to improve comparability between the years.

PARENT COMPANY BALANCE SHEET IN SUMMARY

Amounts in SEK M	Sep 30 2020	Jun 30 2020	Mar 31 2020	Dec 31 2019	Sep 30 2019
ASSETS					
Non-current assets					
Intangible assets	86,2	82,0	72,5	62,5	54,3
Property, plant and equipment	27,6	26,0	26,2	21,6	20,1
<i>Financial assets</i>					
Participations in group companies	186,7	186,2	187,1	186,9	186,7
Receivables from group companies	10,6	9,6	6,6	6,3	8,3
Deferred tax assets	76,4	75,8	75,4	75,3	76,2
<i>Total financial assets</i>	<i>273,7</i>	<i>271,6</i>	<i>269,1</i>	<i>268,5</i>	<i>271,2</i>
Total non-current assets	387,5	379,6	367,8	352,6	345,6
Current assets					
Inventories, etc.	184,9	227,1	114,3	170,8	211,1
<i>Current receivables</i>					
Trade receivables	158,2	63,5	98,5	56,7	79,4
Receivables from current group companies	299,0	179,2	98,6	65,4	116,2
Other current receivables	194,9	322,8	137,5	62,9	35,9
Prepaid expenses and accrued income	8,8	10,3	7,6	7,6	20,1
Total current receivables	660,9	575,7	342,1	192,6	251,5
Cash and cash equivalents	134,6	108,9	125,1	167,9	66,9
Total current assets	980,4	911,8	581,4	531,3	529,5
TOTAL ASSETS	1 367,9	1 291,4	949,2	883,8	875,0

PARENT COMPANY BALANCE SHEET IN SUMMARY

Amounts in SEK M	Sep 30 2020	Jun 30 2020	Mar 31 2020	Dec 31 2019	Sep 30 2019
EQUITY AND LIABILITIES					
Shareholders' equity					
<i>Restricted equity</i>					
Share capital	111,0	111,0	111,0	111,0	111,0
Statutory reserve	104,8	104,8	104,8	104,8	104,8
Legal reserve for internally generated development expenditure	84,4	79,8	69,9	59,4	50,9
Total restricted equity	300,2	295,6	285,7	275,3	266,7
<i>Non-restricted equity</i>					
Share premium reserve	211,3	208,5	207,9	207,4	207,0
Retained earnings	69,8	74,3	172,4	207,4	207,0
Net profit for the year	61,9	-2,3	13,3	39,6	48,1
Total non-restricted equity	343,0	280,5	393,6	390,4	382,3
Total equity	643,2	576,1	679,4	665,6	649,0
PROVISIONS					
Provisions	28,9	26,3	24,4	23,6	26,5
Total provisions	28,9	26,3	24,4	23,6	26,5
NON-CURRENT LIABILITIES					
Non-current liabilities	0,1	0,1	0,1	0,1	0,1
Total non-current liabilities	0,1	0,1	0,1	0,1	0,1
CURRENT LIABILITIES					
Advances from customer	-	-	-	-	13,5
Trade payables	605,3	601,1	195,6	151,7	127,3
Liabilities to group companies	9,2	8,1	10,2	12,9	23,1
Other current liabilities	45,7	48,5	2,5	2,6	2,4
Accrued expenses and deferred income	35,6	31,1	37,0	27,3	33,1
Total current liabilities	695,8	688,8	245,3	194,6	199,4
TOTAL EQUITY AND LIABILITIES	1 367,9	1 291,4	949,2	883,8	875,0

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY IN SUMMARY

Amounts in SEK M	9 mths 2020	6 mths 2020	3 mths 2020	Full year 2019	9 mths 2019
Equity at the beginning of the period	665,6	665,6	665,6	585,9	585,8
Net comprehensive income for the period	61,9	-2,3	13,3	143,3	127,1
Decreased number of treasury shares	2,1	2,1	-	-	-
Dividend	-88,2	-88,2	-	-66,2	-66,2
Share based payments, equity settled	1,7	-1,1	0,4	2,6	2,2
Equity at the end of the period	643,2	576,1	679,4	665,6	649,0

KEY FIGURES

	Q3	Q2	Q1	Q4	Q3
Amounts in SEK M	2020	2020	2020	2019	2019
Order intake	440	324	371	843	222
Order intake - rolling 4 quarters	1 978	1 761	1 667	1 504	934
Net sales	565,7	287,6	225,9	237,8	232,5
Net sales - rolling 4 quarters	1 317,0	983,9	967,0	1 002,9	1 151,6
Operating profit	75,1	3,5	7,3	24,0	24,8
Operating profit - rolling 4 quarters	109,9	59,7	90,2	100,4	105,4
Net profit for the period	69,3	-6,9	14,8	19,2	27,0
Cash flow from operating activities	38,2	21,3	2,2	125,9	-4,8
Cash flow from operating activities - rolling 4 quarters	187,6	144,5	95,2	145,3	78,6
Number of employees, end of period	147	147	141	135	129
Equity/assets ratio	49%	47%	69%	72%	72%

