



PRESS RELEASE

July 21, 2022

Interim report January–June 2022 – Pricer AB (publ)

High growth during the second quarter with an increase in order intake of 42% and net sales of 36%

Second quarter 2022

- Net sales amounted to SEK 530.3 M (389.0) an increase of 36.3 percent compared to the same period last year.
- Operating profit amounted to SEK -6.8 M (22.6), which corresponds to an operating margin of -1.3 percent (5.8).
- Order intake was SEK 581 M (408), an increase of 42.4 percent compared to the same period last year.
- Order backlog amounted to SEK 542 M (563), of which the majority is expected to be delivered in 2022.
- Profit for the period was SEK -3.5 M (15.2).
- Earnings per share (basic and diluted) were SEK -0.03 (0.14).
- Cash flow from operating activities was SEK 49.5 M (-18.2).

H1 2022

- Net sales amounted to SEK 996.2 M (781.9) an increase of 27.4 percent compared to the same period last year.
- Operating profit amounted to SEK -16.5 M (39.9), which corresponds to an operating margin of -1.7 percent (5.1).
- Order intake was SEK 1 131 M (850), an increase of 33 percent compared to the same period last year.
- Profit for the period was SEK -13 M (32.9).
- Earnings per share (basic and diluted) were SEK -0.12 (0.30).
- Cash flow from operating activities was SEK 29.2 M (-80.8).

Comments from acting CEO Magnus Larsson

We are pleased with the second quarter of the year, which is showing a sharp increase in net sales and order intake compared to the corresponding period last year. The combination of a strong focus on sales, production and delivery and an increase in customer needs lies behind the quarter's growth increase.

Net sales amounted to SEK 530 M, which is an increase of 36 percent compared to the corresponding period in 2021 and 14 percent compared to the previous quarter. Order intake amounted to SEK 581 M and increased by 42 percent year on year and 5.4 percent quarter on quarter.

Operating profit for the quarter amounted to SEK -7 M compared to SEK 23 M in the corresponding period in 2021. A sustained high cost level for electronics components, raw materials and transports continued to put pressure on profitability, but we continue to work on an ongoing basis with profitability-enhancing measures, and we expect to see effects from such measures during the second half of 2022 and into 2023.

During the quarter, the company updated its strategy for the next few years, and the strategy was then presented in June at our first Capital Markets Day in many years. Market growth is accelerating, and our goal is to grow faster than the market by marketing innovative and unique solutions within in-store communication. We are focusing on strengthening our sales organization, securing thought leadership within development and production, and developing new business models to increase our recurring revenue. By following our new strategy, we are planning for net sales of SEK 4,500 M in 2025, of which 10 percent will come from recurring revenue.

We see a number of market trends that are underlying the increase in demand for our solutions, the strongest of which is store digitalization, since most retailers need systems that enable active work with price strategies and streamlining of store processes and contribute to greater satisfaction among their customers.

Another clear trend among both existing customers and new customers is interest in Digital Signage, since store digitalization creates entirely new business opportunities through digital advertising in stores and thus greater revenue from store campaigns and advertisements. We are in a number of exciting customer dialogues regarding solutions that combine Electronic Shelf Label (ESL) and Digital Signage and will launch a solution in the fall.

In addition to store digitalization and Digital Signage, there is very strong interest in solutions that create insight into store operations and make it possible for a retailer, based on this data, to take appropriate measures to refill products and rearrange product placement or change advertising. Pricer's camera solution, ShelfVision, which is based on a Pricer patent, is attracting a lot of customer interest and is currently being tested by a number of customers, with good results.

The launch of four-color labels, which will take place during the year, is creating entirely new possibilities since many grocery stores require four colors if they are to invest in ESLs. This is because red and yellow are a must in their advertising campaigns. Four-color labels are energy intensive, which is a game changer for Pricer, which has the market's most energy-efficient labels and thus is best positioned to deliver a retail-grade solution.

The market trends are also being significantly amplified by an increase in inflation and the lack of staffing, both of which are contributing to a large and immediate need to invest in ESL-based solutions now and in the future.

We are optimistic about the future. Our products and solutions enable communication and streamlining, which increases our customers' sales, lowers their costs and creates an improved customer experience in their stores. With our new strategy in place, we will be able to create many new customer relationships, nurture and develop existing customers, and ultimately actively contribute to strengthening the attraction of the physical store among consumers. This will generate a clear customer benefit and thereby growth, profitability, and conditions for reaching our new financial targets. We look forward to updating you in the future.

Magnus Larsson
Acting CEO

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This information is information that Pricer AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 8:30 CET on July 21, 2022.

Every care has been taken in the translation of this document. In the event of discrepancies, the Swedish original will supersede the English translation.

About Pricer

Pricer is a leading global technology company serving the rapidly growing smart retail market with in-store digital solutions that enhance both store performance and the shopping experience. Through electronic shelf labels, advanced technology, such as optical wireless communication and AI, and continuous innovation, Pricer offers the foundation for in-store communication and efficiency. The industry-leading Pricer platform delivers benefits from 30 years of deployment experience and is fast, robust, interconnectable and scalable. Pricer was founded in Sweden in 1991 and is listed on Nasdaq Stockholm. For further information, please visit www.pricer.com