

**PRICER**

BRINGING TRUST TO RETAIL

**Q2 • INTERIM REPORT • January–June 2020****SEK 287.6 M**Net sales  
in the quarter**1.2%**Operating margin  
in the quarter**SEK -6.9 M**Net profit for the  
quarter**High order intake – increased demand on several markets****COVID-19: delayed net sales, negative impact on gross margin and profit****Q2 2020**

- Net sales amounted to SEK 287.6 M (270.7), an increase of 6 percent compared to the same period last year.
- Operating profit amounted to SEK 3.5 M (34.1), which corresponds to an operating margin of 1.2 percent (12.6).
- Order intake was SEK 324 M (230), an increase of 41 percent compared to the same period last year.
- Order backlog amounted to SEK 903 M (131), of which the majority is expected to be delivered in 2020.
- Profit for the period was SEK -6.9 M (32.2).
- Earnings per share (basic and diluted) were SEK -0.06 (0.29).
- Cash flow from operating activities was SEK 21.3 M (-28.1).

**H1 2020**

- Net sales amounted to SEK 513.6 M (532.6), a decrease of 4 percent compared to the same period last year.
- Operating profit amounted to SEK 10.8 M (51.6), which corresponds to an operating margin of 2.1 percent (9.7).
- Order intake was SEK 695 M (438), an increase of 59 percent compared to the same period last year.
- Profit for the period was SEK 8.0 M (51.6).
- Earnings per share (basic and diluted) were SEK 0.07 (0.47 and 0.46, respectively).
- Cash flow from operating activities was SEK 23.5 M (24.3).

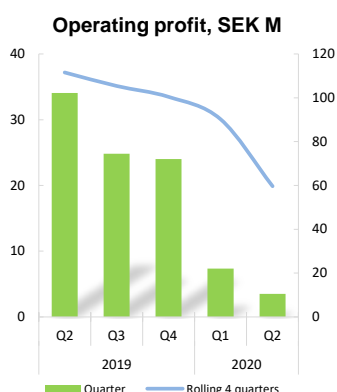
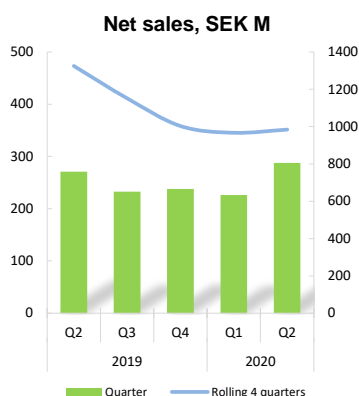
Amounts in SEK M unless otherwise stated	Q2 2020	Q2 2019	6 mths 2020	6 mths 2019	Rolling 4 Q	Full year 2019
Order intake	324	230	695	438	1 761	1 504
Net sales	287,6	270,7	513,6	532,6	983,9	1 002,9
Gross margin, %	22,9%	33,2%	26,6%	31,2%	30,6%	33,0%
Operating profit	3,5	34,1	10,8	51,6	59,7	100,4
Operating margin, %	1,2%	12,6%	2,1%	9,7%	6,1%	10,0%
Cash flow <sup>1)</sup>	21,3	-28,1	23,5	24,3	144,5	145,3
Net profit for the period	-6,9	32,2	8,0	51,6	54,1	97,7
Earnings per share, SEK <sup>2)</sup>	-0,06	0,29	0,07	0,47	0,49	0,89

1) Cash flow from operating activities

2) Basic earnings per share



**High order backlog and demand are cause for optimism for strong organic growth**



## Comments from CEO Helena Holmgren

As expected, the start of the second quarter was tough due to COVID-19. Restrictions during primarily April and part of May that limited people's mobility and new temporary rules on store operations had a major impact on retailers around the world. For Pricer, this meant postponed deliveries and store installations while waiting for staff to once again become available and stores to open. The recovery in June was strong, with unusually high delivery activity, but, despite this, some of the net sales were pushed into the third quarter and the profit for the second quarter was a disappointment. However, the high order backlog of just over SEK 900 M at the end of the second quarter is cause for optimism in terms of the full year.

Our cloud-based platform, Pricer Plaza, which was launched during the first quarter of the year has been well received by the market. We are seeing a growing interest in purchasing our system as a cloud service. Having business-critical systems connected to the cloud is highly relevant since it decreases the need for physical presence in the store and simplifies the flow of data between different systems. The modularity of the offer makes it easy to add new functionality as the need arises, which is particularly attractive for customers who intend to use the system as an integrated part of several different store processes.

Order intake in the second quarter amounted to SEK 324 M, which is an increase of 41 per cent compared to the same period last year. A large proportion of the order intake was generated by customers who have chosen Pricer Plaza, including both new and existing customers. The business model in this situation is different compared to the traditional business. The initial hardware delivery with related installation services remains unchanged, but a recurring revenue component related to the management of the system and the applications the customer chooses to implement will be added.

A number of factors have had a negative impact on the gross margin and profit during the quarter. The product mix, with a high percentage of large labels, and the contract mix, with a high percentage of large customer projects, have had a negative impact on the gross margin in the quarter compared to the same period last year. In addition, the appreciation of the Swedish krona in the second quarter, primarily against the US dollar, coincided with high transaction volumes and impacted negatively.

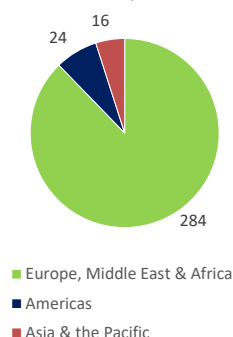
The current situation with the coronavirus has had a negative impact on profitability in a number of areas. Beside the operational challenges to conduct business efficiently, access to logistics solutions has been a particular challenge and resulted in a significant increase in freight costs. In addition, the spring's supply chain challenges in Asia has impacted availability of components which has caused some difficulties in optimizing production flows. Although we see some improvements, indications are that component supply and logistics will remain challenging for some time. We will continue to mitigate the risks and secure our flows.

