

PRICER

BRINGING TRUST TO RETAIL



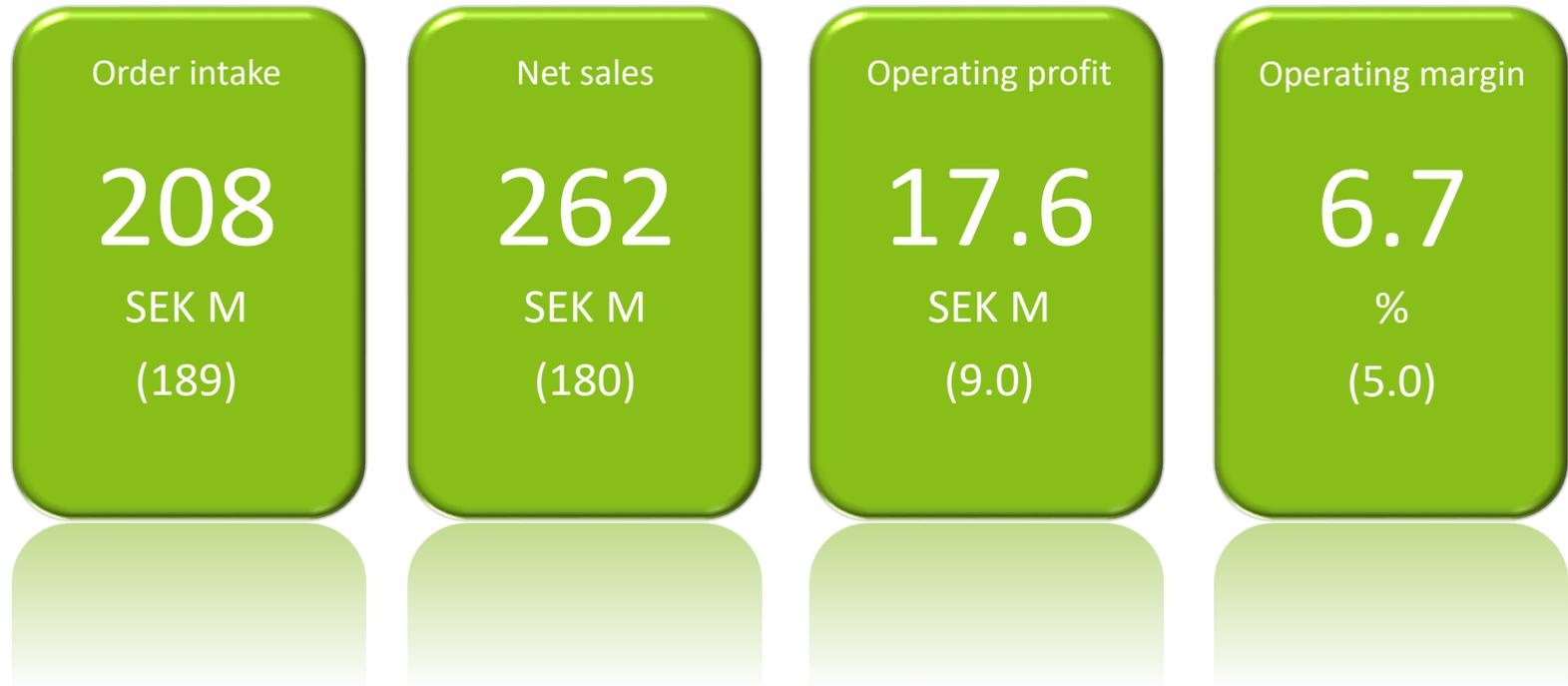
Pricer AB (publ)

First quarter 2019

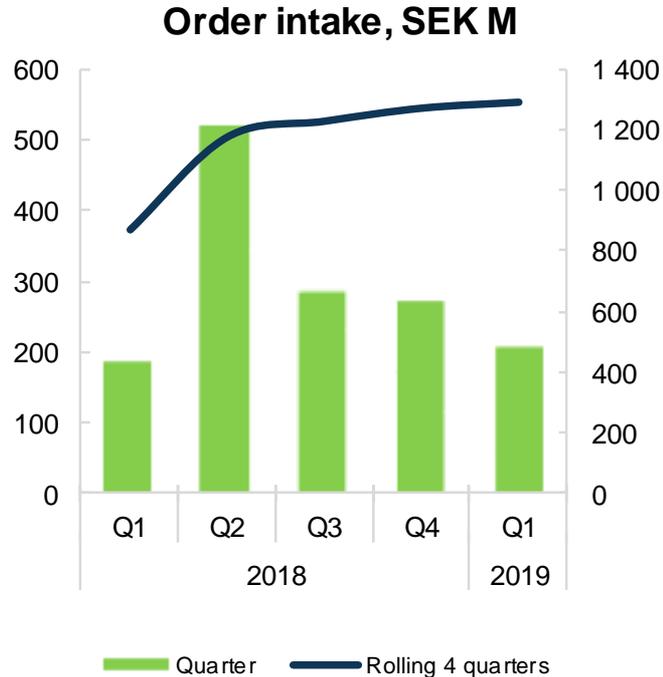
Helena Holmgren, President & CEO

Stockholm, April 25, 2019

First quarter 2019; Record high net sales for a first quarter and good profitability