Note 1 — Accounting Principles

This interim report for the Group was prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions of the Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with Chapter 9 of the Annual Accounts Act and RFR 2, Accounting for Legal Entities, issued by the Swedish Financial Reporting Council. The same accounting principles and bases for calculation were applied for the Group and the Parent Company as in the latest annual report.

Note 2 — Revenue from contracts with customers

BREAKDOWN OF REVENUE

	Q3 2020	Q3 2019	9 mths 2020	9 mths 2019	Full year 2019
Amounts in SEK M					
Revenue from goods	540,5	214,7	1 021,7	706,1	924,3
Revenue from services	20,0	14,6	46,2	48,0	64,3
Revenue from licenses	5,2	3,2	11,3	11,0	14,3
Total	565,7	232,5	1 079,2	765,1	1 002,9

The company has allocated discounts proportionally for all performance obligations in the agreement except for when there is observable proof that the entire discount refers to one or several, but not all, performance obligations.

NET SALES BY SALES CHANNEL

	Q3 2020	Q3 2019	9 mths 2020	9 mths 2019	Full year 2019
Direct customers	73%	44%	68%	44%	47%
Resellers	27%	56%	32%	56%	53%
Total	100%	100%	100%	100%	100%

Note 3 — Leases

RIGHT-OF-USE ASSET

Amounts in SEK M	Sep 30 2020	Sep 30 2019	Dec 31 2019
Premises	42,6	54,4	50,8
Cars	3,7	2,6	3,0
Total	46,3	57,0	53,8

LEASE LIABILITY

Amounts in SEK M	Sep 30 2020	Sep 30 2019	Dec 31 2019
Within one year	11,8	11,5	11,5
Between one and five years	33,4	41,0	38,6
More than five years	2,6	5,2	4,5
Total	47,8	57,7	54,6

Note 3 — Leases (cont'd)

COST AND CASH FLOW INFORMATION

Amounts in SEK M	Q3 2020	Q3 2019	Full year 2019
Depreciation of right-of use assets	3,0	3,0	11,0
<i>(of which premises)</i>	2,6	2,8	9,9
<i>(of which cars)</i>	0,4	0,2	1,1
Interest expense for lease liabilities	0,3	0,4	1,1
Amortization of lease liabilities	2,8	2,8	10,1

Note 4 — Financial instruments

For financial instruments measured at amortized cost — trade receivables, other current receivables and cash and cash equivalents, trade payables, lease debt, and other current interest-free liabilities — the fair value is assessed to correspond to the carrying amount. The fair values of other non-current and current liabilities are not assessed to deviate substantially from their carrying amounts.

FINANCIAL INSTRUMENTS

Amounts in SEK M	Sep 30 2020	Sep 30 2019	Dec 31 2019
Loan and trade receivables	660,2	331,6	406,0
Total financial assets	660,2	331,6	406,0
Lease liabilities	47,8	57,7	54,6
Other financial liabilities	654,1	130,9	176,5
Total financial liabilities	701,8	188,6	231,2

Note 5 – 2020 Share Performance Plan

The Annual General Meeting on May 6, 2020, resolved to establish an incentive program in the form of a share performance plan (LTI 2020) for certain senior executives and key employees, whereupon the participants, after an initial investment in Pricer's Class B shares, receive one matching share right and one performance-based share right per invested Class B share. Following the vesting period of three years, the share rights entitle the participants to receive one matching share and up to five performance shares depending on the outcome of the performance conditions. From the 2020 performance share plan, a maximum of 525 thousand shares can be transferred free of charge to the participants in June 2023 in the event the predefined performance targets are fully met. The value of the promise is expensed during the vesting period.

Note 6 — Related party transactions

Significant related party transactions are described in Note 23 of the consolidated financial statements in the 2019 Annual Report. No related party relationships changed, and no significant transactions took place with related parties that significantly affect the Group's or Parent Company's financial position or earnings compared to the description in the 2019 Annual Report.

Note 7 — Pledged assets and contingent liabilities

Floating charges (chattel mortgages) are a type of general collateral in the form of an undertaking to the bank. In the case of the Parent Company, guarantees are issued to customs authorities, landlords and advance payments from customers. Blocked funds in the companies' bank accounts are available for bank guarantees.