The times we have just been through, and that we are in part still going through, have been challenging for many people both professionally and in their private lives. It is impressive how the Pricer team has demonstrated loyalty, flexibility, and decisiveness to find new solutions and paths forward with the goal of strengthening our offer and customer relationships. We view order intake and the high demand for our solutions as a sign that we are on the right path. We will continue to prepare Pricer for strong organic growth, in the form of both staff reinforcements and other investments intended to strengthen our position in the market.

Helena Holmgren  
President and CEO



Order intake per region in Q2 2020, SEK M



## Market development

The impact of the coronavirus on the retail industry differs across geographies and retail verticals. One thing that many retail chains around the world have had in common is a strong increase in the number of e-commerce orders and a need for flexible delivery models. In addition, the expectations have changed for what constitutes a safe and secure environment in stores for both employees and consumers. The availability of labor has also been affected, and the share of temporary staffing has increased sharply. As a result, demand for digital solutions to optimize the flow in the store, in terms of both products and consumers, has gained increased strategic importance, which is positive for Pricer. The acceleration of market growth should be viewed both in the short term and the medium term. Alongside the high order intake in the second quarter is noted greater activity on several markets with a large number of new customer requests.

European retail has been highly affected by lockdowns and other restrictions during the first half of the second quarter. Store visits have not been possible during the period, and basically all store installations were postponed. The underlying flow of small and medium-sized customer projects in primarily France but also in Italy and Belgium constitute the largest negative impact of the coronavirus in terms of net sales in the quarter compared to the previous year. Late in the second quarter large parts of the operations resumed, and the high order backlog indicates that a recovery during the second half of the year is highly possible.

The large US customer project is progressing according to the revised plan that was communicated in April. In the Netherlands, the project to install Pricer's system in all PLUS Retail stores began on a smaller scale in the second quarter. The project is primarily planned to run from fall 2020 until the end of Q1 2021. Deliveries to Carrefour in France will also take place during the fall 2020.

Order intake, SEK M



## Order intake Q2 and H1 2020

Order intake for the second quarter amounted to SEK 324 M (230), an increase of 41 percent compared to the same quarter last year. Adjusted for exchange rate fluctuations, order intake increased by 40 percent. Order intake is spread across a large number of customers on several geographic markets, with the Netherlands and France as the largest individual contributors. Large customer contracts included in the quarter's order intake are PLUS Retail in the Netherlands for approximately SEK 100 M and Carrefour in France for approximately SEK 50 M.

Order intake amounted to SEK 695 M (438) for the first six months, an increase of 59 percent compared to the same period last year. Adjusted for exchange rate fluctuations, order intake rose 56 percent. The USA, France, and the Netherlands comprise the largest countries. The order intake has a wide geographic spread and includes several new customers that signed during the year.



## Net sales and profit in Q2 and H1 2020

### NET SALES BY GEOGRAPHICAL REGION

	Q2 2020	Q2 2019	6 mths 2020	6 mths 2019	Full year 2019
Amounts in SEK M					
Europe, Middle East & Africa	114,3	213,1	309,9	434,9	807,7
Americas	164,5	32,2	193,6	52,9	122,7
Asia & the Pacific	8,9	25,4	10,0	44,8	72,5
<b>Total net sales</b>	<b>287,5</b>	<b>270,7</b>	<b>513,6</b>	<b>532,6</b>	<b>1 002,9</b>

### NET SALES AND PROFIT, SEK M

	Q2 2020	Q2 2019	6 mths 2020	6 mths 2019	Full year 2019
Net sales	287,6	270,7	513,6	532,6	1 002,9
Cost of goods sold	-221,8	-180,8	-376,8	-366,4	-672,0
Gross profit	65,9	89,9	136,7	166,1	331,0
Gross margin	22,9%	33,2%	26,6%	31,2%	33,0%
Operating expenses	-62,1	-57,1	-127,6	-115,1	-227,2
Other income and expenses	-0,2	1,3	1,8	0,6	-3,3
Operating profit	3,5	34,1	10,8	51,6	100,4
Operating margin	1,2%	12,6%	2,1%	9,7%	10,0%

### ADJUSTED FOR F/X

Amount in SEK M unless otherwise stated	Reported current period	Reported change	Adjusted for F/X
<b>Second quarter compared with the same period last year</b>			
Net sales	287,6	6%	6%
Cost of goods sold	-221,8	23%	22%
<b>Gross profit</b>	<b>65,9</b>	<b>-18%</b>	<b>-18%</b>
Operating expenses	-62,1	9%	9%
Other income and expenses	-0,2	-	-
<b>Operating profit</b>	<b>3,5</b>	<b>-90%</b>	<b>-88%</b>
<b>January - June compared with the same period last year</b>			
Net sales	513,6	-4%	-5%
Cost of goods sold	-376,8	3%	1%
<b>Gross profit</b>	<b>136,7</b>	<b>-18%</b>	<b>-18%</b>
Operating expenses	-127,6	11%	10%
Other income and expenses	1,8	-	-
<b>Operating profit</b>	<b>10,8</b>	<b>-79%</b>	<b>-78%</b>

### Q2 2020

Net sales amounted to SEK 287.6 M (270.7) in the quarter, an increase of 6 percent compared to the same quarter last year even after adjustments for exchange rate fluctuations. Net sales in Q2 2020 were spread across a large number of customers, a significant part of which was related to the large US customer project. A number of store installations were delayed, primarily in southern Europe, as a result of temporary government restrictions, which had a negative impact on net sales in April and May, but these sales were recovered to some extent in June.

