

Increased revenue with improved profitability despite a challenging external environment

April-June 2025

- Net sales increased during the quarter by 23,6 % to 127,2 MSEK (102,9). The organic and currency adjusted growth amounted to -0,8 %.
- Adjusted EBITDA increased during the quarter by 87,7 % to 21,8 MSEK (11,6) corresponding to an adjusted EBITDA margin of 17,1 % (11,3).
- Operating profit was 9,6 MSEK (2,5), corresponding to an operating margin of 7,5 % (2,4).
- Profit for the quarter was 7,0 MSEK (1,2).
- Result per share basic and diluted was 0,48 SEK (0,08).
- Cash flow from operating activities for the period was -2,7 MSEK (15,4).

January-June 2025

- Net sales increased during the first half year by 12,5 % to 227,2 MSEK (201,9). The currency adjusted growth amounted to -9,4 %.
- Adjusted EBITDA decreased during the first half year by 5,3 % to 19,7 MSEK (20,8), corresponding to an adjusted EBITDA margin of 8,7 % (10,3).
- Operating profit/loss was -1,6 MSEK (0,7) which corresponds to an operating margin of -0,7 % (0,3).
- Profit/loss for the period was -0,6 MSEK (-1,9).
- Result per share, basic and diluted was -0,04 SEK (-0,13).
- Cash flow from operating activities for the period was 11,5 MSEK (41,2).

Amounts in TSEK	2025 April-June	2024 April-June	2025 Jan-June	2024 Jan-June	R12M July-June	2024 Full Year
Net sales	127 172	102 907	227 216	201 907	445 754	420 445
Net sales growth, %	23,6	4,8	12,5	4,9	7,7	3,9
Gross margin, %	67,8	69,3	68,1	67,8	68,4	68,3
Adjusted gross margin, %	67,8	69,3	68,1	69,1	68,4	68,9
Adjusted EBITDA	21 800	11 615	19 670	20 760	47 209	48 300
Adjusted EBITDA margin, %	17,1	11,3	8,7	10,3	10,6	11,5
EBITDA	18 100	11 615	15 970	17 997	40 902	42 930
EBITDA margin, %	14,2	11,3	7,0	8,9	9,2	10,2
Equity ratio, %	51,1	60,9	51,1	60,9	51,1	51,4
Cash flow from operating activities, MSEK	-2,7	15,4	11,5	41,2	28,9	58,6
Net debt/EBITDA, R12M	-	-	-	-	2,1	2,4
Number of employees at end of period	156	120	156	120	156	168

For description and reconciliation of key figures, see pages 21-22.

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, Quercus and Sensys Networks - with innovative mobility solutions for increased efficiency, security, safety, comfort and to reduce environmental impact in Smart Cities. TagMaster has subsidiaries in England, France, Spain and US 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.

Comments by the CEO

I am pleased to report that we delivered a relatively strong result for the second quarter, despite it being marked by uncertainty and a cautious sentiment in our market. The Group's improved sales of SEK 127.2 million - an increase of 23.6 percent compared to Q2 2024 - are clear signs of strength. Part of the positive outcome is attributable to our latest acquisition, Spanish company Quercus, which had a strong quarter and contributed positively to profitability. We also laid the foundation for improved margins going forward by introducing a new action program aimed at strengthening our long-term resilience and profitability. This initiative is expected to result in annual cost savings of over SEK 10 million.

Demand for our solutions is closely tied to long-term investment decisions and is therefore significantly affected by the global economic uncertainty that characterized the second quarter. That we are still able to deliver stable revenue with improved profitability under these conditions is a clear sign of strength. A key contributor to this is our recent acquisition of Quercus Technologies, which has significantly enhanced our offering within parking and access digitalization. At the same time, we have increased the share of our sales to business customers (B2B), complementing the remainder of the Group's operations primarily directed toward the public sector (B2G).

Quercus, our latest acquisition, which develops and manufactures advanced digital solutions for the parking industry based on AI-powered video analytics - introduced its products through our own channels in the US and the UK during the quarter. This broadens and strengthens our overall offering. Additionally, Quercus' operations in France were integrated into our existing French business, which over time will create significant opportunities for increased cross-selling.

During the quarter, we initiated a Group-wide efficiency program covering our operations in the UK, France, and Spain. The program aims to enhance organizational efficiency, simplify structures, and reduce costs - while continuing to invest in the development of industry-leading products and strengthening our commercial capacity. These measures are expected to generate annual cost savings of just over SEK 10 million, with full effect from the fourth quarter of 2025. In connection with the program, we recorded a one-time cost of just under SEK 4 million.