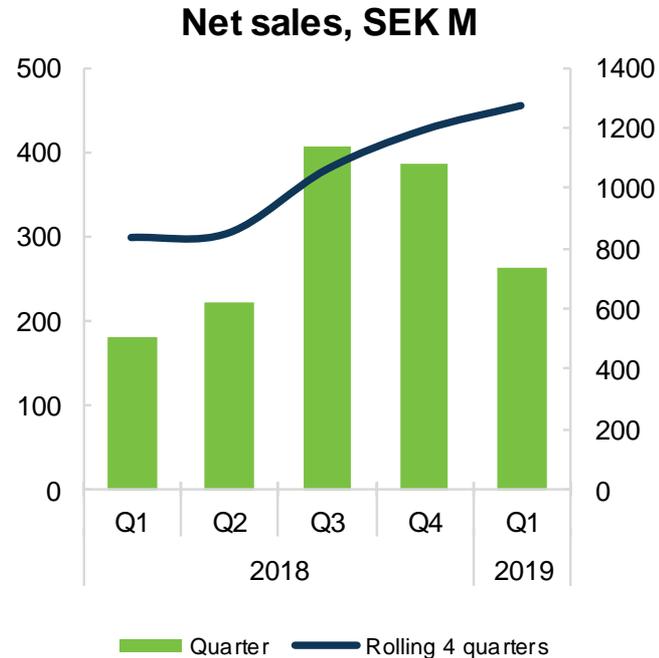


Continued high level of activity in several geographical market



- Continuously increasing demand for solutions on store digitalization in several geographical markets
- No large contracts signed during the first quarter but continued strong underlying demand
- Order backlog of SEK 169 M, divided among a large number of customers and geographical markets

Continued net sales growth



- Highest ever net sales for a first quarter
- Several markets, Italy, Belgium and Norway to mention a few, contributes to the net sales growth in the first quarter
- Several new customers in the customer mix

Favorable currency movements and decreasing component prices contributes to improved gross margin

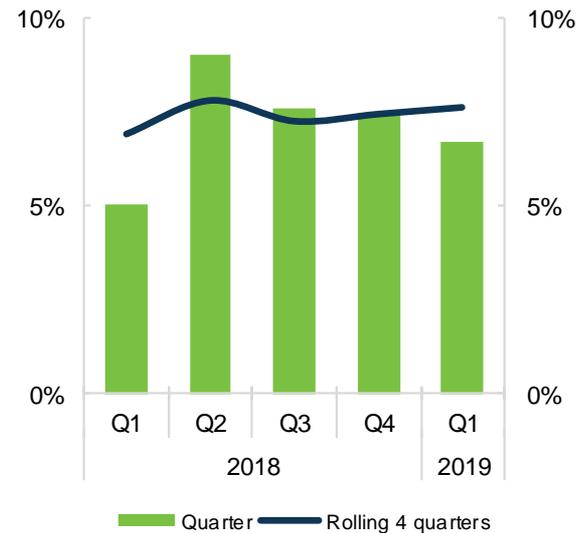


Improved operating margin increases profitability

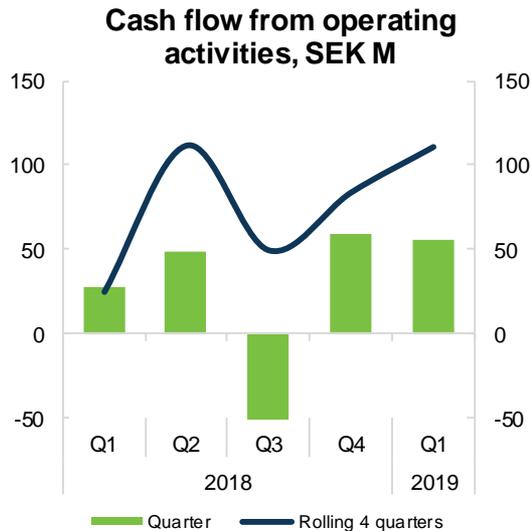
Operating profit, SEK M



Operating margin, %



Continued strong cash flow



- Positive cash flow from operating activities of SEK 55 M
- Continued good control of working capital and cash flow
- Delivery activity during the quarter combined with the size of the order backlog influences tied-up capital in inventories and trade receivables – cash flow should be viewed over time
- Strong balance sheet enables continued innovation

Summary

- Strong drivers for accelerating in-store digitalization
- Low penetration rate of ESL-systems on most markets
- Market growth; major interest in Pricer's solutions
- Larger customer base spread over several geographical markets → increased stability of underlying revenue streams but continued volatility in major customer projects
- Pricer's product positioning solutions combined with the label's flash capability activated by several major retail chains
- Competition remains fierce; Pricer's strength is in the core system functionality
- The demand from the North American market regarding high update speed and system reliability is particularly suitable for Pricer's communication technology

Why invest in Pricer?

- Strong underlying market growth; digitization of physical retail considered necessary for maintaining competitiveness
- Unique and hard to copy technical solution; based on reliable, scalable, energy-efficient and interference-free communication
- Strong balance sheet → continued innovative strength
- Global presence with large installed base
- Long experience of developing solutions that work well in retail
- Flash capability in the labels combined with dynamic positioning of products in the store enables cost reductions as well as increased sales and improved customer satisfaction

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