Gross profit amounted to SEK 65.9 M (89.9), and the gross margin amounted to 22.9 percent (33.2) 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 sales came from large customer projects. Freight supply during the quarter has been limited due to the coronavirus, which resulted in a sharp increase in the cost of air freight. Freight expenses have been significantly higher than normal by around SEK 6 M, which corresponds to an impact on the gross margin of approximately 2 percentage points. Most of the company's costs for goods sold were in USD, while net sales were generated primarily in USD and EUR. There were no currency effects on gross profit in the quarter compared with same period last year. However, lagging effects from this year's currency fluctuations had a negative impact on the gross margin in the second quarter, since purchases of goods that were made while the Swedish krona was weak were delivered and invoiced to customers when the Swedish krona was stronger.

Operating expenses increased to SEK -62.1 M (-57.1) in the quarter, an increase of 9 percent compared to the same quarter last year even after adjustments for exchange rate fluctuations. The increase is primarily due to staff and consultants related to investments to expand the customer service offer, product development, and enhanced market presence on several geographic markets, including the USA. Operating expenses are primarily in SEK, but they are also in EUR and USD.

Other income and expenses amounted to SEK -0.2 M (1.3) and consisted of the net effect of realized and unrealized currency revaluations of trade receivables and trade payables.

Operating profit amounted to SEK 3.5 M (34.1), which corresponded to an operating margin of 1.2 percent (12.6). Lower gross profit combined with an increase in operating expenses resulted in a decrease in 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 -9.7 M (-0.7), which was largely the outcome of negative translation effects on currency accounts in USD and EUR due to an appreciation in SEK during the second quarter.

Tax for the quarter amounted to SEK -0.7 M (-1.1), of which SEK 0.2 M (0.1) refers to deferred tax and SEK -0.9 M (-1.2) to current tax. The current tax rate amounted to +14 percent (-4), and the reported total tax rate amounted to +11 percent (-3). The negative current tax despite negative profit before tax is due to taxable profit in subsidiaries. For the tax-related loss in the Parent Company, another loss carryforward has not been capitalized during the quarter. Deferred tax assets related to capitalized losses carried forward amounted in the balance sheet on June 30, 2020, to SEK 70.4 M (70.4).

Profit for the period was SEK -6.9 M (32.2). The decrease compared to last year can be traced to a decrease in the operating profit and negative net financial items.

Translation differences in other comprehensive income of SEK -19.8 M (4.4) consisted of currency revaluation of net assets in foreign operations.

#### H1 2020

Net sales amounted to SEK 513.6 M (532.6) in the first six months, a decrease of 4 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. The decrease in net sales compared to last year in the EMEA region, which to some extent is due to the coronavirus, was largely offset by the increase in net sales in the Americas region. Adjusted for exchange rate fluctuations, net sales decreased by 5 percent.

Gross profit amounted to SEK 136.7 M (166.1), and the gross margin amounted to 26.6 percent (31.2) for the period. The change in the gross margin is primarily a continued consequence of the product and contract mix. The majority of the company's costs for goods sold were in USD, while net sales were generated primarily in EUR and USD. There were no currency effects on gross profit compared to last year. However, the strong currency fluctuations during the period,



primarily between SEK and USD, had an overall negative impact on the gross margin in the period.

Operating expenses increased to SEK -127.6 M (-115.1) in the period, an increase of 11 percent compared to the same period last year. The increase was primarily a result of increased costs for annual marketing events and trade shows as well as for staff and consultants related to an increase in the customer service offer, product development initiatives, and enhanced market presence in a number of geographic markets.

Other income and expenses amounted to SEK 1.8 M (0.6) 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 10.8 M (51.6), which corresponded to an operating margin of 2.1 percent (9.7). Lower gross profit combined with an increase in operating expenses resulted in a decrease in the operating profit and the 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 -1.5 M (1.6).

Tax for the period amounted to SEK -1.4 M (-1.7), of which SEK 0.3 M (0.7) refers to deferred tax and SEK -1.7 M (-2.3) to current tax. The current tax rate amounted to -18 percent (-5), and the reported total tax rate amounted to -15 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 8.0 M (51.6). The decrease compared to last year can be linked to a decrease in the operating profit and negative net financial items.

Translation differences in other comprehensive income of SEK 1.3 M (10.2) consisted of currency revaluation of net assets in foreign operations.

## Cash flow, investments and financial position

### Q2 2020

Cash flow from operating activities amounted to SEK 21.3 M (-28.1) for Q2. The change in working capital during the quarter had a positive impact on cash flow from operating activities of SEK 8.6 M (-74.3). The ongoing ramp-up in the production rate to deliver the order backlog resulted in higher inventory levels, which had a negative impact on cash flow. This was offset by a net increase in trade payables and incoming customer payments, which had a positive impact on cash flow. Payment morale among customers has been good during the COVID-19 period. Cash flow from operating activities should be analyzed over time.

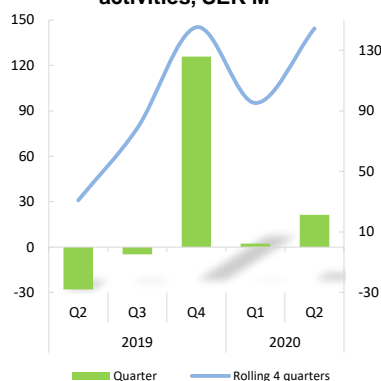
Cash flow from investing activities amounted to SEK -15.9 M (-13.0) in the second quarter and consisted primarily of capitalized development expenditure of SEK -14.0 M (-8.3) for continued investments in product development and investments in property, plant and equipment of SEK -2.0 M (-4.7) attributable to production equipment.

Cash flow from financing activities amounted to SEK -44.7 M (-68.9) during the second quarter and referred to the dividend of SEK -44.1 M (-66.2), amortization of lease liabilities of SEK -2.8 M (-2.7) 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 -7.9 M (0.8), which was a result of negative translation effects on currency accounts in USD and EUR.