Our leading technological expertise in key technologies for Intelligent Transport Systems (ITS) positions us well to meet the growing demand for multi-sensor solutions. Following the acquisition of Quercus, the Group's capacity to develop industry-leading solutions has been further strengthened. We now have a total of 50 development engineers, of whom 27 are focused on advancing AI-based video solutions. In the second quarter, investments in product development accounted for approximately 14 percent of the Group's total revenue.

The Group's sales for the second quarter amounted to SEK 127.2 million, an increase of 23.6 percent compared to the same period in 2024. The organic revenue change for the quarter - adjusted for currency effects and acquisitions - was SEK -0.8 million, corresponding to a decrease of 0.8 percent. The Group's total costs increased by SEK 5.5 million compared to the same period last year, entirely due to the inclusion of newly acquired Quercus from December 2024. Excluding these costs, the Group's total costs were approximately SEK 5 million lower than in the corresponding period last year.

Sales from the Traffic Solutions business in the second quarter amounted to SEK 104.6 million, an increase of approximately 16 percent compared to the same quarter in 2024. During the quarter, Traffic Solutions accounted for 82 percent of total sales, while Rail Solutions represented 18 percent.

Gross margin at the group level amounted to 67.8% (69.3%) during the quarter, with an adjusted EBITDA of SEK 21.8 million, corresponding to an adjusted EBITDA margin of 17.1%. The decrease in gross margin is primarily attributable to Quercus operating with a slightly lower margin compared to the rest of the group, impacting the margin by just over 2 percentage points. Cash flow from operating activities amounted to SEK -2.7 million, and the group's solvency ratio stood at 51.1% at the end of the period. Efforts to reduce working capital - mainly inventory levels, which had increased during previous component shortages - remain a key focus. Sequentially, inventory for comparable units decreased by nearly 7%, and compared to the same quarter last year, it has declined by over 17%.

Looking ahead, I can confirm that TagMaster is well positioned to contribute solutions to some of the major challenges facing the world's transportation systems, such as congestion in densely populated areas, improved traffic safety, and the reduction of emissions from transportation. These challenges drive increased demand for our solutions, and we remain firmly committed to strengthening TagMaster's position as a leading company in Intelligent Transport Systems (ITS). Uncertainty around tariffs, geopolitics, and regulations has led to a cautious stance, but we continue to focus on long-term growth based on a balanced approach to managing our costs.

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: > 85% over a three-year 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.

Financial calendar

October 23, 2025: Interim report third quarter 2025

February 5, 2026: Earnings release 2025

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

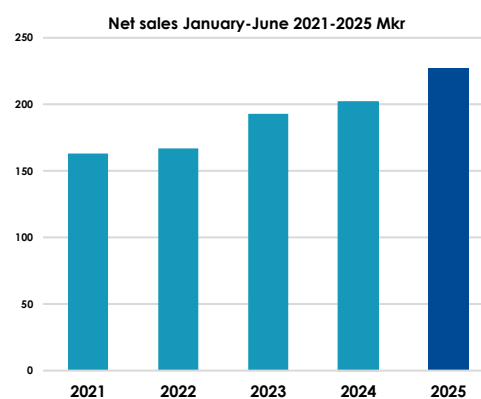
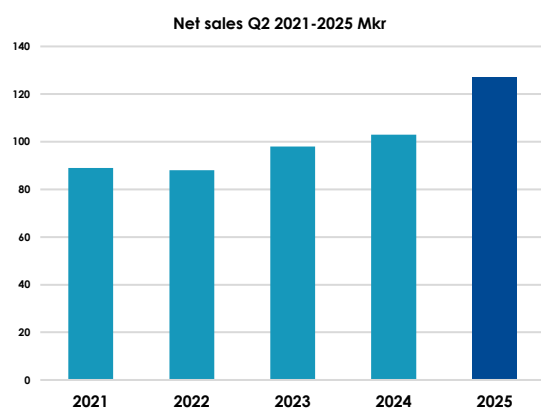
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Summary result information

Amounts in TSEK	2025 April-June	2024 April-June	Change %	R12M July-June	2024 Full Year	%
Net sales	127 172	102 907	23,6	445 754	420 445	6,0
Other revenue	1 583	391	304,9	4 991	3 280	52,2
Gross profit	86 283	71 329	21,0	304 917	287 095	6,2
Gross margin, %	67,8	69,3	-	68,4	68,3	-
Adjusted gross profit	86 283	71 329	21,0	304 917	289 859	5,2
Adjusted gross margin, %	67,8	69,3	-	68,4	68,9	-
Operating expenses ¹	-69 765	-60 105	16,1	-269 003	-247 445	8,7
Adjusted EBITDA	21 800	11 615	87,7	47 209	48 300	-2,3
Adjusted EBITDA margin, %	17,1	11,3	-	10,6	11,5	-
Non-recurring items	-3 700	-	-	-6 306	-5 370	17,4
EBITDA	18 100	11 615	55,8	40 903	42 930	-4,7
EBITDA margin, %	14,2	11,3	-	9,2	10,2	-
Amortisation of other non-current intangible assets ²	-314	-521	-39,7	-1 675	-2 096	20,1
Depreciation	-2 783	-3 362	-17,2	-11 155	-10 823	3,1
Adjusted EBITA	18 703	7 732	141,9	34 379	35 381	-2,8
Adjusted EBITA margin, %	14,7	7,5	-	7,7	8,4	-
EBITA	15 004	7 732	94,0	28 073	30 011	-6,5
EBITA margin, %	11,8	7,5	-	6,3	7,1	-



