



## ZETADISPLAY AB (publ) INTERIM REPORT 1 APRIL – 30 JUNE 2024 (Q2)

August 30, 2024

**Q2 Interim report April – June 2024 for ZetaDisplay AB (publ) is now available at [ir.zetadisplay.com](https://ir.zetadisplay.com)**

Report summary:

### April – June 2024

- SaaS revenue increased by 24.5% to SEK 66.9 (53.7) million
- Excluding the impact of acquisitions, the increase in SaaS revenue was 6.5%
- Net sales increased by 28.7% to SEK 163.3 (126.9) million
- Gross margin decreased to 55.5% (61.4%)
- Adjusted EBITDA was SEK 27.9 (15.3) million

### CEO comment

#### STRONG GROWTH IN THE QUARTER

Net sales for the quarter increased to SEK 163.3 (126.9) million, with SaaS revenue rising significantly by 24.5 % to SEK 66.9 (53.7) million, now representing 40.9% of net sales. This robust growth underscores the continued strength and importance of our SaaS offerings, reflecting our strategic focus on building a solid foundation of recurring revenue streams. While our reported EBITDA before restructuring costs was SEK 8.6 (9.8) million adjustments for Hanover costs and other non- recurring items reveal a strong underlying EBITDA of SEK 27.9 (15.3) million, corresponding to an adjusted EBITDA margin of 17.1% (12.0%).

This significant improvement highlights our ability to effectively manage costs and enhance profitability, which is particularly noteworthy given the slightly reduced gross margin. The lower gross margin is primarily due to the increased share of third- party solutions in our SaaS mix following recent acquisitions and is anticipated to improve as integrations proceed.

Our growth transformation initiatives continue to be a high priority across the group. Although market conditions remain somewhat sluggish, we are seeing signs of increasing activity in key markets and industry verticals from both existing and new customers. During the quarter, we carried out several important customer project rollouts and delivered new projects outside Europe, both in the US and MEA regions. The pipeline of mid- and long-term larger prospects, both locally and internationally, has grown notably, driven by a strong commercial trend with new business wins, such as the recently announced Airport Express train contract with A-Train.

Despite encountering intermittent delays in a few planned NRR projects during Q2, our overall momentum remains positive. Our recent acquisition of Beyond Digital Solutions Ltd in the UK has already exceeded our expectations. Fully funded by equity from our owner, Hanover Investors, this acquisition enhances group EBITDA and strengthens our position in Europe with a valuable UK customer base and a skilled, motivated team.

A long-time planned move of our Swedish HQ in Malmö was finalized during the quarter. The HQ move signals the close of a 20-year chapter and heralds a modernized better suited attractive HQ work location and environment in a central location, as well as yielding cost savings. Continued progress is being made across the group to facilitate and upscale the organization to effectively manage a multi-national organization with higher complexity.

#### OUTLOOK

Our long-term plan and investment initiatives for growth are supported by the continued execution of our 2024 strategic growth transformation plan, which includes the upscaling of key areas within our organization. We expect recent acquisitions to drive additional growth in the medium term, alongside increased organic growth, showcased by the diverse upwards trends in key customer projects, growth in new prospects pipeline as well as a growing share of incoming requests.

As always, we maintain our commitment to prioritizing and investing in activities that foster long-term growth and enhance our focus on customer satisfaction in addition to enhancing product market attraction and strength. I would like to thank all our co- workers for their tireless commitment to customer success and thank our customers for their continued trust.

*Malmö, 30 August 2024*

*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 08:40 CET on 30 August 2024*

- Full report attached and available at <https://ir.zetadisplay.com>

#### Upcoming reporting sessions

ZetaDisplay AB (publ) interim report January – September will be published on [ir.zetadisplay.com](https://ir.zetadisplay.com) in November, week 48, 2024.

**For further questions, please contact:**

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**ABOUT ZETADISPLAY**

20 years of leadership and innovation in digital signage.

ZetaDisplay was founded 2003 in Sweden as one of the early pioneers of digital signage. We are one of the leading European corporations in the digital signage market and a leading force in the European digital signage industry. Our proprietary software platform, digital business development and consulting services, innovative digital signage solutions, and creative concepts regularly inspire- influence and guide millions of people every day in retail environments, in restaurants, on advertising screens, in factories, on trains, on cruise ships, in stadiums, in workplaces and in all types of public spaces indoor and outdoor. ZetaDisplay is one of the largest leading European digital signage companies with direct operations in eight European countries and the US with 120,000 active installations in over 50 countries, across all major continents where we are the business partner of choice for many of the worlds most respected blue-chip brands and companies.

ZetaDisplay is based in Malmö-Sweden, has a turnover of SEK +500 million and employs approx. 240 co-workers. ZetaDisplay is owned by the investment company Hanover Investors. More information at [www.ir.zetadisplay.com](http://www.ir.zetadisplay.com) and [www.hanoverinvestors.com](http://www.hanoverinvestors.com).

**Attachment**

- [Interim Report January - June 2024](#)