Cash and cash equivalents amounted to SEK 132.9 M (104.3) on June 30, 2020. In addition to cash and cash equivalents, the company has an unutilized overdraft facility of SEK 50 M (50). During the second quarter, an agreement was established to increase the credit line from

Cash Flow from operating activities, SEK M





SEK 50 M to SEK 150 M during the period July 1–December 31, 2020, to secure the ramp-up in the production rate.

#### H1 2020

Cash flow from operating activities amounted to SEK 23.5 M (24.3) for the period. The change in working capital had a negative impact of SEK -10.4 M (-48.9) on cash flow from operating activities, primarily due to higher inventories, which decreased cash flow, and an increase in trade payables, which improved cash flow.

Cash flow from investing activities amounted to SEK -37.2 M (-23.8) during the first six months and consisted primarily of capitalized development expenditure of SEK -28.6 M (-16.1) and investments in property, plant and equipment of SEK -8.6 M (-7.6) attributable to production equipment.

Cash flow from financing activities amounted to SEK -47.6 M (-71.1) during the first six months and referred to the dividend of SEK -44.1 M (-66.2), amortization of lease liabilities of SEK -5.6 M (-4.9) and a decrease in treasury shares of SEK 2.1 M (-).

Exchange rate differences in cash and cash equivalents amounted to SEK -0.1 M (3.8).

## 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 June 30, 2020, to SEK 477 (705) thousand 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.

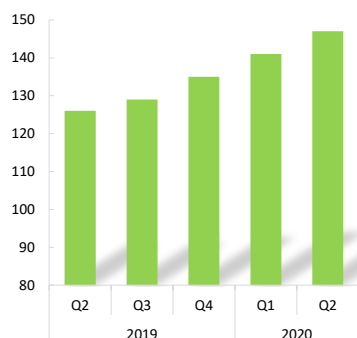
From the 2017 performance share plan, 228 thousand shares have been transferred free of charge in June 2020 to the participants. Due to the fulfillment of the performance share plan, Pricer decreased its treasury shares by 228 thousand shares.

Outstanding performance share plan (LTI)	Maximum number of shares, 000's	Vesting period	Transferred free of charge to the participants
LTI 2018	409	June 2018–May 2021	June 2021
LTI 2019	316	June 2019–May 2022	June 2022
LTI 2020	525	June 2020–May 2023	June 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 second quarter was 145 (125), and the number of employees at the end of the period was 147 (126). The average number including hired staff and consultants was 171 (144) in the second quarter and 174 (143) at the end of the period. The organization was strengthened in several areas, such as product development and sales. Due to the greater rate of innovation to respond to the new challenges in the retail industry and broaden the system's area of use, we have expanded the R&D organization. We also strengthened our presence in a number of geographic markets with the aim of managing both the increased demand and the growing installed customer base.

## Parent Company

The Parent Company's net sales amounted to SEK 579.9 M (461.3), and the profit for the period amounted to SEK -2.3 M (105.6). 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 108.9 M (80.7) 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 will be 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 also 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.





**The next interim  
report will be  
published on  
October 23,  
2020**

## Events during the second quarter

At the Annual General Meeting on May 5, Knut Faremo was elected Chair of the Board. Knut has been a Board member of Pricer since the 2019 Annual General Meeting. Knut has broad international experience with extensive industry experience from the retail trade in Europe.

## Events after the end of the reporting period

Pricer's Norwegian retailer StrongPoint has received an order from NorgesGruppen to install Pricer's system for digital store communication in an additional 200 stores. The order value for Pricer is around SEK 65 M. The plan is to complete delivery before the end of 2020.

## Financial Calendar

October 23, 2020

Interim Report January–September 2020

The undersigned hereby certify that semi-annual report for the Parent Company and the Group provides a true and fair view of the results of the operations, financial position and performance of the Group and describes the risks and significant uncertainties to which the Parent Company and other companies in the Group are exposed.

Stockholm, July 21, 2020

Pricer AB (publ)

Knut Faremo  
*Chairman*

Hans Granberg

Jenni Virnes

Jonas Guldstrand

Thomas Krishan

Helena Holmgren  
*President and CEO*

This report has not been subject to an audit.

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

*This information is information that Pricer AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted through the agency of the contact person mentioned below for publication on July 21, 2020, at 8:30 AM CET.*

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## Financial Reporting

### CONSOLIDATED INCOME STATEMENT IN SUMMARY

Amounts in SEK M	Q2 2020	Q2 2019	6 mths 2020	6 mths 2019	Full year 2019
Net sales	287,6	270,7	513,6	532,6	1 002,9
Cost of goods sold	-221,8	-180,8	-376,8	-366,4	-672,0
<b>Gross profit</b>	<b>65,9</b>	<b>89,9</b>	<b>136,7</b>	<b>166,1</b>	<b>331,0</b>
Selling expenses	-32,8	-31,8	-71,5	-63,8	-124,0
Administrative expenses	-16,6	-16,7	-33,7	-34,2	-67,5
Research and development costs	-12,7	-8,6	-22,4	-17,1	-35,8
Other income and expenses	-0,2	1,3	1,8	0,6	-3,3
<b>Operating profit</b>	<b>3,5</b>	<b>34,1</b>	<b>10,8</b>	<b>51,6</b>	<b>100,4</b>
Net financial items	-9,7	-0,7	-1,5	1,6	0,8
<b>Net profit before tax</b>	<b>-6,2</b>	<b>33,4</b>	<b>9,4</b>	<b>53,2</b>	<b>101,3</b>
Income tax	-0,7	-1,1	-1,4	-1,7	-3,5
<b>Net profit for the period</b>	<b>-6,9</b>	<b>32,2</b>	<b>8,0</b>	<b>51,6</b>	<b>97,7</b>
<b>Net profit for the period attributable to:</b>					
Owners of the Parent Company	-6,9	32,2	8,0	51,6	97,7

