

Stable demand and improved gross margin despite continued disruptions in the supply chain

Second quarter 2022

- Net sales decreased during the second quarter by 1,1% to 87,9 MSEK (88,9). Currency translations had a positive effect of 5,4 MSEK on net sales.
- Adjusted EBITDA decreased during the second quarter by 24,8,5% to 8,0 MSEK (10,7), corresponding to an adjusted EBITDA margin by 9,1 % (12,0)
- Operating profit was 0,9 MSEK (4,8) which correspond to operating margin of 1,0% (5,3)
- Profit for the quarter was -0,7 MSEK (4,0)
- Result per share was -0,05 (0,27) SEK
- Cash flow from operating activities for the period was 11,3 MSEK (14,4)

First half year 2022

- Net sales increased during the first half year by 2,5% to 167,5 MSEK (163,3). Currency translations had a positive effect of 11,1 MSEK on net sales.
- Adjusted EBITDA decreased during the first half year by 65,5% to 7,1 MSEK (20,5), corresponding to an adjusted EBITDA margin by 4,2% (12,6)
- Operating profit/loss was -7,0 MSEK (9,6) which correspond to operating margin of -4,2% (5,9)
- Profit for the period was -9,3 MSEK (8,4)
- Result per share was -0,64 (0,58) SEK
- Cash flow from operating activities for the period was 8,7 MSEK (17,8)

Amounts in TSEK	2022 April-June	2021 April-June	2022 Jan-June	2021 Jan-June	R12M July-June	2021 Full Year
Net sales	87 945	88 933	167 459	163 338	331 007	326 886
Net sales growth, %	-1,1	29,2	2,5	10,6	9,6	14,1
Gross margin, %	70,4	62,4	68,5	64,4	70,4	68,4
Adjusted EBITDA	8 012	10 661	7 077	20 527	20 508	33 958
Adjusted EBITDA margin, %	9,1	12,0	4,2	12,6	6,2	10,4
Equity ratio, %	55,1	49,2	-	-	-	54,4
Cash flow from operating activities, MSEK	11,3	14,4	8,7	17,8	17,1	26,2
Net debt/EBITDA, R12M	-	-	-	-	0,1	0,3
Number of employees at end of period	126	144	-	-	-	137

For description and reconciliation of key figures, see pages 20 – 21

About TagMaster

TagMaster is an application oriented technical company developing and selling advanced sensor systems and solutions based on radio, radar, magnetic and camera technologies for demanding environments. TagMaster works in two segments - Segment Europe and Segment USA - with the trademarks TagMaster, Citilog and Sensys Networks - with innovative mobility solutions for increased efficiency, security, safety, comfort and to reduce environmental impact in Smart Cities. TagMaster has daughter companies in England, France, US and Sweden and exports mostly to Europe, The Middle East, Asia and North America through a global network of partners and system integrators. TagMaster was founded in 1994 and has its head office in Stockholm. TagMaster is a listed company and the share is traded at Nasdaq First North Premier Growth Market in Stockholm. TagMasters certified adviser (CA) is FNCA, telephone +46852800399, E-mail: info@fnca.se www.tagmaster.com

Comments by the CEO

Despite major global challenges, we managed to improve our already good gross margin during the second quarter, which is significantly higher than it was during the second quarter last year. Demand for our solutions is stable and in US for example revenues increased by over 6 percent in local currency corresponding to 24 percent in SEK compared with the same period last year. Like so many other technology companies, we were affected by a continued shortage of components. We were also affected by a deficiency of capacity at our main European supplier. We have been able to handle these imbalances in a good way through great flexibility and with price increases towards our customers.

During the quarter, we were affected by cost increases for both electronic components and input goods. We have therefore continued to increase our purchases via the spot market to be able to keep our commitments to our customers. With price increases to customers and internal efficiency, we managed to reach a gross margin that is significantly higher compared to the second quarter of 2021. Given the challenging purchasing situation and deficiency of capacity in our outsourced production, we are very pleased that we continue to have such a good gross margin. This shows that our offer can withstand price increases without losing attractiveness.

We estimate that the loss in sales of delayed deliveries due to component shortages and capacity shortages corresponded to approximately 5 percent of sales during the quarter, which is slightly less than in previous quarters. We are prepared for continued challenges the coming quarters and we will continue to work with price compensation for the cost increases we suffer.

During the period, we continued to invest in technology leadership in our areas and developed more complete solutions that give our offering increased competitiveness and bring us up in the value chain. The focus is increasingly on solutions that can contribute to a more sustainable transport system where analysis, AI and Deep Learning play an important role.

During the quarter, our work to achieve profitability in our latest acquisition Citilog was intensified and we reached break-even during the quarter, which is a good step forward. Citilog's strategy is to focus on the areas where the company is a world leader such as Incident Management and the business model is adjusted towards less risk. We continue the work and assess that profitability at the same level as the other TagMaster Group will be reached at the beginning of next year.

Rail Solutions' sales has been hesitant for most of the quarter, but during the latter part of the quarter we have seen an increased level of activity and increased intake of orders.

The Group's sales during the second quarter amounted to SEK 87.9 million, which is a decrease of 1.1 percent compared with the same period in 2021. Our Traffic Solutions business amounted to SEK 78.2 million, which is an increase of 13 percent compared to the corresponding period 2021. During the quarter, Traffic Solutions accounted for 89 percent of sales, while Rail Solutions accounted for 11 percent.

The quarter shows a gross margin of 70.4 percent with an adjusted EBITDA result of SEK 8.0 million, which corresponds to an adjusted EBITDA margin of 9.1 percent. Cash flow from operating activities amounted to SEK 11.3 million and the Group's solvency ratio was 55 percent at the end of the period. Efforts to reduce working capital have had continued focus and accounts receivable have decreased compared with the corresponding quarter in 2021. Our stock increased during the quarter by approximately 12 percent due to our effort to always maintain a high level of service to our customers and to be able to deliver as well in times of severe delivery disruptions.

Today, TagMaster is well positioned in a market with long-term good conditions for growth and good profitability, and we are determined to continue to make TagMaster a stronger and more resilient company while reaching a higher growth curve. The fact that we work to improve the traffic environment in cities and metropolitan areas around the world gives us a very good position in the face of the massive restart packages that are being launched in Europe and the USA and which are largely focused on green investments.

The strategy and value-creating potential have not changed due to the short-term limitations in the supply chain and our investments in growth through innovation, commercial focus and acquisitions mean that we have a positive view of the company's development for the coming years.

Jonas Svensson
CEO

TagMaster in brief

TagMaster develops and delivers solutions for Smart Cities based on advanced sensor technology. These solutions aim to improve traffic flow, reduce emissions, and optimize transport operations, on both road and rail.

Vision

We will be the most innovative provider of mobility solutions to Smart Cities.