Organic change, net sales

Amounts in TSEK	2025 April-June	%	2024 April-June	%	2025 Jan-June	%	2024 Jan-June	%
Net sales comparison period previous year	102 907		98 165		201 907		192 555	
Organic change	-773	-0,8	-9 427	-9,6	-19 076	-9,4	-23 951	-12,4
Change through acquisitions	27 619	26,8	14 196	14,5	47 599	23,6	31 794	16,5
Exchange rate change	-2 581	-2,5	-27	0,0	-3 214	-1,6	1 509	0,8
Total change	24 265	23,6	4 742	4,8	25 309	12,5	9 352	4,9
Net sales	127 172		102 907		227 216		201 907	

For description and reconciliation of key figures, see pages 21-22.

¹ Personnel expenses, other external expenses and other operating expenses

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

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 leading provider of advanced mobility solutions for rail bound traffic in metropolitan areas.

The business is conducted in the parent company and in the subsidiaries in France, UK and Spain. 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 a centralized marketing director.

Business during the quarter

Sales for the Europe segment amounted to SEK 85.2 million in the second quarter, representing an increase of 56.5% compared to the same period in 2024. Adjusted for acquisitions and currency effects, sales grew by 7.4%. The gross margin was 67.0%, a decline of 5 percentage points compared to the second quarter of 2024. The lower gross margin is primarily due to Quercus operating with a slightly lower gross margin than the rest of the group. Costs were higher compared to the second quarter of 2024, as newly acquired Quercus has been included since December 2024. Excluding this, costs were approximately SEK 3 million lower. Adjusted EBITDA for the second quarter amounted to SEK 12.6 million, corresponding to an adjusted EBITDA margin of 14.8%. Traffic Solutions accounted for 73% of the segment's sales during the quarter, while Rail Solutions contributed 27%.

During the quarter, a company-wide efficiency program was initiated for operations in the UK, France, and Spain. The program aims to enhance organizational efficiency, simplify structures, and reduce costs, while continuing to invest in the development of industry-leading products and increasing commercial capacity. These measures are expected to generate annual cost savings of more than SEK 10 million, with full effect from the fourth quarter of 2025. TagMaster has incurred a one-time cost of approximately SEK 4 million in the second quarter related to the efficiency program.

TagMaster's French subsidiary, Citilog, continues to promote its updated Automatic Incident Detection (AID) system to both new and existing customers. The new software includes several groundbreaking modules such as Early Smoke Detection, Wrong Way Detection, Lane Change Detection, as well as several new AI-powered detection features. During the quarter, Citilog's automatic incident management system played a key role in ensuring a serious incident involving a burning truck in the Vuache Tunnel on the A40 between Lyon and Geneva ended safely with no injuries.

During the quarter, the Europe segment delivered RFID solutions to metro systems in Egypt and Saudi Arabia, as well as to tram systems in Italy, France, South Korea, and China. TagMaster also fulfilled orders for RFID access systems for mining projects in New Zealand. Additionally, Quercus supplied systems to various parking projects in Australia, Mexico, the USA, the Netherlands, Uzbekistan, and Spain during the quarter.

TagMaster's focus on active travel - cycling and pedestrian traffic - within the Infomobility application area continues to advance both in product development and marketing. All Infomobility products are now connected (IoT-enabled) and can be powered by solar panels and batteries. During the second quarter, deliveries were made for solar-powered counting stations in Brittany in northwestern France as well as in central France. In the UK, equipment was delivered to support hosting of multiple local counting stations in both Oxfordshire and Hampshire.

TagMaster expects that most of the markets in Europe will increase their infrastructure investments, although the company observes some short-term delays in spending due to the generally slower economic environment in Europe. These are temporary fluctuations, which are normal given that projects such as tunnels, bridges, metro systems, and tramway developments are linked to uneven investment cycles.