### EARNINGS PER SHARE

	Q2 2020	Q2 2019	6 mths 2020	6 mths 2019	Full year 2019
Basic earnings per share, SEK	-0,06	0,29	0,07	0,47	0,89
Diluted earnings per share, SEK	-0,06	0,29	0,07	0,46	0,88
Number of shares before dilution, millions	110,3	110,3	110,3	110,3	110,3
Diluted number of shares, millions	111,4	111,2	111,3	111,2	111,2

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK M	Q2 2020	Q2 2019	6 mths 2020	6 mths 2019	Full year 2019
Net profit for the period	-6,9	32,2	8,0	51,6	97,7
<i>Items that are or may be reclassified to profit or loss for the period</i>					
Translation differences	-19,8	4,4	1,3	10,2	6,7
<b>Other comprehensive income for the period</b>	<b>-19,8</b>	<b>4,4</b>	<b>1,3</b>	<b>10,2</b>	<b>6,7</b>
<b>Net comprehensive income for the period</b>	<b>-26,6</b>	<b>36,6</b>	<b>9,3</b>	<b>61,8</b>	<b>104,5</b>
<b>Net comprehensive income for the period attributable to:</b>					
Owners of the Parent Company	-26,6	36,6	9,3	61,8	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	Jun 30 2020	Mar 31 2020	Dec 31 2019	Sep 30 2019	Jun 30 2019
<b>ASSETS</b>					
Intangible assets	346,5	352,3	325,8	325,1	314,8
Property, plant and equipment	28,7	29,0	24,3	23,3	23,2
Right-of-use assets	48,5	53,0	53,8	53,7	54,5
Deferred tax assets	76,7	76,5	76,3	76,7	76,7
<b>Total non-current assets</b>	<b>500,4</b>	<b>510,7</b>	<b>480,2</b>	<b>478,7</b>	<b>469,2</b>
Inventories	413,9	188,4	218,7	269,2	263,0
Trade receivables	155,2	193,2	147,6	204,9	239,7
Prepaid expenses and accrued income	17,2	13,1	12,2	26,5	22,7
Other current receivables	335,0	142,5	68,1	41,8	67,8
Cash and cash equivalents	132,9	180,1	194,2	89,6	104,3
<b>Total current assets</b>	<b>1054,2</b>	<b>717,4</b>	<b>640,8</b>	<b>632,0</b>	<b>697,5</b>
<b>TOTAL ASSETS</b>	<b>1 554,6</b>	<b>1 228,1</b>	<b>1 121,0</b>	<b>1 110,6</b>	<b>1 166,7</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	111,0	111,0	111,0	111,0	111,0
Other capital contributions	405,5	404,8	404,4	404,0	403,2
Reserves	36,2	56,0	34,9	44,9	38,3
Accumulated profits including profit for the year	179,7	274,8	259,9	240,7	213,7
<b>Shareholder's equity attributable to the Parent Company's shareholders</b>	<b>732,4</b>	<b>846,6</b>	<b>810,2</b>	<b>800,6</b>	<b>766,2</b>
<b>LIABILITIES</b>					
Non-current provisions	17,0	16,3	15,4	16,5	15,9
Non-current lease liabilities	38,1	42,2	43,1	43,3	44,2
<b>Total non-current liabilities</b>	<b>55,1</b>	<b>58,5</b>	<b>58,5</b>	<b>59,8</b>	<b>60,1</b>
Advances from customer	7,5	9,1	8,3	20,0	4,1
Trade payables	603,9	199,6	155,5	130,5	223,4
Current lease liabilities	11,7	11,9	11,5	11,1	10,6
Other current liabilities	55,4	11,9	9,0	7,8	13,5
Accrued expense and deferred income	70,5	73,6	51,7	62,4	70,5
Current provisions	18,0	16,8	16,2	18,5	18,2
<b>Total current liabilities</b>	<b>767,1</b>	<b>322,9</b>	<b>252,2</b>	<b>250,2</b>	<b>340,4</b>
<b>Total liabilities</b>	<b>822,2</b>	<b>381,5</b>	<b>310,8</b>	<b>310,0</b>	<b>400,5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 554,6</b>	<b>1 228,1</b>	<b>1 121,0</b>	<b>1 110,6</b>	<b>1 166,7</b>
Basic shareholders' equity per share, SEK	6,64	7,68	7,35	7,26	6,95
Diluted shareholders' equity per share, SEK	6,58	7,61	7,29	7,20	6,89


**CHANGES IN CONSOLIDATED EQUITY IN SUMMARY**

	<b>6 mths 2020</b>	<b>3 mths 2020</b>	<b>Full year 2019</b>	<b>9 mths 2019</b>	<b>6 mths 2019</b>
Amounts in SEK M					
<b>Equity at the beginning of the period</b>	<b>810,2</b>	<b>810,2</b>	<b>769,3</b>	<b>769,3</b>	<b>769,3</b>
Net profit for the period	8,0	14,8	97,7	78,6	51,6
Other comprehensive income for the period	1,3	21,1	6,7	16,7	10,2
<i>Net comprehensive income for the period</i>	<i>9,3</i>	<i>35,9</i>	<i>104,5</i>	<i>95,3</i>	<i>61,8</i>
Decreased number of treasury shares	2,1	-	-	-	-
Dividend	-88,2	-	-66,2	-66,2	-66,2
Share based payments, equity settled	-1,1	0,4	2,6	2,2	1,3
<i>Total transactions with owners of the Group</i>	<i>-87,1</i>	<i>0,4</i>	<i>-63,6</i>	<i>-64,0</i>	<i>-64,8</i>
<b>Equity at the end of the period</b>	<b>732,4</b>	<b>846,6</b>	<b>810,2</b>	<b>800,6</b>	<b>766,2</b>
<b>Attributable to:</b>					
- Owners of the parent company	732,4	846,6	810,2	800,6	766,2