Mission

We will deliver reliable and easy-to-use detection and identification solutions for demanding environments with useful and accurate information.

Business model

By combining the various technologies the Group operates with, TagMasters aim is to offer better solutions to increase the efficiency, safety, convenience, and to reduce environmental impact within Smart Cities. The technologies are offered as a package with software to create smart technologies and "one-stop-shop solutions". TagMaster takes long-term responsibility for the products and solutions provided, which creates value and stability for TagMasters customers and profitability for TagMaster.

Financial Targets

Growth: 20% total growth (organic and acquired)

Adjusted EBITDA: >12%

Cashflow/EBITDA: > 90% (over a period)

Strategic priorities

- Commercial strength - drive growth through excel sales performance and commercial digitization
- Customer-driven innovation – make investments required for leadership within selected technologies, enhanced customer value and lower production costs
- Constant operational improvements – ensure an efficient and flexible supply chain, further strengthen TagMaster's quality position and continue improvements to reduce costs
- Expanded product offering – continuously move up in the value chain, from not merely offering products to offering broader systems and solutions for the customer and extending our offering through M&A

Reporting

During the business year 2022 TagMaster will report at the following dates:

October 27, 2022: Interim report third quarter 2022

February 2, 2023: Earnings release 2022

This report and previous reports and press releases are found at the company home page www.tagmaster.com

For further information contact:

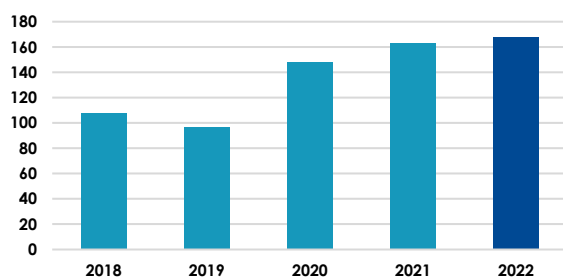
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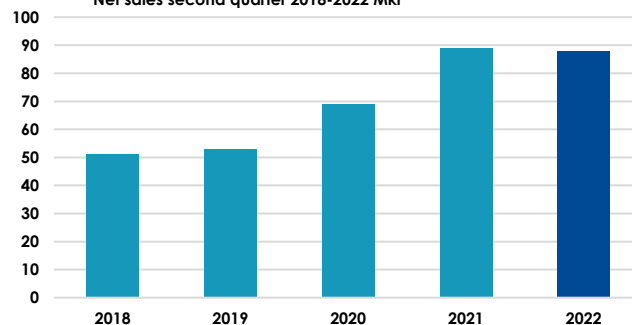
Summary result information

Amounts in TSEK	2022			2021			R12M		
	April-June	April-June	%	July-June	Full Year	%	July-June	Full Year	%
Net sales	87 945	88 933	-1,1	331 007	326 886	1,3	331 007	326 886	1,3
Other revenue	619	7 075	-91,3	4 570	9 382	-51,3	4 570	9 382	-51,3
Gross profit	61 954	55 523	11,6	233 016	223 532	4,2	233 016	223 532	4,2
Gross margin, %	70,4	62,4	-	70,4	68,4	-	70,4	68,4	-
Operating expenses ¹	-54 561	-51 788	5,4	-217 078	-198 806	9,2	-217 078	-198 806	9,2
Adjusted EBITDA	8 012	10 661	-24,8	20 508	33 958	-39,6	20 508	33 958	-39,6
Adjusted EBITDA margin, %	9,1	12,0	-	6,2	10,4	-	6,2	10,4	-
Non-recurring items	-	150	-	-	150	100,0	-	150	100,0
EBITDA	8 012	10 811	-	20 508	34 108	-39,9	20 508	34 108	-39,9
EBITDA margin, %	9,1	12,2	-	6,2	10,4	-	6,2	10,4	-
Amortization of other non-current intangible assets ²	-751	-727	3,3	-3 029	-2 977	1,7	-3 029	-2 977	1,7
Depreciation	-1 844	-1 592	15,8	-7 284	-6 342	14,9	-7 284	-6 342	14,9
EBITA	5 417	8 492	-36,2	10 196	24 789	-58,9	10 196	24 789	-58,9
EBITA margin, %	6,2	9,5	-	3,1	7,6	-	3,1	7,6	-

Net sales January-July 2018-2022 Mkr



Net sales second quarter 2018-2022 Mkr



Organic change, net sales

Amounts in TSEK	2022		2021		2022		2021	
	April-June	%	April-June	%	Jan-June	%	Jan-June	%
Net sales comparison period previous year	88 933		68 834		163 338		147 695	
Organic change	-9 722	-10,2	11 050	16,1	-19 076	-11,7	12 289	8,3
Change through acquisitions	3 375	3,8	14 458	21,0	12 066	7,4	14 458	9,8
Exchange rate change	5 360	5,3	-5 409	-7,9	11 131	6,8	-11 104	-7,5
Total change	-988	-1,1	20 099	29,2	4 121	2,5	15 643	10,6
Net sales	87 945		88 933		167 459		163 338	

For description and reconciliation of key figures, see pages 20 – 21

¹ Other external expenses, Other operating expenses and Personnel expenses

² Amortization of intangible assets attributable to acquisitions is not included in the item.

Consolidated net sales and earnings

April 1 – June 30, 2022

Net sales

Net sales for the quarter amounted to 87,9 (88,9) MSEK, which is an decrease of 1,1 percent compared to the corresponding quarter previous year. The quarter's organic sales change, with an adjustment for exchange rate effects of 5,4 MSEK and acquisitions of 3,4 MSEK amounted to -9,7 MSEK.

Operating profit

Operating profit for the quarter was 0,8 (4,8) MSEK, which is a decrease of 4,0 MSEK compared to the corresponding quarter previous year. The reduced operating profit is mainly explained by increased costs. To deal with the current component shortage, existing products have been redesigned, which has entailed additional costs of approximately 1 MSEK. The production move from England to Sweden has caused temporary cost increases of approximately 1 MSEK. For the US segment, personnel costs have increased as the personnel, who during the pandemic agreed to temporarily lower their salaries, have returned to their contractual salary levels.

Adjusted EBITDA

Adjusted EBITDA decreased during the quarter to 8,0 (10,7) MSEK corresponding to a margin by 9,1% (12,0). The reduced margin is as for the lower operating profit, due to higher cost levels.

Financial items

Financial items for the quarter amounted to -2,2 (-0,6) MSEK. Financial expenses charged to the quarter are interest expenses on liabilities to credit institutions of -0,6 (-0,5) MSEK and revaluations of these liabilities of -2,5 (0,8) MSEK and revaluations of loans to foreign subsidiaries at the amount of 0,8(-0,8).