PLEGDED ASSETS AND CONTINGENT LIABILITIES

Amounts in SEK M	Parent company			Group		
	Sep 30 2020	Sep 30 2019	Dec 31 2019	Sep 30 2020	Sep 30 2019	Dec 31 2019
Pledged assets						
Floating charges	59,6	59,6	59,6	59,6	59,6	59,6
Blocked funds	-	-	-	0,9	0,9	0,9
Total	59,6	59,6	59,6	60,5	60,6	60,5
Contingent liabilities						
Bank guarantee	-	-	-	0,9	0,9	0,9
Customs authorities	0,1	0,1	0,1	5,5	6,0	5,7
Landlords	1,7	1,7	1,7	1,7	1,7	1,7
Total	1,8	1,8	1,8	8,2	8,6	8,3

CONSOLIDATED INCOME STATEMENT IN SUMMARY

Amounts in SEK M	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Net sales	261,9	270,7	232,5	237,8	225,9	287,6	565,7
Cost of goods sold	-185,6	-180,8	-154,1	-151,4	-155,1	-221,8	-432,0
Gross profit	76,2	89,9	78,4	86,4	70,9	65,9	133,7
<i>Gross margin, %</i>	<i>29,1%</i>	<i>33,2%</i>	<i>33,7%</i>	<i>36,3%</i>	<i>31,4%</i>	<i>22,9%</i>	<i>23,6%</i>
Selling expenses	-32,0	-31,8	-28,5	-31,7	-38,7	-32,8	-32,6
Administrative expenses	-17,5	-16,7	-14,7	-18,6	-17,1	-16,6	-21,2
Research and development costs	-8,5	-8,6	-9,3	-9,3	-9,7	-12,7	-11,3
Other income and expenses	-0,7	1,3	-1,1	-2,8	2,0	-0,2	6,4
Operating profit	17,6	34,1	24,8	24,0	7,3	3,5	75,1
<i>Operating margin, %</i>	<i>6,7%</i>	<i>12,6%</i>	<i>10,7%</i>	<i>10,1%</i>	<i>3,3%</i>	<i>1,2%</i>	<i>13,3%</i>
Net financial items	2,3	-0,7	3,2	-4,0	8,2	-9,7	-5,2
Net profit before tax	19,9	33,4	28,0	20,0	15,6	-6,2	69,9
Income tax	-0,5	-1,1	-1,0	-0,9	-0,7	-0,7	-0,6
Net profit for the period	19,3	32,2	27,0	19,2	14,8	-6,9	69,3
Net profit for the period attributable to:							
Owners of the Parent Company	19,3	32,2	27,0	19,2	14,8	-6,9	69,3

EARNINGS PER SHARE

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Basic earnings per share, SEK	0,18	0,29	0,25	0,17	0,13	-0,06	0,63
Diluted earnings per share, SEK	0,17	0,29	0,24	0,17	0,13	-0,06	0,62
Number of shares before dilution, millions	110,3	110,3	110,3	110,3	110,3	110,3	110,5
Diluted number of shares, millions	110,9	111,2	111,2	111,2	111,2	111,4	111,7

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK M	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Net profit for the period	19,3	32,2	27,0	19,2	14,8	-6,9	69,3
<i>Items that are or may be reclassified to profit or loss for the period</i>							
Translation differences	5,8	4,4	6,5	-10,0	21,1	-19,8	0,5
Other comprehensive income for the period	5,8	4,4	6,5	-10,0	21,1	-19,8	0,5
Net comprehensive income for the period	25,1	36,6	33,6	9,1	35,9	-26,6	69,8
Net comprehensive income for the period attributable to:							
Owners of the Parent Company	25,1	36,6	33,6	9,1	35,9	-26,6	69,8

The breakdown between Selling expenses and Administrative expenses has been reviewed in 2020 and adjusted retroactively for the comparative figure for 2019 to improve comparability between the years.

