

Second quarter of 2023

Quarterly presentation

20 July 2023

The PRICER logo is a green, bold, sans-serif wordmark. It is centered within a white circle, which is itself surrounded by three concentric grey circles. The background of the slide is a blurred photograph of a supermarket aisle with shelves of products and a shopping cart in the foreground.

PRICER

Strong revenue growth and third-best order intake ever



Magnus Larsson

President & CEO



Susanna Zethelius

CFO

The PRICER logo is displayed in a bold, green, sans-serif font within a white circle. This circle is centered within a series of three concentric, light gray circles. The background of the slide is a blurred image of a retail store interior with blue and white shelves.

PRICER

Vision

*Retail's first choice in
shelf edge automation
and communication*

Q2 2023 highlights

1

Second-best revenue to-date fuelled by continued growth in France and Italy and a few fast-growing Eastern European countries

2

Orders from large retailers for their own integrated stores positively contributed as we recorded the third-best order intake ever

3

Gross margin increase for the second quarter in a row as a result of multiple actions to increase profitability – tangible improvement is expected during H2 2023

4

In the US market we are turning pilots into commercial agreements and deployments, building the foundation for planned growth

5

In-line with our ambition to grow through winning new customers, new markets and across retails segments, we were happy to announce three new agreements since our Q1-report

SEK 687m

Second-best revenue ever

+30%

Strong net sales growth YoY

16.0%

Positive gross margins trend

New agreements



Market update

1

Commercial and pilot installations of four colour ESL in markets such as US, CAN, UK, AUS, JPN, NZ and SE

2

Participation and a speaking slot at the Retail Technology Show in London in April generated pilots, orders and a lot of interest in Pricer among key retailers in the UK market

3

Clear signs of market acceleration in our strategic growth markets with large retailers preparing for or starting to invest in ESL as part of their store digitalization

4

The new share issues of approximately 300 MSEK that was communicated in the quarter is a fundamental enabler of capturing the fast-growing market

5

Digital Signage solutions as part of Retail Media continues to generate a lot of interest with the potential of additional revenue streams through different forms of in-store advertisement