Amounts in TSEK	2025 April-June	2024 April-June	Change, %	2025 Jan-June	2024 Jan-June	Change, %
Net Sales	85 217	54 449	56,5	144 167	107 485	34,1
Gross profit	57 064	39 225	45,5	97 036	76 365	27,1
Gross margin, %	67,0	72,0	-	67,3	71,0	-
Adjusted EBITDA	12 631	2 194	475,7	4 198	4 883	-14,0
Adjusted EBITDA margin, %	14,8	4,0	-	2,9	4,5	-
Number of employees at end of period	120	81	48,1	-	-	-

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 leader in above solutions.

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

Business during the quarter

Sales for the US segment amounted to SEK 41.9 million in the second quarter, representing a decrease of 13.4% compared to the same period last year. Adjusted for acquisitions and currency effects, sales declined by 9.9%.

The adjusted gross margin amounted to 69.6%, representing an increase of 3.3 percentage points compared to the second quarter of 2024. Costs were at a lower level compared to the second quarter of 2024.

Adjusted EBITDA for the second quarter amounted to SEK 6.7 million, corresponding to an adjusted EBITDA margin of 16%. In the US segment, the Traffic Solutions business accounted for 100% of sales.

The radar business (RTMS) acquired from the US-based Image Sensing Systems (ISS) in the third quarter of 2023 has continued to develop well during the second quarter. The addition of the radar business (RTMS) to Sensys Networks' product and service offering represents an important step in the ongoing focus on growth in the US market.

With the completed acquisition, Sensys Networks is better equipped to take a leading position in multi-sensor solutions, where demand is expected to grow. During the quarter, TagMaster has continued to develop its AI-based multi-sensor platform, which, in addition to the radar sensor mentioned above, also includes camera sensors with deep learning software from Citilog. The launch of the new multi-sensor platform is planned for the ITS World Congress in Atlanta, USA, in August.

During the quarter, the US segment received major orders for detection systems for traffic lights in the UK, South Africa, and Kazakhstan, as well as several systems in the US, including in St. Louis and Indiana. In addition, radar products were sold to projects in Michigan and Indiana.

With the new wireless sensor FlexMag3 EZ-Out, road operators can achieve precise detection for all applications with minimal lane closures, while also quickly and easily replacing or relocating existing sensors with minimal system downtime. Wireless magnetic sensors offer superior accuracy in detection, rapid installation, and minimal maintenance requirements. FlexMag3 is the smallest sensor to date capable of withstanding extreme conditions and takes only two to five minutes to install.

TagMaster believes that the US market has significant growth potential in the medium term; however, in the short term, it will be affected by ongoing reviews of the various infrastructure programs launched by the previous administration.

Amounts in TSEK	2025 April-June	2024 April-June	Change, %	2025 Jan-June	2024 Jan-June	Change, %
Net Sales	41 954	48 458	-13,4	83 048	94 421	-12,0
Gross profit	29 219	32 104	-9,0	57 633	60 481	-4,7
Gross margin, %	69,6	66,3	-	69,4	64,1	-
Adjusted gross margin, %	69,6	66,3	-	69,4	67,0	-
Adjusted EBITDA	6 721	6 650	1,1	10 495	10 959	-4,2
Adjusted EBITDA margin, %	16,0	13,7	-	12,6	11,6	-
Number of employees at end of period	36	39	-7,7	-	-	-

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 net sales and earnings

April – June 2025

Net sales

Net sales for the quarter amounted to 127,2 (102,9) MSEK, representing an increase of 23,6 percent compared to the corresponding quarter of the previous year. The quarter's organic revenue change – adjusted for currency effects of -2,6 MSEK and changes due to acquisitions of 27,6 MSEK – amounted to -0,8 MSEK, which corresponds to -0,8 percent. The change attributable to acquisitions is entirely related to the subsidiary Quercus, which was acquired in the fourth quarter of 2024. The organic decline in sales was primarily driven by the Group's American segment, where sales decreased by 4,8 MSEK, corresponding to 9,9 percent.

Operating profit

The operating profit for the quarter amounted to 9,6 MSEK (2,5), representing an increase of 7,1 MSEK compared to the corresponding period of the previous year. The improved operating result was explained by higher revenue combined with lower costs relative to income. Other external expenses and personnel costs as a percentage of net sales amounted to 54,5 percent, compared to 58,3 percent in the corresponding period of the previous year.

The lower gross margin, 67,8 percent compared to 69,3 percent, was primarily attributable to changes in the product and customer mix.

Adjusted EBITDA

Adjusted EBITDA increased to 21,8 MSEK (11,6), corresponding to a margin of 17,1 percent (11,3). The improvement in the EBITDA margin, similarly to the increase in operating profit, was driven by higher revenue combined with proportionally lower cost levels.

Items affecting comparability

During the quarter, a cost savings program was implemented within the Group's European segment, which resulted in additional non-recurring personnel costs of 3,2 MSEK and other costs of 0,5 MSEK.