The Group's interest rate swap has been revalued at fair value, which had a minor impact on the financial net for the quarter.

Tax

Group's tax amounted to 699 (-199) TSEK. The tax expense for the quarter is attributable to estimated corporate tax on the parent company's result and to changes in temporary differences.

Profit for the period

Profit for the period amounted to -0,7 (4,0) MSEK. Earnings per share before and after dilution amounted to -0,05 (0,27) SEK.

January 1 - June 30, 2022

Net sales

Net sales for the first half year amounted to 167,5 (163,3) MSEK, which is an increase of 2,5 percent compared to the corresponding period previous year. The first half year organic sales change, with an adjustment for exchange rate effects of 11,1 MSEK and acquisitions of 12,1 MSEK amounted to -19,1 MSEK.

Operating profit/loss

Operating profit/loss for the first half year was -7,1 (9,6) MSEK, which is a decrease of 16,7 MSEK compared to the corresponding period previous year. The reduced operating profit is partly attributable to Citilog that was acquired during the second quarter of 2021. The subsidiaries operating profit for the first half of the year amounted to -6,0 (-1,6) MSEK. Cost increases due to the current component shortage have had a negative effect on the Group's earnings. For the US segment, personnel costs have increased as the personnel, who during the pandemic agreed to temporarily lower their salaries, have returned to their contractual salary levels. These circumstances together explain the reduced operating profit for the first half of 2022.

Adjusted EBITDA

Adjusted EBITDA decreased to 7,1 (20,5) MSEK, corresponding to a margin of 4,2% (12,6).

Financial items

Financial items for the first half year amounted to -3,0 (-0,8) MSEK. Financial expenses charged to the period are interest expenses on liabilities to credit institutions of -1,1 (-1,0) MSEK. Revaluations of these liabilities had an effect on

the financial net of -3,1 (-1,3) MSEK. Other financial expenses that have been charged to the year mainly consists of revaluations of loans to foreign subsidiaries at the amount of 1,1 (1,5) MSEK.

The Group's interest rate swap has been revalued at fair value, which had an impact on the financial net for the period of 0,5 (0,2) MSEK.

Tax

Group's tax amounted to 694 (-320) TSEK. The tax expense for the period is attributable to estimated corporate tax on the parent company's result and to changes in temporary differences.

Profit for the period

Profit for the period amounted to -9,3 (8,4) MSEK. Earnings per share before and after dilution amounted to -0,64 (0,58) SEK.

Post balance sheet events

No events that are to be regarded as material have occurred between the balance sheet date and the date of submission of the interim report.

Segment TagMaster Europe

TagMaster develops and delivers solutions aimed at improving and streamlining transport and traffic flows. These include smart parking solutions and intelligent transport systems that allow the road networks to be used optimally, alleviate traffic problems and reduce emissions. Other solutions include tolls and security and access control systems. TagMaster is also a world leading provider of advanced mobility solutions for rail bound traffic in metropolitan areas.

The business is conducted in the parent company and in wholly owned subsidiaries in France and UK. Development is centralized and managed by the European CTO. The CFO function is centralized with local accounting functions. Sales and marketing are managed by a centralized sales director and centralized a marketing director.

Business in the quarter

Sales for the Europe segment for the second quarter amounted to SEK 53.9 million, which is a decrease of 12.3 percent. The decrease is explained by lower revenues from Rail Solutions and lower sales from the subsidiary Citilog acquired during the second quarter of 2021.

TagMaster estimates that the loss in sales due to component shortages and production disruptions that hampered deliveries, amounted to approximately 4 percent of sales during the second quarter, corresponding to approximately SEK 2 million.

The gross margin during the second quarter amounted to 69.6 percent, which is an increase of 4.6 percentage points compared to the second quarter 2021. Citilog, which has a large amount of software in its offering, has a positive impact on the gross margin. During the quarter, the company increased component purchases via the spot market to maintain delivery capacity. The cost of this has affected the gross margin negatively by approximately 2.2 percentage points, corresponding to approximately SEK 1.2 million.

Adjusted EBITDA for the second quarter amounted to SEK 2.8 million, which corresponds to an adjusted EBITDA margin of 5.2 percent. Citilog's adjusted EBITDA reached break-even during the quarter. After ongoing cost optimizations, EBITDA for Citilog is expected to be positive during the latter part of 2022.

Traffic Solutions accounted for 83 percent of sales in the segment, while Rail Solutions accounted for 17 percent.

During the quarter, the move of outsourced production from England to Sweden was completed. The costs during the quarter amounted to approximately SEK 1 million. The purpose of the relocation is to reduce transport and its impact on the environment, to centralize European production and thereby increase scalability and prepare for future central warehousing.

During the quarter, TagMaster FR delivered several radar sensor systems powered by solar energy. The customer uses the system for temporary measurements of traffic flows and the information they gain serve as a basis for future road infrastructure projects. The great advantage of the sensor systems is its simplicity, configuration via tablet or mobile, and the energy efficiency that means that solar energy and battery charging provide sufficient energy for both sensor and regular data transfer.

The acquisition of Citilog last year adds expertise and software solutions in AI and Deep Learning. This, combined with expertise already available at Sensys Networks and TagMaster, provides opportunities for future growth in both US and European markets. During the quarter, the work of creating a joint sales force for Citilog and Sensys Networks made great progress and the focus is on the areas where Citilog has a world-leading position - Incident Management. Citilog's solutions transform surveillance cameras into incident sensors. For 25 years, Citilog has helped over 2,000 customers in over 50 countries around the world.

During the quarter, TagMaster participated in the Traffex/Parkex trade fair in Birmingham, where the company launched Citilog's new Deep Learning modules for bicycle detection and new radar sensor systems powered by solar energy.

Amounts in TSEK	2022 April-June	2021 April-June	Change, %	2022 Jan-June	2021 Jan-June	Change, %
Net Sales	53 935	61 520	-12,3	103 993	104 973	-0,9
Gross profit	37 519	39 973	-6,1	68 566	67 729	1,2
Gross margin, %	69,6	65,0	-	65,9	64,5	-
Adjusted EBITDA	2 813	5 861	-52,0	-1 619	11 059	-
Adjusted EBITDA margin, %	5,2	9,5	-	-1,6	10,5	-
Number of employees at end of period	89	107	-16,8	-	-	-

The effects of accounting for leases under IFRS 16 and capitalization of development expenditure in accordance with IAS 38 are not included in the table above.

Segment TagMaster USA

Sensys Networks develops and delivers advanced wireless radar and magnetic sensors as well as a cloud-based software platform known as SNAPS used for analyses of traffic data using embedded AI technology and for monitoring of the sensors and local edge gateways. Sensys Networks offer an “end-to-end solution” that is primarily designed for controlling and optimizing traffic lights, but it is also well suited for road and motorway monitoring, as well as for parking solutions. Sensys Networks is considered a world leader in above solutions.