**CONSOLIDATED CASH FLOW STATEMENTS IN SUMMARY**

Amounts in SEK M	Q2 2020	Q2 2019	6 mths 2020	6 mths 2019	Full year 2019
<b>OPERATING ACTIVITIES</b>					
Operating profit	3,5	34,1	10,8	51,6	100,4
Adjustment for non-cash items	10,4	12,3	25,5	23,0	39,3
- of which depreciations and amortizations	9,7	8,4	19,5	18,8	37,7
- whereof other non-cash items	0,7	3,9	6,0	4,2	1,6
Interest received	-	0,0	0,1	0,0	0,6
Interest paid	-0,3	-0,3	-0,7	-0,5	-1,3
Paid income tax	-1,0	0,1	-1,9	-1,0	-2,8
<b>Cash flow from operating activities before changes in working capital</b>	<b>12,7</b>	<b>46,2</b>	<b>33,9</b>	<b>73,1</b>	<b>136,1</b>
<i>Cash flow from changes in working capital</i>					
Increase(-)/decrease(+) inventories	-229,1	-47,5	-195,2	-70,8	-28,5
Increase(-)/decrease(+) trade receivables	36,7	-30,1	-8,5	37,7	129,6
Increase(-)/decrease(+) other current receivables	-197,2	18,6	-271,6	-1,5	6,7
Increase(+)/decrease(-) trade payables	398,2	5,7	445,8	9,1	-56,9
Increase(+)/decrease(-) other current liabilities	0,0	-20,9	19,0	-23,3	-41,7
<b>Cash flow from changes in working capital</b>	<b>8,6</b>	<b>-74,3</b>	<b>-10,4</b>	<b>-48,9</b>	<b>9,2</b>
<b>Cash flow from operating activities</b>	<b>21,3</b>	<b>-28,1</b>	<b>23,5</b>	<b>24,3</b>	<b>145,3</b>
<b>INVESTING ACTIVITIES</b>					
Acquisition of intangible assets	-14,0	-8,3	-28,6	-16,1	-39,0
Acquisition of tangible assets	-2,0	-4,7	-8,6	-7,6	-11,0
<b>Cash flow from investing activities</b>	<b>-15,9</b>	<b>-13,0</b>	<b>-37,2</b>	<b>-23,8</b>	<b>-50,0</b>
<b>FINANCING ACTIVITIES</b>					
Amortization of lease liabilities	-2,8	-2,7	-5,6	-4,9	-10,1
Dividend paid	-44,1	-66,2	-44,1	-66,2	-66,2
Decreased number of treasury shares	2,1	-	2,1	-	-
<b>Net cash used in financing activities</b>	<b>-44,7</b>	<b>-68,9</b>	<b>-47,6</b>	<b>-71,1</b>	<b>-76,3</b>
<b>Net cash flow for the period</b>	<b>-39,4</b>	<b>-109,9</b>	<b>-61,3</b>	<b>-70,6</b>	<b>19,1</b>
Cash and cash equivalents at beginning of period	180,1	213,5	194,2	171,0	171,0
Exchange rate losses/gains in cash and cash equivalents	-7,9	0,8	-0,1	3,8	4,1
<b>Cash and cash equivalents at end of period</b>	<b>132,9</b>	<b>104,3</b>	<b>132,9</b>	<b>104,3</b>	<b>194,2</b>
Unutilized bank overdraft facility	50,0	50,0	50,0	50,0	50,0
<b>Available funds at end of period</b>	<b>182,9</b>	<b>154,3</b>	<b>182,9</b>	<b>154,3</b>	<b>244,2</b>




**PARENT COMPANY INCOME STATEMENT IN SUMMARY**

Amounts in SEK M	6 mths 2020	6 mths 2019	Full year 2019
Net sales	579,9	461,3	848,7
Cost of goods sold	-507,5	-345,7	-620,1
<b>Gross profit</b>	<b>72,4</b>	<b>115,6</b>	<b>228,7</b>
Selling expenses	-32,3	-25,8	-51,8
Administrative expenses	-22,0	-22,9	-46,1
Research and development costs	-22,4	-17,1	-35,8
Other income and expenses	1,8	0,7	-3,3
<b>Operating profit</b>	<b>-2,4</b>	<b>50,5</b>	<b>91,7</b>
<i>Result from financial items:</i>			
Result from participations in group companies	-	52,8	50,0
Interest income and similar profit/loss items	0,4	2,2	2,4
Interest expenses and similar profit/loss items	-0,9	-0,1	-0,2
<b>Profit/loss before tax</b>	<b>-2,9</b>	<b>105,4</b>	<b>143,9</b>
Income tax	0,6	0,3	-0,6
<b>Net profit for the period</b>	<b>-2,3</b>	<b>105,6</b>	<b>143,3</b>

**PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME**

Amounts in SEK M	6 mths 2020	6 mths 2019	Full year 2019
Net profit for the period	-2,3	105,6	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>			
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net comprehensive income for the period</b>	<b>-2,3</b>	<b>105,6</b>	<b>143,3</b>

*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	Jun 30 2020	Mar 31 2020	Dec 31 2019	Sep 30 2019	Jun 30 2019
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets	82,0	72,5	62,5	54,3	48,3
Property, plant and equipment	26,0	26,2	21,6	20,1	20,5
<i>Financial assets</i>					
Participations in group companies	186,2	187,1	186,9	186,7	186,5
Receivables from group companies	9,6	6,6	6,3	8,3	7,0
Deferred tax assets	75,8	75,4	75,3	76,2	76,1
<i>Total financial assets</i>	<i>271,6</i>	<i>269,1</i>	<i>268,5</i>	<i>271,2</i>	<i>269,5</i>
<b>Total non-current assets</b>	<b>379,6</b>	<b>367,8</b>	<b>352,6</b>	<b>345,6</b>	<b>338,3</b>
<b>Current assets</b>					
Inventories, etc.	227,1	114,3	170,8	211,1	202,4
<i>Current receivables</i>					
Trade receivables	63,5	98,5	56,7	79,4	91,8
Receivables from current group companies	179,2	98,6	65,4	116,2	127,0
Other current receivables	322,8	137,5	62,9	35,9	62,5
Prepaid expenses and accrued income	10,3	7,6	7,6	20,1	15,6
<b>Total current receivables</b>	<b>575,7</b>	<b>342,1</b>	<b>192,6</b>	<b>251,5</b>	<b>297,0</b>
Cash and cash equivalents	108,9	125,1	167,9	66,9	80,7
<b>Total current assets</b>	<b>911,8</b>	<b>581,4</b>	<b>531,3</b>	<b>529,5</b>	<b>580,1</b>
<b>TOTAL ASSETS</b>	<b>1 291,4</b>	<b>949,2</b>	<b>883,8</b>	<b>875,0</b>	<b>918,4</b>