Financial items

Financial items for the quarter amounted to -1,7 MSEK (-1,3). The financial expenses impacting the quarter included interest expenses on liabilities to credit institutions of -2,1 MSEK (-1,4), as well as currency exchange effects related to these liabilities of 0,2 MSEK (0,3).

Tax

The group's tax amounted to -0,8 (0,0) MSEK and was attributable to current tax and changes in temporary differences and tax revenue based on the French subsidiary Citilog's development expenditure incurred.

Profit for the period

Profit for the period amounted to 7,0 (1,2) MSEK. Earnings per share before and after dilution amounted to 0,48 (0,08) SEK.

January - June 2025

Net sales

The first half year net sales amounted to 227,2 MSEK (201,9), representing an increase of 12,5 percent compared to the corresponding period previous year. The organic net sales growth for the year – adjusted for currency effects of -3,2 MSEK and changes due to acquisitions of 47,6 MSEK – amounted to -19,1 MSEK. The change attributable to acquisitions is entirely related to the subsidiary Quercus, which was acquired in the fourth quarter of 2024.

Operating profit/loss

The first half year operating profit/loss amounted to -1,6 MSEK (0,7), reflecting a decrease of 2,3 MSEK compared to the corresponding period previous year.

The decline in operating profit despite higher revenue and a higher gross margin was primarily explained by higher cost levels in proportion to revenue. The higher cost level was largely attributable to costs arising from the acquisition of Quercus, whose operating expenses during the first half of the year amounted to 19,5 MSEK.

Adjusted EBITDA

Adjusted EBITDA decreased to 19,7 MSEK (20,8), corresponding to a margin of 8,7 percent (10,3). The decreased margin, like the lower operating profit, was due to higher operating expenses in relation to revenue.

Financial items

Financial items for the first half year amounted to -2,0 MSEK (-3,3). The financial expenses impacting the period include interest expenses on liabilities to credit institutions of -4,1 MSEK (-3,0). The revaluation of these liabilities has affected the net financial result by 6,0 MSEK (-2,2).

Tax

The group's tax amounted to -1,0 MSEK (0,7). The tax for the period relates to tax on the parent company's result and changes in temporary differences,

Profit/loss for the year

Profit for the period amounted to -0,6 MSEK (-1,9). Earnings per share before and after dilution amounted to -0,04 SEK (-0,13).

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.

Consolidated balance sheet and cash flow

Liquidity and cash flow

As of June 30, 2025, the Group's available liquidity amounted to 52,2 (68,0) MSEK, of which overdraft facilities amounted to 19,0 (21,1) MSEK. As of June 30, 2025, the Group's overdraft facility of 30,0 MSEK was utilized by 20,3 (20,4) MSEK, while the overdraft facility in EUR of 1,0 MEUR (11,1 MSEK) was utilized by 1,9 (0,0) MSEK.

At the end of the period, the Group's cash and cash equivalents amounted to 33,1 (46,9) MSEK.

Cash flow April – June 2025

The quarter's cash flow amounted to -7,2 (12,4) MSEK and was distributed as follows:

- -2,7 (15,4) MSEK from operating activities.
- -0,2 (-0,2) MSEK to investment activities.
- -4,2 (-2,8) MSEK to financing activities, which included repayment of loan repayments of -8,7 (-5,7) MSEK, changes in bank overdraft facilities of 6,8 (5,5) MSEK, and lease liability amortisation of -2,3 (-2,6) MSEK.

Cash flow January – June 2025

The quarter's cash flow amounted to 10,3 (31,7) MSEK and was distributed as follows:

- 11,5 (41,2) MSEK from operating activities.
- -0,7 (-0,1) MSEK to investment activities.
- -21,0 (-9,5) MSEK to financing activities, which included loan repayments of -17,8 (-10,2) MSEK, changes in bank overdraft facilities of 1,8 (5,5) MSEK, and lease liability amortisation of -4,7 (-4,7) MSEK.

Investments

In 2025, investments in tangible fixed assets amounted to 0,7 (0,4) MSEK. No investments were made in intangible fixed assets.

Goodwill and other intangible assets

The Group's carrying amount of goodwill on June 30, 2025, was 147,0 (159,0) MSEK. Other intangible assets amounted to 73,4 (92,0) MSEK and relate to capitalized development expenditure of 22,1 (27,7) MSEK and customer relations of 43,0 (54,5) MSEK and trademark of 8,3 (9,7) MSEK. The decrease of 30,6 MSEK compared to the carrying amount on December 31, 2024, is attributable to amortisation at the amount of -11,9 MSEK and translation differences of -18,7 MSEK.