The business is conducted in the wholly owned subsidiary Sensys Networks with office in Berkeley, California. The operation is managed by the local president reporting to the group CEO. Sensys Networks have a local CTO managing development and operation, a local VP finance and a local VP sales and marketing, all reporting to the local president.

Business during the quarter

Sales for the US segment for the second quarter amounted to SEK 34.0 million, which is an increase of 24.1 percent compared with the second quarter of 2021. The gross margin during the quarter amounted to 71.8 percent, which is an increase of 15.8 percentage points compared to with the second quarter of 2021.

However, the second quarter 2021 was affected by quality disruptions and shutdowns in the factory in Mexico that manufactures the company's wireless magnetic sensors as well as warranty provisions made for the replacement of affected products at the customer.

The company estimates that the loss in sales due to component shortages has hampered deliveries by approximately 6 percent of sales during the second quarter, corresponding to approximately SEK 2 million.

Adjusted EBITDA for the second quarter amounted to SEK 3.7 million, which corresponds to an adjusted EBITDA margin of 10.9 percent.

In the US segment, the Traffic Solutions business accounts for 100 percent of sales.

During the quarter, the company moved most of outsourced production from Mexico to Oakland, California, which provides better control and an increased proximity between development and production. A small part of the production is still in Mexico, but this is expected to be transferred to the US before the end of the year. Some cost increase is to be expected caused by the relocation, but benefits outweigh.

During the quarter, TagMaster's company in the US market - Sensys Networks - continued to focus on broadening its partner network and on taking the position as the natural choice to replace loop-based sensors, which today account for about 60 percent of traffic light control. Sensys Network's technology - wireless magnetic sensors - is superior in terms of accuracy in detection, fast installation and minimal need for maintenance. During the quarter, Sensys Networks continued its marketing campaign in the USA, where the company with third-party surveys as a fact base shows its superiority.

Sensys Networks continued to market Citilog's products and technology solutions in both the US market and the MEA markets during the quarter. Sensys Networks has launched parts of Citilog's solutions based on AI and Deep Learning for both existing customers and new prospective customers throughout the United States.

In the medium term, the US market looks very exciting as the infrastructure package has been approved and investments can now begin to be planned. The combination of infrastructure investments and a greener transport flow opens new business opportunities for Sensys Networks in the US market.

Amounts in TSEK	2022 April-June	2021 April-June	Change, %	2022 Jan-June	2021 Jan-June	Change, %
Net Sales	34 011	27 413	24,1	63 466	58 365	8,7
Gross profit	24 435	15 550	57,1	46 088	37 439	23,1
Gross margin, %	71,8	56,7	-	72,6	64,1	-
Adjusted EBITDA	3 704	3 431	7,9	5 703	7 278	-21,6
Adjusted EBITDA margin, %	10,9	12,5	-	9,0	12,5	-
Number of employees at end of period	37	37	-	-	-	-

The effects of accounting for leases under IFRS 16 and capitalization of development expenditure in accordance with IAS 38 are not included in the table above.

Consolidated balance sheet and cash flow

Liquidity and cash flow

The Group's available liquidity amounted to 95,2 (92,2) MSEK, of which overdraft facilities amounts to 40,9 (33,4) MSEK. The overdraft facility in USD at the amount of 2,0 MUSD and the overdraft facility in SEK at the amount of 20,5 MSEK was unutilized at 30 June 2022.

At the end of the period cash and cash equivalents amounted to 54,3 (58,8) MSEK.

Cash flow April 1 – June 30, 2022

Cash flow from operating profit activities for the second quarter amounted to 11,3 (14,4) MSEK.

Cash flow from investing activities amounted to -0,4 (-30,8) MSEK and consist of investment in tangible assets.

Cash flow from financing activities amounted to -7,0 (26,7) MSEK and refers to changes in overdraft facilities of -1,2 (2,8) MSEK, amortization of loans of -4,4 (-2,6) MSEK and amortization of leasing liabilities of -1,5 (-1,3) MSEK.

Cash flow for the quarter amounted to 3,9 (10,4) MSEK.

Cash flow January 1 – June 30, 2022

Cash flow from operating profit activities for the first half year amounted to 8,7 (17,8) MSEK.

Cash flow from investing activities amounted to -0,8 (-33,1) MSEK and and consist of investment in tangible assets

Cash flow from financing activities amounted to -11,5 (20,4) MSEK and are changes in overdraft facilities of 0,0 (-0,2) MSEK, amortization of loans of -8,6 (-5,1) MSEK and amortization of leasing liabilities of -2,9 (-2,1) MSEK.

Cash flow for the first half year amounted to -3,6 (5,1) MSEK.

Investments

During the second quarter investments in tangible and intangible fixed assets have been made with 0,4 (0,5) MSEK.

Goodwill and other intangible assets

The Group's carrying amount of goodwill on June 30, 2022, was 106,4 (94,5) MSEK. Other intangible assets amounted to 74,3 (83,3) MSEK and relate to capitalized development expenditure of 30,4 (38,6) MSEK and customer relations of 36,7 (38,8) MSEK and trademark of 7,2 (6,0) MSEK. The increase of 4,5 MSEK compared to carrying amount of goodwill on December 31, 2021 refers to amortization at the amount of -10,4 MSEK and translation differences of 14,9 MSEK.

Right-of-use assets and lease liabilities

The carrying amount of right-of-use assets (lease agreements for premises) amounted to 9,0 (14,6) MSEK. The corresponding leasing liabilities amounted to 9,4 (14,8) MSEK.

The cost of short-term leases for the first half year amounts to approx. 1,7 MSEK.

Inventories

Inventories as of June 30, 2022, amount to 45,7 (40,7). The increase of 9,1 MSEK compared to December 31, 2021 is a result of the structured purchases made to mitigate the imbalances in the supply chain caused by the component shortage.

Accounts receivables

Accounts receivables are in line with the closing balance as at December 31, 2021 and amounted to 64,3 (67,5) MSEK as of June 30, 2022.

Liabilities to credit institutions

As of June 30, 2022, the Group's liabilities to credit institutions amounted to 47,0 (62,8) MSEK and consist of acquisition loans of 47,0 (58,7) MSEK. During the first half year, the acquisition loan was repaid by 8,6 (5,1) MSEK. Other changes during the period are currency revaluations.

Equity

Equity as of June 30, 2022, amounted to 211,0 (192,7) MSEK, corresponding to 14,40 (13,16) SEK per outstanding share. There were no outstanding stock options or convertible programs on June 30, 2022.

Financial position

The equity ratio amounted to 55,1 (49,2) percent on June 30, 2022, and equity to 211,0 (192,7) MSEK. Total assets on June 30, 2022, amounted to 382,8 (391,9) MSEK.