CONSOLIDATED CASH FLOW STATEMENTS IN SUMMARY

Amounts in SEK M	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
OPERATING ACTIVITIES							
Operating profit	17,6	34,1	24,8	24,0	7,3	3,5	75,1
Adjustment for non-cash items	10,7	12,3	8,8	7,5	15,2	10,4	10,3
- of which depreciations and amortizations	10,4	8,4	9,0	9,9	9,8	9,7	12,9
- whereof other non-cash items	0,4	3,9	-0,3	-2,4	5,4	0,7	-2,6
Interest received	-	0,0	-	0,6	-	-	-
Interest paid	-0,2	-0,3	-0,4	-0,4	-0,4	-0,3	-0,3
Paid income tax	-1,1	0,1	-0,9	-1,0	-0,9	-1,0	-1,8
Cash flow from operating activities before changes in working capital	27,0	46,2	32,3	30,7	21,2	12,7	83,2
<i>Cash flow from changes in working capital</i>							
Increase(-)/decrease(+) inventories	-23,3	-47,5	-5,1	47,4	33,9	-229,1	-51,7
Increase(-)/decrease(+) trade receivables	67,9	-30,1	39,1	52,8	-45,1	36,7	-161,0
Increase(-)/decrease(+) other current receivables	-20,1	18,6	21,9	-13,7	-74,4	-197,2	138,2
Increase(+)/decrease(-) trade payables	3,4	5,7	-87,6	21,6	47,6	398,2	16,4
Increase(+)/decrease(-) other current liabilities	-2,5	-20,9	-5,4	-13,0	19,0	0,0	13,2
Cash flow from changes in working capital	25,4	-74,3	-37,1	95,2	-19,0	8,6	-45,0
Cash flow from operating activities	52,3	-28,1	-4,8	125,9	2,2	21,3	38,2
INVESTING ACTIVITIES							
Acquisition of intangible assets	-7,8	-8,3	-10,2	-12,7	-14,6	-14,0	-10,9
Acquisition of tangible assets	-2,9	-4,7	-1,1	-2,3	-6,6	-2,0	-4,3
Cash flow from investing activities	-10,7	-13,0	-11,3	-14,9	-21,2	-15,9	-15,2
FINANCING ACTIVITIES							
Amortization of lease liabilities	-2,2	-2,7	-2,1	-3,1	-2,9	-2,8	-2,8
Dividend paid	-	-66,2	-	-	-	-44,1	-
Decreased number of treasury shares	-	-	-	-	-	2,1	-
Cash flow from financing activities	-2,2	-68,9	-2,1	-3,1	-2,9	-44,7	-2,8
Net cash flow for the period	39,4	-109,9	-18,2	107,9	-21,9	-39,4	20,2
Cash and cash equivalents at beginning of period	171,0	213,5	104,3	89,6	194,2	180,1	132,9
Exchange rate losses/gains in cash and cash equivalents	3,1	0,8	3,5	-3,2	7,8	-7,9	-2,5
Cash and cash equivalents at end of period	213,5	104,3	89,6	194,2	180,1	132,9	150,5
Unutilized bank overdraft facility	50,0	50,0	50,0	50,0	50,0	50,0	150,0
Available funds at end of period	263,5	154,3	139,6	244,2	230,1	182,9	300,5

Alternative key ratios

In addition to the key financial ratios that are covered by the IFRS framework, this report also includes other key ratios and measures, so-called alternative performance measures, that Pricer considers to be important for monitoring, analyzing and managing its operations. These key ratios and measures also provide Pricer's stakeholders with useful information about the company's financial position, profit and loss and development in a consistent manner. The reconciliation and definitions of the alternative key ratios and measures used in this report and that cannot be inferred directly from the financial statements are presented below.

Amounts in SEK M unless otherwise stated	Sep 30 2020	Sep 30 2019	Dec 31 2019
PERFORMANCE MEASURE			
Operating expenses			
Selling expenses	-104,1	-92,3	-124,0
Administrative expenses	-54,9	-48,9	-67,5
Research and development costs	-33,6	-26,4	-35,8
Operating expenses	-192,6	-167,6	-227,2
Operating expenses adjusted for items affecting comparability			
Operating expenses	-192,6	-167,6	-227,2
Operating expenses adjusted for items affecting	-192,6	-167,6	-227,2
MARGIN RATIOS			
Net Sales	1 079,2	765,1	1 002,9
Gross Profit	270,4	244,5	331,0
Gross profit margin, %	25,1%	32,0%	33,0%
Operating profit	85,9	76,4	100,4
Operating margin, %	8,0%	10,0%	10,0%
CAPITAL AND FINANCIAL RATIOS			
Equity/assets ratio			
Total assets	1 647,7	1 110,6	1 121,0
Equity	805,0	800,6	810,2
Equity/assets ratio, %	49%	72%	72%
RETURN RATIOS			
Equity per share basic/diluted			
Number of outstanding shares, million	110,5	110,3	110,3
Dilution, million	1,2	1,0	1,0
Equity	805,0	800,6	810,2
Equity per share basic, SEK	7,29	7,26	7,35
Equity per share diluted, SEK	7,21	7,20	7,29
Earnings per share, before and after dilution			
Average number of outstanding shares, million	110,4	110,3	110,3
Dilution, million	1,2	1,0	1,0
Net profit	77,3	78,6	97,7
Earnings per share, before dilution, SEK	0,70	0,71	0,89
Earnings per share, after dilution, SEK	0,69	0,71	0,88