Right-of-use assets and lease liabilities

The carrying amount of right-of-use assets (lease agreements for premises) amounted to 12,8 (18,3) MSEK. The corresponding leasing liabilities amounted to 13,2 (18,6) MSEK.

The cost of short-term leases for the first half year amounted to 1,2 (1,5) MSEK.

Other non-current receivables

Other non-current receivables as of June 30, 2025, amounted to 4,0 (3,7) MSEK and consisted to the most part of the French subsidiary Citiogs tax receivables (based on discontinued development costs) that are expected to be paid later than twelve months after the end of the reporting period.

Deferred tax assets

Deferred tax assets as of June 30, 2025, amounted to 49,9 (55,9) MSEK and mainly related to the valuation of tax loss carryforwards and temporary differences attributable to the U.S. subsidiary's development expenditures.

Inventories

Inventories as of June 30, 2025, amounted to 65,0 (68,7) MSEK. Inventory value attributable to Quercus amounted to 12,4 (13,1) MSEK.

Accounts receivable

Accounts receivable as of June 30, 2025, amounted to 87,7 (91,9) MESK, whereof 15,2 (14,2) MSEK was attributable to Quercus.

Liabilities to credit institutions

As of 30 June 2025, the Group's liabilities to credit institutions amounted to 102,9 (125,2) MSEK and consisted of acquisition loans of 70,0 (84,8) MSEK, utilized overdraft facilities of 22,1 (20,4) MSEK, and 12,4 (20,9) MSEK attributable to the subsidiary Quercus. During the first half of the year, the acquisition loan was amortized by 10,8 MSEK. For the corresponding period of the previous year, the amortization amounted to 10,2 MSEK.

Equity

Equity as of June 30, 2025, amounted to 251,6 (286,3) MSEK, corresponding to 17,18 (19,54) SEK per outstanding share. There were no outstanding stock options or convertible programs on June 30, 2025.

Financial position

The equity ratio amounted to 51,1 (51,4) percent on June 30, 2025, and equity to 251,6 (286,3) MSEK. Total assets on June 30, 2025, amounted to 492,8 (556,7) MSEK.

The comparative figures for income statement and cash flow items refer to the corresponding period of the previous year, while the comparative figures for balance sheet items refer to the position as of 31 December 2024.

Business combinations

On November 28, 2024, 92,5 percent of the shares in the Spanish company Quercus Technologies S.L (Quercus) were acquired.

Quercus, designs and manufactures video based advanced digital solutions for the parking industries. The company is headquartered in Reus, Spain, and has installations in over 100 countries worldwide. Through the acquisition TagMaster significantly strengthens its offering for parking access, management, and security, and increases its sales to business customers (B2B) to complement its currently predominantly government business.

The purchase price upon close of the transaction is € 5,5 million. In addition, a deferred purchase price of approx. 0,45 MEUR for the remaining 7,5 percent of the shares will be paid in 2028 (call-put option). The option has been recognized as financial liability and the acquisition has been recognized as if TagMaster exercises control over 100 percent of the shares.

Finally, a performance-based additional payment (earn-out) of a maximum of 1 MEUR, conditional on improved sales, will be paid in three equal installments at the end of 2025, 2026 and 2027, 2028. The acquisition is an all-cash transaction funded by cash at hand and a new bank debt facility of 4,0 MEUR.

Acquisition related expenses of 0,6 MSEK have been recognized as other expenses in the income statement.

The assets and liabilities recognized as a result of the acquisition are as follows:

Fair Value	TSEK
<i>Non-current assets</i>	
Capitalized development expenditure	16 275
Customer relationships	29 636
Non-current receivables	7 967
Property, plant and equipment	2 045
<i>Current assets</i>	
Inventories	13 522
Trade receivables	13 006
Total current receivables	1 865
Cash and cash equivalents	2 740
<i>Non-current liabilities</i>	
Liabilities to credit institutions	-7 821
Other financial liabilities	-3 525
<i>Current liabilities</i>	
Liabilities to credit institutions	-12 566
Trade payables	-14 385
Total current liabilities	-4 555
Identifiable assets and liabilities, net	44 204
Transferred remuneration	66 726
Option to acquire shares owned by Montauk Investment S.L (equivalent to 7,5 percent of the shares) ¹	4 316
Additional purchase consideration ¹	9 482
Goodwill	36 320
Net cash flow from the acquisition of Quercus	
Transferred remuneration	66 726
Deduction: Acquired cash and cash equivalents	-2 740
Net cash flow	63 986

¹ Fair value of acquired inventories have been calculated as the dealer price deducted for estimated shipping and selling costs.

Note that the purchase price allocation above is preliminary and can be subject to changes.