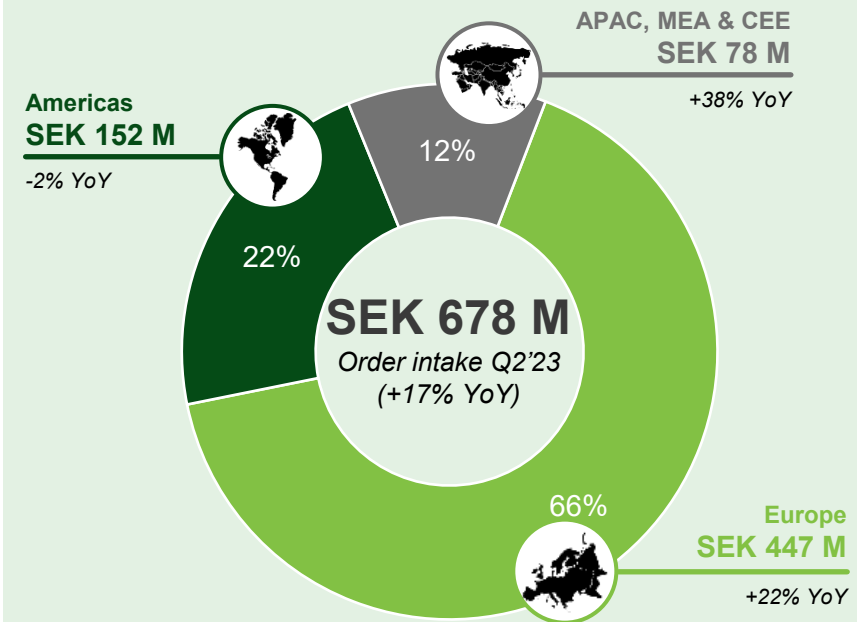


PRICER

***Continued strong
demand for ESL
solutions in all regions***

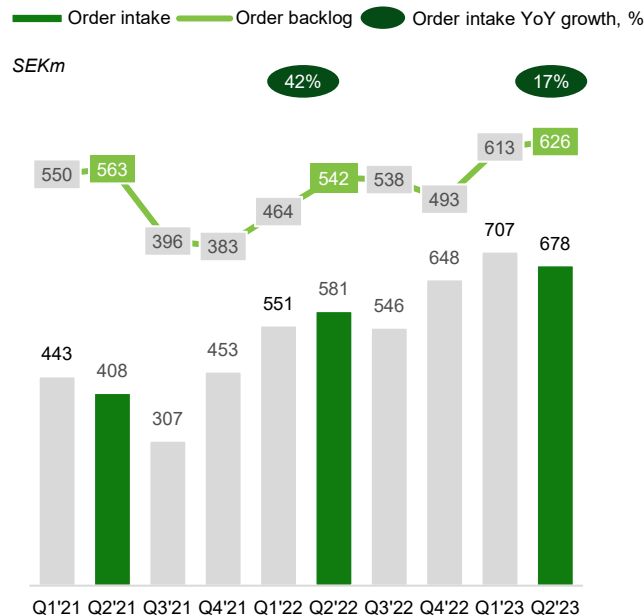
Market development

- Continued strong development in Europe with France once again the largest market following newly won contracts. Temporary slow down for some other mature markets.
- Lower order intake in Americas due to slower pace of orders in Canada. Offset by US and Latin America, demonstrating solid growth.
- Higher demand across the entire Asia, Middle East, and Central & East Europe region. Eastern Europe continues to be the strongest market in the region.



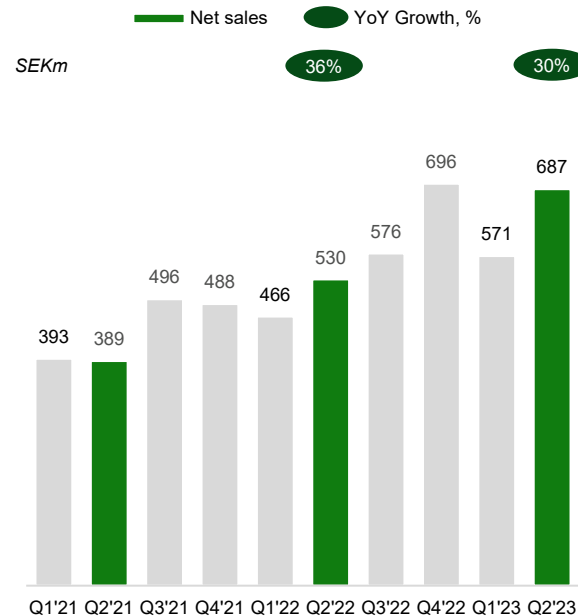
Q2 2023 financial development

Solid order intake...



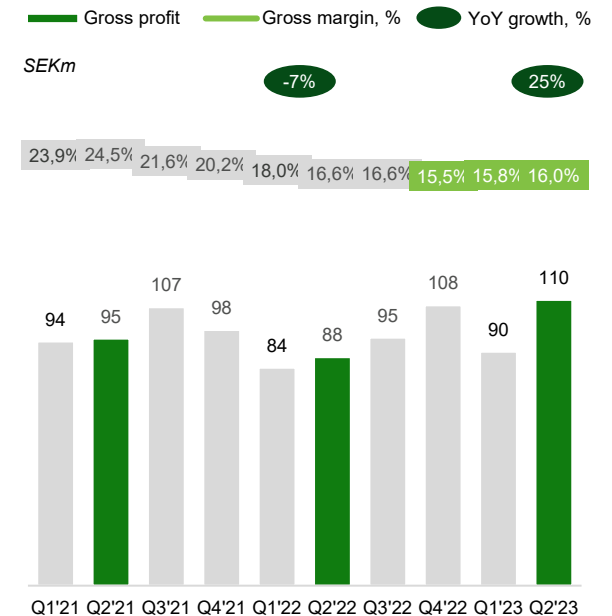
- Strong demand in France, following several newly won contracts.
- France, Canada and US have in Q2 2023 been the largest contributing countries.

...with strong net sales growth...



- Net sales growth of 30% YoY
- France, Canada and Italy are the largest contributors.
- Improved installation capacity and shorter lead times contributing to second best net sales in a quarter.