Parent Company

The operations of the parent company TagMaster AB are consistent with the operations of the group as a whole. Net sales for the first half year amounted to 48,0 (41,9) MSEK, of which invoicing of intra-Group services amounted to 1,3 (0,5) MSEK. As of June 30, available liquidity amounted to 48,8 (35,9) MSEK, of which the overdraft credit amounts to 40,9 (33,4) MSEK. No significant investments have been made in intangible or tangible fixed assets.

Other information

Personnel

At the end of the period, the number of employees was 126 (144).

Effects of Covid-19 and the war in Ukraine

Covid-19 had a limited impact during the quarter, although the shutdowns in China due to the Corona virus increase disruptions in the supply chain and some project execution in nearby markets such as Hong Kong. TagMaster's exposure to Russia and Belarus is limited and amounts to less than 1 percent of sales. The company has stopped all sales to these countries and will not resume any business in these markets until the sanctions against Russia are lifted. During the first half of the year, the company was negatively affected by capacity problems, due to equipment upgrades, which arose at the company's main European supplier. These problems will hopefully be resolved during the third quarter. TagMaster continuously monitors any continued risks related to disruptions in the supply chain and measures are taken on an ongoing basis to limit the effect, and the company continues to focus on cost control and cash flow.

Future outlook

The current global uncertainty linked to component deficiencies requires a humble attitude towards the near future. In the medium term, TagMaster sees that the massive reboot packages launched in Europe and the US are largely focused on green investments in sustainable transport solutions, which will benefit the company's business. The global supply chain for both semiconductors and other components will continue to be unstable. This may lead to a negative impact on the sales of some of the company's products for the remainder of 2022.

The Group's Board and management remain positive regarding the longer-term outlook and with the acquisition of Citilog 2021 even more positive than before. With a larger volume and a wider range that also extends more towards computer solutions and software in important growth areas, the company has good long-term growth opportunities.

TagMaster's growth strategy is to grow organically and through acquisitions in existing and related technology areas with the aim of expanding the product and solution offering as well as the market presence. The goal is to be an attractive provider of computerized real-time information, which is a basic prerequisite for building the Smart Cities of the future.

Auditor's review

This report has not been reviewed by the company auditor.

Declaration

The Board of Directors and the CEO assure that the interim report provides a fair overview of the parent company's and the group's operations, position and results and describes significant risks and uncertainties that the parent company and the companies included in the group face.

Summary consolidated income statement

Amounts in TSEK	2022 April-June	2021 April-June	2022 Jan-June	2021 Jan-June	2021 Jan-Dec
Net sales	87 945	88 933	167 459	163 338	326 886
Other revenue	619	7 075	2 273	7 085	9 382
Change in inventories during manufacture and finished goods	126	11	513	1 033	832
Goods for resale, raw materials and consumables	-26 117	-33 421	-53 319	-59 202	-104 186
Other external expenses	-13 933	-13 354	-26 901	-23 126	-51 458
Personnel expenses	-40 581	-37 952	-82 804	-67 953	-145 887
Depreciation of property, plant and equipment and amortisation of intangible assets	-7 158	-6 060	-14 115	-11 113	-24 538
Other operating expenses	-46	-482	-144	-498	-1 461
Operating profit/loss	854	4 751	-7 038	9 563	9 570
Financial net	-2 246	-593	-2 963	-801	-2 823
Profit/loss before tax	-1 391	4 159	-10 000	8 762	6 747
Tax	699	-199	694	-320	-889
Profit for the period	-692	3 959	-9 306	8 442	5 858
Net income attributable to:					
Shareholders in the Parent Company	-692	3 959	-9 306	8 442	5 858
Earnings per share, SEK					
Basic earnings per share	-0,05	0,27	-0,64	0,58	0,40
Diluted earnings per share	-0,05	0,27	-0,64	0,58	0,40

Consolidated statement of other comprehensive income

Profit for the period	-692	3 959	-9 306	8 442	5 858
<i>Items that may be reclassified to profit or loss</i>					
Exchange differences when translating foreign operations	16 300	2 047	20 340	6 530	15 718
<i>Items not to be reclassified to the income statement</i>					
Remeasurement of the net pension obligation	0	0	0	0	249
Tax on the above	0	0	0	0	-82
Comprehensive income for the period	15 608	6 006	11 034	14 972	21 743
Comprehensive income attributable to:					
Shareholders in the Parent Company	15 608	6 006	11 034	14 972	21 743

Summary consolidated statement of financial position

Amounts in TSEK	2022-06-30	2021-06-30	2021-12-31
ASSETS			
Non-current assets			
Intangible assets	180 629	177 805	176 178
Property, plant, and equipment	3 241	3 317	3 031
Right-of-use assets	9 010	14 631	11 605
Other non-current receivables	1 688	1 322	1 358
Deferred tax assets	6 667	5 535	5 192
	201 235	202 611	197 364
Current assets			
Inventories	45 680	40 726	36 570
Trade receivables	64 306	67 517	62 738
Other receivables	17 308	22 315	17 204
Cash and cash equivalents	54 272	58 775	53 520
	181 566	189 333	170 032
TOTAL ASSETS	382 801	391 943	367 396
SHAREHOLDERS' EQUITY			
Share capital	18 309	18 309	18 309
Other contributed capital	241 459	241 459	241 459
Translation reserve	14 509	-15 019	-5 831
Retained earnings including profit for the period	-63 306	-52 019	-54 000
	210 971	192 730	199 937
Non-current liabilities			
Liabilities to credit institutions	28 743	44 039	35 506
Deferred tax liabilities	3 930	2 807	2 815
Other provisions	16 598	21 126	16 246
Lease liabilities	4 589	9 180	6 296
Other non-current liabilities	12 467	12 636	11 361
	66 327	89 788	72 224
Current liabilities			
Trade payables	24 738	16 441	14 569
Current tax liabilities	1 795	1 846	2 541
Liabilities to credit institutions	18 263	18 782	16 852
Other provisions	2 378	-	2 378
Lease liabilities	4 769	5 595	5 604
Other liabilities	53 560	66 761	53 291
	105 503	109 425	95 235
TOTAL EQUITY AND LIABILITIES	382 801	391 943	367 396

Summary consolidated statement of changes in equity

Amounts in TSEK	2022-06-30	2021-06-30	2021-12-31
Opening shareholders' equity	199 937	177 758	178 194
Profit for the period	-9 306	8 442	5 858
Other comprehensive income	20 340	6 530	15 885
Closing shareholders' equity	210 971	192 730	199 937

Share Information

Thousands	2022-06-30	2021-06-30	2021-12-31
Number of outstanding shares at beginning of period	14 648	366 188	366 188
Reversed split	-	-351 540	-351 540
Number of outstanding shares at end of period	14 648	14 648	14 648

At the Annual General Meeting on April 29, 2021, it was decided to carry through a reversed split of Series B shares 1:25. May 6 was the first day of trading after the reversed split. The number of Series B shares after the reversed split amounts to 14,647,526, which means a quota value of approximately 1,25 SEK per share.