ALTERNATIVE KEY RATIOS	DEFINITION	REASON FOR USE
PERFORMANCE MEASURE		
Change adjusted for exchange rate fluctuations/change in local currency	Relationship between the period's profit/loss and the comparative period's profit/loss translated using the period's exchange rates.	This measure is used by management to follow underlying change in profit/loss in comparable currencies.
Gross profit	Net sales less cost of goods sold	Gross profit is an important measure for management since it is used to analyze the company's underlying development excluding factors such as the product mix and price changes that can give rise to sharp fluctuations in net sales.
Operating expenses	Refers to selling expenses, administrative expenses and R&D expenses that are included in operating activities.	Operating expenses provide an overall picture of expenses that are charged to operating activities and are an important internal measure that management can influence to a large extent.
Items affecting comparability	Expenses of a non-recurring nature that are not part of the operating activities, such as personnel costs related to restructurings.	This measure is used by management to understand which costs are not part of the underlying operating activities.
Operating expenses adjusted for items affecting comparability	Operating expenses minus items affecting comparability.	This measure is used by management to enable comparability of operating expenses between periods and to forecast future cost trends.
Operating profit	Profit before financial items and tax.	Operating profit provides an overall picture of the total profit generation in operating activities. This is a very important metric for internal use that management can influence to a greater extent than net profit.
Rolling four quarters	Financial KPIs and measurements based on the four most recent quarters.	Rolling four quarters are used to show financial development over time adjusted for any seasonal effects.
MARGIN RATIOS		
Gross profit margin	Gross profit as a percentage of net sales.	The gross margin is used for both internal evaluation and individual sales/contracts and to monitor development over time for the company as a whole.
Operating margin	Operating profit as a percentage of net sales.	Operating margin is one of management's most important measures for performance monitoring since it measures the company's ability to convert net sales into operating profit.
CAPITAL AND FINANCIAL RATIOS		
Equity/asset ratio	Equity as a percentage of total assets.	A traditional measure that gives an indication of the company's ability to pay its debts.
RETURN RATIOS		
Equity per share, before/after dilution	Equity attributable to owners of the Parent Company divided by the weighted number of shares before/after dilution on the balance sheet date. The dilutive effect can arise from the company's outstanding warrants or performance share plans.	This measure is used to show development of equity per share over time and enable comparability with other companies.

ALTERNATIVE KEY RATIOS	DEFINITION	REASON FOR USE
Earnings per share, before/after dilution	Profit for the period attributable to owners of the Parent Company divided by the average number of shares outstanding before/after dilution during the period. The dilutive effect can arise from the company's outstanding warrants or performance share plans.	This measure is used to show development of earnings per share over time and to enable comparability with other companies.
OTHER RATIOS		
Order intake	The value of binding customer orders, invoiced service contracts and call-off under framework agreements. Does not include the anticipated future value of frameworks agreements.	Order intake is used to measure demand for the company's products and services during a specific period. This measure is also an important indicator of increases/decreases in demand between periods.
Change in order intake adjusted for exchange rate fluctuations	Relationship between the period's order intake and the comparative period's order intake translated using the period's exchange rates.	This measure is used by management to follow underlying change in order intake in comparable currencies.
Order backlog	The value of incoming orders that have not yet been invoiced.	The size of the order backlog gives an indication of net sales development from a short to mid-term perspective.

About Pricer

Pricer manufactures the world's most reliable electronic shelf-edge labels, which help retailers all over the world resolve important challenges introduced by modernization. Pricer's digital solutions optimize employee-intensive processes, ensure price information, and improve the buying experience for the customer.

With over 200 million labels installed in over 17,000 installations in more than 50 countries, Pricer is the world-leader in digital retail solutions.

For many years, Pricer's ideas, technology and employees have changed how the grocery retail trade functions and transformed an entire industry. Pricer is today the only supplier with optical wireless communication, which creates a scalable and reliable system that is not disrupted by other Wi-Fi systems. In addition, the battery performance of Pricer's labels is the market leader, featuring significantly less energy consumption than other communication systems without sacrificing speed and flexibility.

Pricer's customers today primarily operate in the grocery retail, DIY, electronics, and pharmacy industries. Customer needs and consumer preferences are the drivers for Pricer's innovative and sustainable solutions.

Pricer was founded in 1991 in Sweden, and the company's Class B share is listed on Nasdaq Stockholm Small Cap. On December 31, 2019, the Pricer Group had 135 employees.

For more information, please visit www.pricer.com.

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