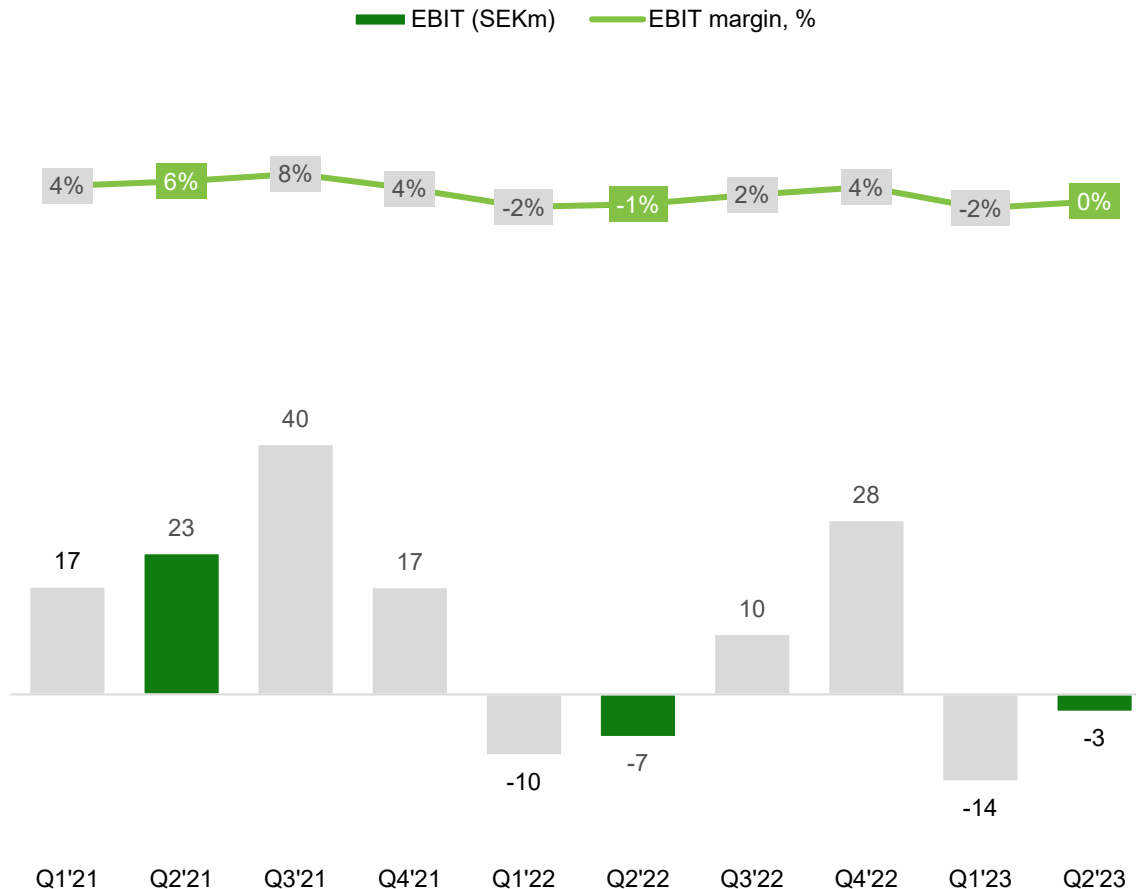
...and stabilizing gross margin



- Slight increase in gross margin vs last two quarters.
- Improvements in purchase cost of components compared to the previous quarter.
- Customer and product mix impacting margins negatively.

EBIT development

EBIT development



- Revenue growth driving improved profitability vs last year and the previous quarter.
- Profitability negatively impacted by gross margin. COGS reduction program and component cost decrease expected to have larger impact in H2.
- Continued investment in the sales & delivery organisation, and product development in order to capitalise on the rapidly growing market opportunity
- One-off expenses related to among others strategic initiatives to boost long-term profitability negatively impacting EBIT in the short-term.

Capturing the market 2023



Sales and delivery

Strengthening of organisation in key markets such as the US to ensure ability to grow and meet sales targets



Increase agility

Second R&D site deployed in APAC to add development capability and expected to be fully operational during second half