Summary consolidated statement of cash flows

Amounts in TSEK	2022 April- June	2021 April- June	2022 Jan- June	2021 Jan- June	2021 Jan- Dec
Operating activities					
Operating profit/loss	854	4 751	-7 038	9 563	9 570
Adjustments for non-cash items	7 181	4 585	14 138	9 743	26 385
Interest paid	-790	-494	-1 457	-947	-2 484
Interest received	0	0	0	0	69
Tax paid	0	0	-1 036	0	0
Tax received	0	0	0	0	0
Cash flow from operating activities before changes in working capital	7 245	8 842	4 607	18 359	33 540
Change in inventories	-6 746	-440	-6 478	2 323	5 671
Change in operating receivables	12 668	-1 097	3 780	-8 562	427
Change in operating liabilities	-1 876	7 090	6 755	5 703	-13 393
Cash flow from operating activities	11 291	14 395	8 664	17 823	26 245
Investing activities					
Acquisition of subsidiaries, less acquired cash and cash equivalents	-	-30 286	-	-30 286	-30 286
Conditional purchase considerations settlement	-	-	-	-2 008	-2 008
Investments in property, plant and equipment	-415	-467	-766	-851	-1 265
Net of paid-in and repaid deposits	-	-	-	0	-40
Cash flow from investing activities	-415	-30 753	-766	-33 145	-33 599
Financing activities					
Borrowings	-	27 804	-	27 804	27 728
Repayment of loans	-4 371	-2 562	-8 598	-5 076	-13 185
Change in bank overdraft facilities	-1 180	2 762	-	-249	-4 400
Lease liabilities	-1 466	-1 280	-2 910	-2 050	-5 197
Cash flow from financing activities	-7 017	26 724	-11 508	20 429	4 946
Cash flow for the period	3 859	10 366	-3 610	5 107	-2 408
Exchange rate differences in cash and cash equivalents	3 388	-1 038	4 361	1 882	4 142
Cash and cash equivalents at the beginning of the period	47 024	49 447	53 520	51 786	51 786
Cash and cash equivalents at the end of the period	54 272	58 775	54 272	58 775	53 520

Operating segment revenue and profit

The gross margin and EBITDA are the performance measures that are reported to the highest executive decision-maker and that form the basis for allocating resources and evaluating performance in the Group. Financial income, financial expenses and income tax are managed at Group level.

An analysis of the Group's revenue and results for each reportable operating segment follows below. The effects of recognising leases under IFRS 16 and capitalising development expenses in accordance with IAS 38 have not been allocated to the segments in the table below, included in the central column.

1 January 2021 - 30 June 2022	TagMaster Europe	TagMaster USA	Central	Eliminations	Total Group
Revenue					
External revenue	103 993	63 466	-	-	167 459
Cross-segment transactions	377	1 908	-	-2 285	0
	104 370	65 374	-	-2 285	167 459
Gross profit	68 566	46 088	-	-	114 653
Adjusted EBITDA	-1 619	5 703	2 992	-	7 077
Non-recurring items	-	-	-	-	-
EBITDA	-1 619	5 703	2 992	-	7 077
Depreciations and amortizations	-10 447	-3 668	-	-	-14 115
Operating profit/loss	-12 065	2 035	2 992	-	-7 038
Other segment information					
Gross profit margin, %	65,9	72,6	-	-	68,5
Adjusted EBITDA margin, %	-1,6	9,0	-	-	4,2
EBITDA margin, %	-1,6	9,0	-	-	4,2
Number of employees at the end of the period	89	37	-	-	126
1 January 2021 - 30 June 2021					
	TagMaster Europe	TagMaster USA	Central	Eliminations	Total Group
Revenue					
External revenue	104 973	58 365	-	-	163 338
	104 973	58 365	-	-	163 338
Gross profit	67 729	37 439	-	-	105 169
Adjusted EBITDA	11 059	7 278	2 190	-	20 526
Non-recurring items	-2 078	2 689	-462	-	150
EBITDA	8 981	9 967	1 728	-	20 676
Depreciations and amortizations	-4 574	-6 539	-	-	-11 113
Operating profit/loss	4 407	3 428	1 728	-	9 563
Other segment information					
Gross profit margin, %	64,5	64,1	-	-	64,4
Adjusted EBITDA margin, %	10,5	12,5	-	-	12,6
EBITDA margin, %	8,6	17,1	-	-	12,7
<i>Non-recurring items:</i>					
Restructuring expenses	-2 078	-	-	-	-2 078
Acquisition-related expenses	-	-	-462	-	-462
Forgiven loan	-	6 891	-	-	6 891
Supply chain	-	-4 202	-	-	-4 202
Number of employees at the end of the period	107	37	-	-	144

Summarized parent company income statement

Amounts in TSEK	2022 Jan-June	2021 Jan-June	2021 Jan-dec
Net sales ¹	48 010	41 931	84 975
Other operating income	1 186	-282	845
	49 196	41 649	85 820
Goods for resale and consumables	-19 185	-15 577	-29 230
Other external expenses	-11 953	-7 890	-18 966
Personnel expenses	-13 696	-13 470	-26 055
Depreciation of property, plant and equipment and amortization of intangible assets	-53	-53	-106
Other operating expenses	0	-459	-301
Operating profit/loss	4 309	4 200	11 162
Financial expenses	-2 891	-259	-1 661
Profit after financial items	1 418	3 941	9 501
Change in untaxed reserves	0	-	-2 435
Tax on net profit for the year	-290	-810	-1 487
Profit for the period²	1 128	3 131	5 579

1) Item includes intercompany services at the amount of 1 308 (520) TSEK

2) Profit for the year accords with comprehensive income for the year

Summary parent company balance sheet

Amounts in TSEK	2022-06-30	2021-06-30	2021-12-31
ASSETS			
Intangible assets	172	252	213
Property, plant, and equipment	51	80	65
Financial assets	287 602	288 006	287 601
Inventories	13 750	10 500	10 580
Trade receivables	11 539	11 891	15 358
Receivables from Group companies	14 777	30 206	18 696
Other receivables	6 629	8 605	5 155
Cash and bank balances	7 831	2 540	5 557
TOTAL ASSETS	342 351	352 080	343 225
EQUITY AND LIABILITIES			
Equity	261 892	258 319	260 765
Provisions	1 673	1 588	1 673
Untaxed reserves	4 049	1 614	4 049
Non-current liabilities to credit institutions	28 743	44 039	35 506
Current liabilities to credit institutions	18 263	18 782	16 852
Trade payables	14 064	7 502	6 565
Current tax liability	1 795	1 846	2 541
Liabilities to Group companies	95	0	461
Other liabilities	11 777	18 390	14 813
TOTAL EQUITY AND LIABILITIES	342 351	352 080	343 225

Notes to the financial statements

1. Accounting policies

This interim report is prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated financial statements are prepared in accordance with the EU-approved International Financial Reporting Standards (IFRS). In addition, the Group applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Council Recommendation. The Parent Company's accounts have been prepared in accordance with the Annual Accounts Act and recommendation RFR 2 Accounting for Legal Entities.