**PARENT COMPANY BALANCE SHEET IN SUMMARY**

Amounts in SEK M	Jun 30 2020	Mar 31 2020	Dec 31 2019	Sep 30 2019	Jun 30 2019
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' equity</b>					
<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	79,8	69,9	59,4	50,9	34,9
<b>Total restricted equity</b>	<b>295,6</b>	<b>285,7</b>	<b>275,3</b>	<b>266,7</b>	<b>250,8</b>
<i>Non-restricted equity</i>					
Share premium reserve	208,5	207,9	207,4	207,0	206,2
Retained earnings	74,3	172,4	207,4	207,0	206,2
Net profit for the year	-2,3	13,3	39,6	48,1	64,1
<b>Total non-restricted equity</b>	<b>280,5</b>	<b>393,6</b>	<b>390,4</b>	<b>382,3</b>	<b>375,9</b>
<b>Total equity</b>	<b>576,1</b>	<b>679,4</b>	<b>665,6</b>	<b>649,0</b>	<b>626,7</b>
<b>PROVISIONS</b>					
Provisions	26,3	24,4	23,6	26,5	26,1
<b>Total provisions</b>	<b>26,3</b>	<b>24,4</b>	<b>23,6</b>	<b>26,5</b>	<b>26,1</b>
<b>NON-CURRENT LIABILITIES</b>					
Non-current liabilities	0,1	0,1	0,1	0,1	0,1
<b>Total non-current liabilities</b>	<b>0,1</b>	<b>0,1</b>	<b>0,1</b>	<b>0,1</b>	<b>0,1</b>
<b>CURRENT LIABILITIES</b>					
Advances from customer	-	-	-	13,5	-
Trade payables	601,1	195,6	151,7	127,3	218,3
Liabilities to group companies	8,1	10,2	12,9	23,1	10,0
Other current liabilities	48,5	2,5	2,6	2,4	2,8
Accrued expenses and deferred income	31,1	37,0	27,3	33,1	34,4
<b>Total current liabilities</b>	<b>688,8</b>	<b>245,3</b>	<b>194,6</b>	<b>199,4</b>	<b>265,5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 291,4</b>	<b>949,2</b>	<b>883,8</b>	<b>875,0</b>	<b>918,4</b>

**PARENT COMPANY STATEMENT OF CHANGES IN EQUITY IN SUMMARY**

Amounts in SEK M	6 mths 2020	3 mths 2020	Full year 2019	9 mths 2019	6 mths 2019
<b>Equity at the beginning of the period</b>	<b>665,6</b>	<b>665,6</b>	<b>585,9</b>	<b>585,8</b>	<b>585,8</b>
Net comprehensive income for the period	-2,3	13,3	143,3	127,1	105,6
Decreased number of treasury shares	2,1				
Dividend	-88,2	-	-66,2	-66,2	-66,2
Share based payments, equity settled	-1,1	0,4	2,6	2,2	1,3
<b>Equity at the end of the period</b>	<b>576,1</b>	<b>679,4</b>	<b>665,6</b>	<b>649,0</b>	<b>626,7</b>



## KEY FIGURES

	Q2	Q1	Q4	Q3	Q2
Amounts in SEK M	2020	2020	2019	2019	2019
Order intake	324	371	843	222	230
Order intake - rolling 4 quarters	1 761	1 667	1 504	934	998
Net sales	287,6	225,9	237,8	232,5	270,7
Net sales - rolling 4 quarters	983,9	967,0	1 002,9	1 151,6	1 325,1
Operating profit	3,5	7,3	24,0	24,8	34,1
Operating profit - rolling 4 quarters	59,7	90,2	100,4	105,4	111,6
Net profit for the period	-6,9	14,8	19,2	27,0	32,2
Cash flow from operating activities	21,3	2,2	125,9	-4,8	-28,1
Cash flow from operating activities - rolling 4 quarters	144,5	95,2	145,3	78,6	30,9
Number of employees, end of period	147	141	135	129	126
Equity/assets ratio	47%	69%	72%	72%	66%



## 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

	Q2 2020	Q2 2019	6 mths 2020	6 mths 2019	Full year 2019
Amounts in SEK M					
Revenue from goods	271,6	247,4	481,2	491,4	924,3
Revenue from services	13,1	19,9	26,3	33,4	64,3
Revenue from licenses	2,9	3,3	6,1	7,8	14,3
<b>Total</b>	<b>287,6</b>	<b>270,7</b>	<b>513,6</b>	<b>532,6</b>	<b>1 002,9</b>

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

	Q2 2020	Q2 2019	6 mths 2020	6 mths 2019	Full year 2019
Direct customers	74%	45%	62%	45%	47%
Resellers	26%	55%	38%	55%	53%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Note 3 — Leases

### RIGHT-OF-USE ASSET

	Jun 30 2020	Jun 30 2019	Dec 31 2019
Amounts in SEK M			
Premises	45,5	56,3	50,8
Cars	3,0	1,6	3,0
<b>Total</b>	<b>48,5</b>	<b>57,9</b>	<b>53,8</b>