The surplus value attributable to capitalized development expenditure to 9,2 MSEK, with an estimated useful life of 5 years. For customer relationships with a fair value of 29,6 MSEK, the estimated useful life is 7 years. Consequently, future annual amortisations for these two items amount to 6,0 MSEK.

No part of the goodwill arising in connection with the acquisition is expected to be tax deductible. Deferred tax attributable to the acquisition of Quercus on December 31, 2024, totaled to approximately 3,3 MSEK. In the acquisition analysis, a corresponding amount is recognized as a deferred tax asset attributable to tax loss carry-forwards. In the consolidated statement of financial position, these two items are recognized net.

Goodwill arose on the acquisition, as the transferred remuneration also included amounts related to synergies, revenue increases, development of future markets and the combined workforce of the division. These benefits have not been recognized separately from goodwill because they do not meet the criteria for recognition of identifiable intangible assets.

During 2025 Quercus contributed with revenue of 47,6 MSEK and operating profit of 3,5 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 56,3 (61,0) MSEK, of which invoicing of intra-group services and intra-group sales of goods amounted to 8,5 (10,8) MSEK. As of June 30, 2025, available liquidity amounted to 19,2 (32,6) MSEK, of which the overdraft credit amounted to 19,0 (21,1) MSEK. No significant investments have been made in intangible or tangible fixed assets.

Other information

Personnel

At the end of the year, the number of employees was 156 (120) of which employees of Quercus amount to 42.

Future outlook

The current global uncertainty, driven by the escalating situation around international tariffs, calls for a cautious approach in the near term. TagMaster is managing its operations accordingly, with a focus on long-term growth, cost control, and operational efficiency. The Group remains focused on what it can control and is taking measures to defend its market position and improve profitability.

TagMaster's growth strategy is based on organic expansion and acquisitions within existing and adjacent technology areas, aiming to broaden its product and solution offerings as well as its market presence. TagMaster's data solutions and sensor products are developed to prevent traffic congestion, reduce transportation emissions, and enhance safety by optimizing current and future traffic flows. The goal is to be an attractive provider of data-driven real-time information, which is a fundamental prerequisite for building the Smart Cities of the future.

The Group's Board of Directors and management remain optimistic about the long-term outlook. With increased volume and a broader offering that extends further into data solutions and software in key growth areas, the company has strong long-term growth potential.

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, as well as describing significant risks and uncertainties faced by the parent company and the companies within the group.

Summary consolidated income statement

Amounts in TSEK	2025 April-June	2024 April-June	2025 Jan-June	2024 Jan-June	2024 Jan-Dec
Net sales	127 172	102 907	227 216	201 907	420 445
Other revenue	1 583	391	2 388	677	3 280
Change in inventories during manufacture and finished goods	-761	380	677	775	-34
Goods for resale, raw materials and consumables	-40 128	-31 957	-73 224	-65 835	-133 316
Other external expenses	-16 256	-15 118	-32 829	-29 360	-60 851
Personnel expenses	-53 187	-44 860	-106 638	-89 747	-184 536
Depreciation of property, plant and equipment and amortisation of intangible assets	-8 536	-9 134	-17 571	-17 322	-32 626
Other operating expenses	-322	-127	-1 620	-421	-2 058
Operating profit/loss	9 565	2 481	-1 601	675	10 304
Financial net	-1 747	-1 304	2 042	-3 271	-7 285
Profit/loss before tax	7 818	1 177	441	-2 596	3 019
Tax	-825	-7	-1 015	665	1 643
Profit for the period	6 993	1 170	-574	-1 931	4 663
Net income attributable to:					
Shareholders in the Parent Company	6 993	1 170	-574	-1 931	4 663
Earnings per share, SEK					
Basic earnings per share	0,48	0,08	-0,04	-0,13	0,32
Diluted earnings per share	0,48	0,08	-0,04	-0,13	0,32

Consolidated statement of other comprehensive income

Profit for the period	6 993	1 170	-574	-1 931	4 663
<i>Items that may be reclassified to profit or loss</i>					
Exchange differences when translating foreign operations	-6 804	-1 808	-34 068	13 150	21 789
<i>Items not to be reclassified to the income statement</i>					
Remeasurement of the net pension obligation	-	-	-	-	694
Tax on the above	-	-	-	-	-179
Comprehensive income for the period	189	-638	-34 642	11 219	26 967
Comprehensive income attributable to:					
Shareholders in the Parent Company	189	-638	-34 642	11 219	26 967