The accounting policies and calculation methods are unchanged compared with the description in the 2021 Annual Report.

Amendments and interpretations of existing standards that became effective in 2022 have not had any impact on the Group's financial position or the financial statements.

Disclosures in accordance with IAS 34 Interim Financial Reporting are provided both in these notes and elsewhere in the interim report.

2. Key estimates and assessments

The preparation of financial reports requires management to make assessments and estimates and to make assumptions that affect the application of the Group's accounting principles. Actual results may deviate from these estimates and judgments. Key sources of uncertainty in estimates are described in note 3 in the 2021 Annual Report, page 50.

3. Financial risks and risk management

Through its operations, the Group is exposed to various types of operational and financial risks. TagMaster's significant risks and uncertainties are described in note 4 Financial risks and risk management in the 2021 Annual Report on pages 51 – 52 and in the Director's report, pages 38 – 40. The risk assessment is in all material aspects unchanged.

4. Transactions with related parties

Related-party transactions refer to transactions in the form of remuneration to senior executives, as stated on page 56 of the 2021 Annual Report. There are no other significant transactions with related parties.

5. Fair value of financial instruments

At the end of June, 2022, the fair value, determined on the basis of level 2, of the group's interest swap amounts to 334 TSEK. Other financial assets and liabilities are valued at amortised cost.

6. Breakdown of revenue from contracts with customers

	1 January 2022 – 30 June 2022			1 January 2021 – 30 June 2021		
	TagMaster Europe	TagMaster USA	Total Group	TagMaster Europe	TagMaster USA	Total Group
Geographical region						
Sweden	1 457	-	1 457	1 545	-	1 545
EMEA	69 184	22 641	91 825	61 254	25 859	87 113
Asia Pacific	12 773	1 553	14 326	22 840	2 546	25 386
Americas	20 579	39 272	59 851	19 334	29 960	49 294
Total	103 993	63 466	167 459	104 973	58 365	163 338
Customer category						
Traffic Solutions	83 441	63 466	146 907	73 385	58 365	131 750
Rail Solutions	20 552	-	20 552	31 588	-	31 588
Total	103 993	63 466	167 459	104 973	58 365	163 338
Time of revenue recognition						
At a particular time	98 148	61 884	160 032	101 249	57 676	158 925
Over time	5 845	1 582	7 427	3 724	689	4 413
Total	103 993	63 466	167 459	104 973	58 365	163 338

7. Intangible non-current assets

	Goodwill	Goodwill associated with assets and liabilities	Capitalized development expenditure	Customer relationships	Trademarks	Total Group
At 1 January 2022						
Cost of acquisition, opening balance	89 818	9 081	75 016	57 330	6 331	237 576
Accumulated amortization	-	-	-40 944	-20 454	-	-61 398
Carrying amount	89 818	9 081	34 072	36 876	6 331	176 178
1 January-30 June 2022						
Carrying amount, opening balance	89 818	9 081	34 072	36 876	6 331	176 178
Amortization for the period	-	-	-6 021	-4 427	-	-10 447
Translation difference for the period	7 066	402	2 319	4 288	823	14 898
Carrying amount	96 884	9 483	30 370	36 737	7 154	180 629
At 30 June 2022						
Cost	96 884	9 483	77 335	61 618	7 154	252 474
Accumulated amortization	-	-	-46 965	-24 881	-	-71 845
Carrying amount	96 884	9 483	30 370	36 737	7 154	180 629

Group key ratios

Result, amounts i TSEK	2022 April- June	2022 Jan- March	2021 Oct-Dec	2021 July- Sept	2021 April- June	2021 Jan- Mars	R12M July-June	Full Year 2021
Net sales	87 945	79 513	83 531	80 017	88 933	74 405	331 007	326 886
Net sales growth, %	-1,1	6,9	23,2	12,7	29,2	-5,7	9,6	14,1
Organic net sales change, %	-10,2	-11,5	5,9	0,7	16,1	1,6	-7,3	5,9
Gross profit	61 954	52 700	60 747	57 616	55 523	49 645	233 017	223 532
Gross margin, %	70,4	66,3	72,7	72,0	62,4	66,7	70,4	68,4
Adjusted EBITDA	8 012	-935	5 079	8 353	10 661	9 865	20 508	33 958
Adjusted EBITDA margin, %	9,1	-1,2	6,1	10,4	12,0	13,3	6,2	10,4
EBITDA	8 012	-935	5 079	8 353	10 811	9 865	20 508	34 108
EBITDA margin, %	9,1	-1,2	6,1	10,4	12,2	13,3	6,2	10,4
EBITA	5 417	-3 510	2 512	5 777	8 492	8 008	10 195	24 789
EBITA margin %	6,2	-4,4	3,0	7,2	9,5	10,8	3,1	7,6
Operating profit	854	-7 892	-1 673	1 680	4 751	4 812	-7 031	9 570
Operating margin, %	1,0	-9,9	-2,0	2,1	5,3	6,5	-2,1	2,9
Profit/loss before tax	-1 391	-8 609	-2 809	794	4 159	4 604	-12 015	6 747
Net profit for the period	-692	-8 614	-4 263	1 680	3 959	4 483	-11 890	5 858
Earnings per share before dilution, SEK ¹	-0,05	-0,59	-0,29	0,11	0,27	0,31	-0,81	0,40
Earnings per share after dilution, SEK ¹	-0,05	-0,59	-0,29	0,11	0,27	0,31	-0,81	0,40

Financial position, amounts in TSEK

Equity	210 971	195 362	199 937	199 002	192 730	192 504	210 971	199 937
Average equity	203 166	197 650	199 470	195 866	192 617	185 131	201 850	189 065
Equity ratio, %	55,1	53,0	54,4	52,1	49,2	57,9	55,1	54,4
Net debt (-) receivable	2 092	13 574	10 738	24 660	18 821	-6 154	2 092	10 738
Return on equity	-0,3	-4,4	-2,1	0,9	2,1	2,4	-5,9	3,1