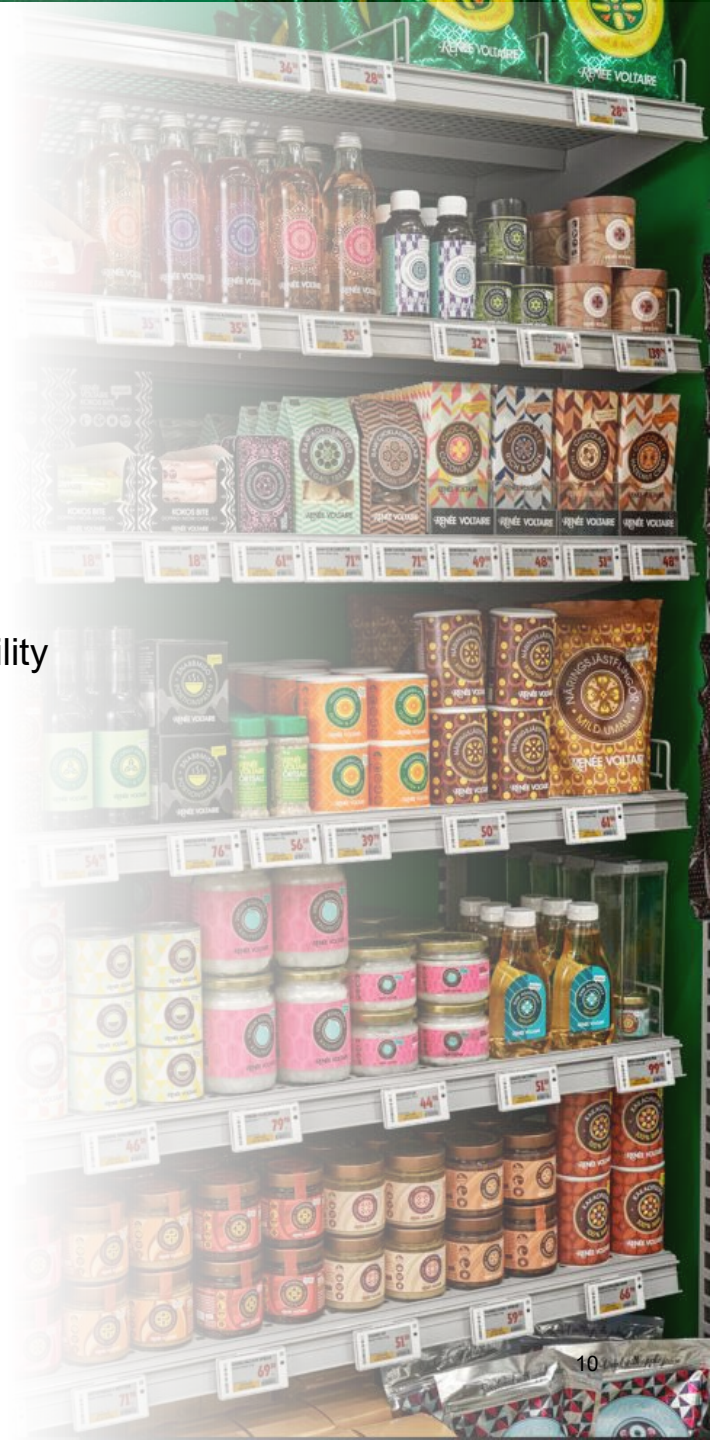
Supply leadership

Continuous development of manufacturing to lower cost, lead times and carbon footprint



Cloud Tech

Development of all Pricer solutions into recurring revenue generating cloud enabled technology



Summary of Q2 2023

Strong underlying market growth

We continue to see evidence of an increasing penetration and adoption of ESL solutions globally

Capitalising on market development

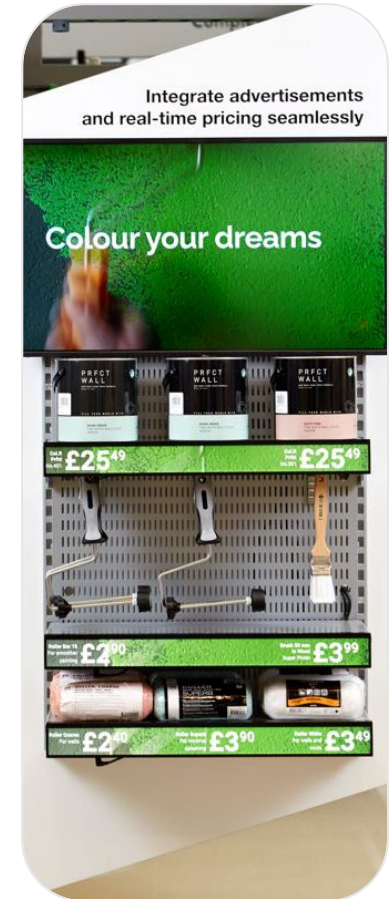
We are capitalising on the rapidly growing market demonstrated by the second-best net sales ever of SEK 687 M and third-best order intake ever of SEK +678 M

Positive gross margin trend

Positive gross margin development, with a gross margin of 16.0% in Q2 2023 compared to 15.8% in Q1 2023 and 15.5% in Q4 2022

Investments to grow

Continued investments in innovation and development of solutions, organisational capabilities and go-to-market models to further fuel growth



Q&A



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