### LEASE LIABILITY

	Jun 30 2020	Jun 30 2019	Dec 31 2019
Amounts in SEK M			
Within one year	11,7	10,7	11,5
Between one and five years	34,9	41,4	38,6
More than five years	3,2	6,2	4,5
<b>Total</b>	<b>49,8</b>	<b>58,3</b>	<b>54,6</b>



### Note 3 — Leases (cont'd)

#### COST AND CASH FLOW INFORMATION

Amounts in SEK M	Q2 2020	Q2 2019	Full year 2019
Depreciation of right-of use assets	2,9	2,8	11,0
(of which premises)	2,6	2,5	9,9
(of which cars)	0,3	0,3	1,1
Interest expense for lease liabilities	0,3	0,2	1,1
Amortization of lease liabilities	2,7	2,7	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	Jun 30 2020	Jun 30 2019	Dec 31 2019
Loan and trade receivables	485,0	407,6	406,0
<b>Total financial assets</b>	<b>485,0</b>	<b>407,6</b>	<b>406,0</b>
Lease liabilities	49,8	58,3	54,6
Other financial liabilities	648,0	224,6	176,5
<b>Total financial liabilities</b>	<b>697,8</b>	<b>282,9</b>	<b>231,2</b>

### 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 525,000 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.

### PLEDGED ASSETS AND CONTINGENT LIABILITIES

	Parent company			Group		
	Jun 30 2020	Jun 30 2019	Dec 31 2019	Jun 30 2020	Jun 30 2019	Dec 31 2019
Amounts in SEK M						
<b>Pledged assets</b>						
Floating charges	59,6	59,6	59,6	59,6	59,6	59,6
Blocked funds	-	13,1	-	0,9	14,0	0,9
<b>Total</b>	<b>59,6</b>	<b>72,7</b>	<b>59,6</b>	<b>60,5</b>	<b>73,6</b>	<b>60,5</b>
<b>Contingent liabilities</b>						
Bank guarantee	-	-	-	0,9	0,9	0,9
Customs authorities	0,1	0,1	0,1	5,8	5,7	5,7
Landlords	1,7	1,7	1,7	1,7	1,7	1,7
Prepayment gurantee	-	13,1	-	-	13,1	-
<b>Total</b>	<b>1,8</b>	<b>15,0</b>	<b>1,8</b>	<b>8,4</b>	<b>21,4</b>	<b>8,3</b>



## CONSOLIDATED INCOME STATEMENT IN SUMMARY

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

## EARNINGS PER SHARE

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

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK M	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020
Net profit for the period	19,3	32,2	27,0	19,2	14,8	-6,9
<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
<b>Other comprehensive income for the period</b>	<b>5,8</b>	<b>4,4</b>	<b>6,5</b>	<b>-10,0</b>	<b>21,1</b>	<b>-19,8</b>
<b>Net comprehensive income for the period</b>	<b>25,1</b>	<b>36,6</b>	<b>33,6</b>	<b>9,1</b>	<b>35,9</b>	<b>-26,6</b>
<b>Net comprehensive income for the period attributable to:</b>						
Owners of the Parent Company	25,1	36,6	33,6	9,1	35,9	-26,6

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



## 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.

	Jun 30 2020	Jun 30 2019	Dec 31 2019
Amounts in SEK M unless otherwise stated			
<b>PERFORMANCE MEASURE</b>			
<b>Operating expenses</b>			
Selling expenses	-71,5	-63,8	-124,0
Administrative expenses	-33,7	-34,2	-67,5
Research and development costs	-22,4	-17,1	-35,8
<b>Operating expenses</b>	<b>-127,6</b>	<b>-115,1</b>	<b>-227,2</b>
<b>Operating expenses adjusted for items affecting comparability</b>			
Operating expenses	-127,6	-115,1	-227,2
<b>Operating expenses adjusted for items affecting</b>	<b>-127,6</b>	<b>-115,1</b>	<b>-227,2</b>
<b>MARGIN RATIOS</b>			
Net Sales	513,6	532,6	1 002,9
Gross Profit	136,7	166,1	331,0
<b>Gross profit margin, %</b>	<b>26,6%</b>	<b>31,2%</b>	<b>33,0%</b>
Operating profit	10,8	51,6	100,4
<b>Operating margin, %</b>	<b>2,1%</b>	<b>9,7%</b>	<b>10,0%</b>
<b>CAPITAL AND FINANCIAL RATIOS</b>			
<b>Equity/assets ratio</b>			
Total assets	1 554,6	1 166,7	1 121,0
Equity	732,4	766,2	810,2
<b>Equity/assets ratio, %</b>	<b>47%</b>	<b>66%</b>	<b>72%</b>
<b>RETURN RATIOS</b>			
<b>Equity per share basic/diluted</b>			
Number of outstanding shares, million	110,3	110,3	110,3
Dilution, million	1,0	1,0	1,0
Equity	732,4	766,2	810,2
<b>Equity per share basic, SEK</b>	<b>6,64</b>	<b>6,95</b>	<b>7,35</b>
<b>Equity per share diluted, SEK</b>	<b>6,58</b>	<b>6,89</b>	<b>7,29</b>
<b>Earnings per share, before and after dilution</b>			
Average number of outstanding shares, million	110,3	110,3	110,3
Dilution, million	1,0	1,0	1,0
Net profit	8,0	51,6	97,7
<b>Earnings per share, before dilution, SEK</b>	<b>0,07</b>	<b>0,47</b>	<b>0,89</b>
<b>Earnings per share, after dilution, SEK</b>	<b>0,07</b>	<b>0,46</b>	<b>0,88</b>



ALTERNATIVE KEY RATIOS	DEFINITION	REASON FOR USE
<b>PERFORMANCE MEASURE</b>		
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 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.
<b>MARGIN RATIOS</b>		
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.
<b>CAPITAL AND FINANCIAL RATIOS</b>		
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.
<b>RETURN RATIOS</b>		
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.
<b>OTHER RATIOS</b>		
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](http://www.pricer.com).

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