



ZETADISPLAY AB (publ) INTERIM REPORT 1 JANUARY – 30 SEPTEMBER 2023

November 30, 2023

Continued SaaS growth in the third quarter

July – September 2023

- SaaS revenues increased by 14.3% to SEK 55.3 (48.4) million
- ARR amounted to SEK 219.7 (192.2) million compared to last year
- Net sales were SEK 115.4 (129.9) million, 11.2% behind last year
- Gross margin strengthened to 63.0% (57.0%)
- Adjusted EBITDA was SEK 17.4 (21.5) million
- Operating loss was SEK -15.8 (-7.6) million

January – September 2023

- SaaS revenues increased by 11.6% to SEK 159.0 (142.5) million
- Net sales remained broadly flat year on year, SEK 359.9 (367.1) million
- Gross margin improved to 61.3% (58.1%)
- Adjusted EBITDA was lower than the prior year at SEK 42.8 (50.4) million
- Operating loss was SEK -22.5 (profit 1.9) million

CEO comment Q3

Continued SaaS growth in the third quarter

Net sales for the quarter amounted to SEK 115.4 (129.9) million. SaaS revenues were SEK 55.3 (48.4) million and represented 47.9% (37.3%) of net sales. Reported EBITDA was SEK -3.8 (17.2) million. Adjusted for Hanover costs and non-recurring items, EBITDA amounted to SEK 17.4 (21.5) million.

Our third quarter was characterized by a continued growth in SaaS revenues. During the quarter we have successfully concluded the acquisition of PeakMedia Digital Signage GmbH in Austria, expanding our European footprint and supporting our growth ambition in the DACH region. We've seen steady activity from our international customer base, but simultaneously noted on-going customer project delays given the market backdrop. We also continued to evolve our organizational structure with positive early results. During the quarter, we have continued to expand our strategic commercial work across the group with enterprise customer development to further scale our international service and product range.

Outlook

Our long-term plan and investment initiatives for growth are further strengthening our market position. The recent acquisition of PeakMedia will further support both short- and long-term growth. At the same time, we continue to see some uncertainty in the short-term market conditions as well as temporary delays in some customer projects. We're effectively handling delayed lead times in some customer projects.

As before we continue to actively monitor market development and to manage costs diligently whilst prioritizing key investments for long-term growth and customer focus.

I would like to thank all our co-workers for their tireless commitment and thank our customers for their continued trust as well as thank Per Mandorf as he now steps down and hands over the CEO role.

Malmö, November 30, 2023

Anders Olin

President and CEO

Full Q3 report attached and available on <https://ir.zetadisplay.com/>

This report has not been subject to review by the company's auditor.

This information is information that ZetaDisplay AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of Anders Olin, at 08.00 CET on 30 November 2023.

For further information please contact:

Anders Olin, President & CEO

Mobile: +46 761-01 14 88
E-Mail: anders.olin@zetadisplay.com

Jog Dhody, Interim CFO
Mobile: +44 778 652 0802
E-Mail: jog.dhody@zetadisplay.com

Robert Bryhn, CMO / Head of Communication
Mobile: +46 709-80 20 80
E-Mail: robert.bryhn@zetadisplay.com

ABOUT ZETADISPLAY

Founded in 2003, ZetaDisplay is a leader in the Nordic region and second in Europe and we drive the digital transformation in physical environments on a daily basis. Our solutions, concepts and software digitize, influence and inform people's behavior and decision-making in stores, in public environments and in workplaces. Our solutions are known as Digital Signage which we develop and offer as SaaS solutions. We are a global leader that actively influences the development of the international Digital Signage market organically, through innovation and through acquisitions. ZetaDisplay is based in Malmö, has a turnover of SEK +500 million and employs approx. 220 co-workers in offices in seven European countries. In total, the company manages more than 100.000 licensed installations globally in more than 50 markets. ZetaDisplay is owned by the investment company Hanover Investors. More investor related information at www.ir.zetadisplay.com and www.hanoverinvestors.com

Attachment

- [Interim Report January - September 2023](#)