Share data

Net sales per share, SEK ¹	6,00	5,43	5,70	5,46	6,07	5,08	22,60	22,32
Equity per share, SEK ₁	14,40	13,34	13,65	13,59	13,16	13,14	14,40	13,65
Market price on closing day, SEK	16,50	18,40	24,90	29,00	33,60	1,07	16,50	24,90
Recalculated market price on closing day, SEK ¹	16,50	18,40	24,90	29,00	33,60	26,75	16,50	24,90
Number of shares at end of period	14 648	14 648	14 648	14 648	14 648	366 188	14 648	14 648
Average number of shares, thousands ¹²	14 648	14 648	14 648	14 648	14 648	14 648	14 648	14 648

Personnel information, amounts i TSEK

Sales per employee	682	591	605	567	729	759	2 445	2 254
Average number of employees	129	135	137	141	122	98	135	145
Number of employees at end of period	126	132	137	138	144	98	126	137

¹Adjusted retroactively for the reversed split 1:25

²Number of shares, basic and diluted, is the same as there are no options or convertibles outstanding that may give rise to dilution

Key ratios	Definition/calculation	Purpose
Gross profit	Net sales minus costs of goods and services sold.	The key ratio is used in other calculations.
Gross margin	Net sales less costs of goods and services sold (gross profit) as a percentage of net sales.	The gross margin is used to measure production profitability.
Operating margin	Operating profit (EBIT) after depreciation, amortization and impairments as a percentage of net sales.	Operating margin is used to measure operating profitability.
EBITDA	Operating profit (EBIT) before depreciation, amortization and impairments.	EBITDA together with EBIT provides an overall picture of profit generated from operating activities.
Non-recurring items	Income and expenses that are not expected to appear on a regular basis and impact comparability between periods	The key ratio is used in other calculations.
Adjusted EBITDA	EBITDA adjusted for non-recurring items.	The key ratio provides an overall picture of profit generated from operating activities.
EBITA	Operating Profit before depreciation, amortization of goodwill and depreciation, amortization of other intangible assets that arose in conjunction with company acquisitions.	EBITA provides an overall picture of profit generated from operating activities.
Organic change	Change in net sales during the current period, excluding acquisitions and currency effects, in relation to net sales for the corresponding period of the preceding year. Net sales from acquired companies are included in the calculation of organic change as of the first day of the first month which falls 12 months after the date of acquisition	The key ratio provides a picture of the business's self-generated growth.
Equity ratio	Equity as a percentage of the balance sheet total.	The key ratio indicates the proportion of assets financed by equity. Assets not financed by equity are financed by loans.
Return on equity	Profit for the year after tax attributable to the parent company's shareholders divided by average equity.	The key ratio shows the return the owners receive on their invested capital.
Average equity	Average equity is calculated as the average of the opening and closing balances.	The key ratio is used in other calculations.
Average number of employees	The total of number of employees per month divided by the number of months in the period.	The key ratio is used in other calculations.
Sales per employee	Sales divided by average number of employees.	The key ratio is used to assess the efficiency of a company.
Earnings per share, SEK	Profit for the period attributable to the parent company's shareholders divided by the average number of shares.	Earnings per share is used to determine the value of the company's outstanding shares.
Average number of shares	Weighted average number of shares at the end of the period.	The key ratio is used in other calculations.
Net debt	Interest-bearing liabilities less cash and cash equivalents.	The key ratio is used to track the company's indebtedness.
Net debt/EBITDA	Net debt at the end of the period divided by EBITDA, adjusted for rolling twelve months.	Net debt/EBITDA provides an estimate of the company's ability to reduce its debt. It represents the number of years it would take to pay the debt if net debt and EBITDA are kept constant, without taking account of cash flows relating to interest, tax and investments.

Financial performance measures not defined in accordance with IFRS

TagMaster presents certain financial performance measures in the interim report that are not defined in accordance with IFRS or the Annual Accounts Act. The company considers that these measures provide valuable additional information to investors and the company's management as they enable evaluation of the company's performance. Since not all companies calculate financial performance measures in the same way, these are not always comparable with performance measures used by other companies. These financial performance measures should therefore not be seen as a substitute for measures defined in accordance with IFRS. Measures that are not defined in accordance with IFRS and reconciliation of the measures are presented below.

		2022 Jan-June	2021 Jan-June	R12M July-June	2021 Jan-Dec
A	Net sales	167 459	163 338	331 007	326 886
	Change in inventories during manufacture and finished goods	513	1 033	312	832
	Goods for resale, raw materials and consumables	-53 319	-59 202	-98 302	-104 186
B	Gross profit	114 653	105 169	233 017	223 532
C	Operating profit (EBIT)	-7 038	9 563	-7 031	9 570
	Amortization of intangible assets related to acquisitions	-8 945	-6 937	-17 227	-15 219
D	EBITA	1 907	16 501	10 196	24 789
	Depreciation of other intangible assets	-1 503	-1 451	-3 029	-2 977
	Depreciation of property, plant and equipment	-3 667	-2 725	-7 284	-6 342
E	EBITDA	7 077	20 677	20 508	34 108
	Non-recurring costs	-	-150	-	-150
E	Adjusted EBITDA	7 077	20 526	20 508	33 958
(B/A)	Gross profit margin, %	68	64,4	70,4	68,4
(C/A)	EBIT margin, %	-4,2	5,9	-2,1	2,9
(D/A)	EBITA margin, %	1,1	10,1	3,1	7,6
(E/A)	EBITDA margin, %	4,2	12,7	6,2	10,4
(F/A)	Adjusted EBITDA margin, %	4,2	12,6	6,2	10,4

Return on equity, %

		2022 Jan-June	2021 Jan-June	R12M July-June	2021 Jan-Dec
(A)	Net profit for the period	-9 306	8 442	-11 890	5 858
(B)	Opening equity for the period	199 937	177 758	192 730	178 194
(C)	Closing equity for the period	210 971	192 730	210 971	199 937
D	Average equity	205 454	185 244	201 850	189 065
(A)/(D)	Return on equity, %	-4,5	4,6	-5,9	3,1

Equity ratio, %

		2022-06-30	2021-12-31	2022-06-30	2021-12-31
(A)	Equity	210 971	192 730	210 971	199 937
(B)	Balance sheet total	382 801	391 943	382 801	367 396
(A/B)	Equity ratio, %	55,1	49,2	55,1	54,4

Net debt

		2022-06-30	2021-06-30	2022-06-30	2021-12-31
	Liabilities to credit institutions	47 006	62 821	47 006	52 358
	Lease liabilities	9 358	14 775	9 358	11 900
	Cash	-54 272	-58 775	-54 272	-53 520
(A)	Net debt (-) receivable	2 092	18 821	2 092	10 738
(A)/(E)	Net debt/adjusted EBITDA, multiple (rolling 12 m)			0,1	0,3