Summary consolidated statement of financial position

Amounts in TSEK	2025-06-30	2024-06-30	2024-12-31
ASSETS			
Non-current assets			
Intangible assets	220 455	173 989	251 015
Property, plant, and equipment	3 437	2 211	3 820
Right-of-use assets	12 824	16 586	18 286
Other non-current receivables	4 007	4 054	3 744
Deferred tax assets	49 914	48 904	55 911
	290 637	245 745	332 777
Current assets			
Inventories	65 015	63 847	68 708
Trade receivables	87 665	61 551	91 925
Other receivables	16 372	15 258	16 391
Cash and cash equivalents	33 147	57 718	46 891
	202 199	198 374	223 915
TOTAL ASSETS	492 837	444 118	556 693
SHAREHOLDERS' EQUITY			
Share capital	18 309	18 309	18 309
Other contributed capital	241 459	241 459	241 459
Translation reserve	2 486	27 916	36 554
Retained earnings including profit for the period	-10 645	-17 179	-10 071
	251 609	270 505	286 251
Non-current liabilities			
Liabilities to credit institutions	51 072	33 250	65 067
Other financial liabilities	4 300	-	4 317
Deferred tax liabilities	2 032	2 958	2 196
Other provisions	21 620	17 679	18 772
Additional purchase consideration	6 146	-	6 041
Lease liabilities	5 376	9 140	8 542
Other non-current liabilities	1 965	1 853	1 938
	92 510	64 879	106 872
Current liabilities			
Trade payables	30 832	16 835	33 280
Current tax liabilities	-	2 883	-
Liabilities to credit institutions	51 813	30 600	60 133
Other financial liabilities	3 411	-	3 791
Other provisions	-	2 454	747
Additional purchase consideration	3 541	-	3 481
Lease liabilities	7 850	7 731	10 087
Other liabilities	51 270	48 231	52 051
	148 717	108 733	163 569
TOTAL EQUITY AND LIABILITIES	492 837	444 118	556 693

Summary consolidated statement of changes in equity

Amounts in TSEK	2025-06-30	2024-06-30	2024-12-31
Opening shareholders' equity	286 251	259 285	259 285
Profit for the period	-574	-1 931	4 663
Other comprehensive income	-34 068	13 150	22 303
Closing shareholders' equity	251 609	270 505	286 251

Equity attributable to shareholders in the Parent Company.

Summary consolidated statement of cash flows

Amounts in TSEK	2025 April-June	2024 April-June	2025 Jan-June	2024 Jan-June	2024 Jan-Dec
Operating activities					
Operating profit/loss	9 565	2 481	-1 601	675	10 304
Adjustments for non-cash items	10 910	9 134	19 945	17 322	32 626
Interest paid	-1 851	-1 666	-4 408	-3 263	-6 352
Interest received	187	390	414	581	1 229
Tax paid	-	-	-	-	-1 353
Tax received	-	-	-	-	1 949
Cash flow from operating activities before changes in working capital	18 811	10 339	14 350	15 315	38 403
Change in inventories	4 581	4 880	-408	17 589	27 252
Change in operating receivables	-27 904	2 752	-4 137	13 263	-790
Change in operating liabilities	1 776	-2 615	1 684	-4 929	-6 226
Cash flow from operating activities	-2 736	15 356	11 489	41 238	58 639
Investing activities					
Acquisition of subsidiaries, less acquired cash and cash equivalents	-	4	-	253	-63 733
Investments in property, plant and equipment	-246	-179	-746	-359	-874
Cash flow from investing activities	-246	-175	-746	-106	-64 607
Financing activities					
Borrowings	-	-	-	-	45 577
Repayment of loans	-8 691	-5 660	-17 824	-10 243	-18 380
Change in bank overdraft facilities	6 797	5 519	1 764	5 453	8 127
Repayment of other financial liabilities	-	-	-270	-	-
Lease liabilities	-2 318	-2 636	-4 700	-4 664	-9 229
Cash flow from financing activities	-4 212	-2 777	-21 030	-9 454	26 095
Cash flow for the period	-7 194	12 404	-10 287	31 678	20 127
Exchange rate differences in cash	-394	-595	-3 457	981	1 710
Cash at the beginning of the period	40 735	45 908	46 891	25 058	25 059
Cash at the end of the period	33 147	57 718	33 147	57 718	46 891

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 2025 - 30 June 2025	TagMaster Europe	TagMaster USA	Central	Eliminations	Total Group
Revenue					
External revenue	144 167	83 048	-	-	227 216
Cross-segment transactions	2 169	947	-	-3 116	-
	146 337	83 995	-	-3 116	227 216
Gross profit	97 036	57 633	-	-	154 669
Adjusted EBITDA	4 198	10 495	4 977	-	19 670
Items affecting comparability	-3 700	-	-	-	-3 700
EBITDA	498	10 495	4 977	-	15 970
Depreciations and amortizations	-9 983	-7 588	-	-	-17 571
Operating profit/loss	-9 485	2 907	4 977	-	-1 601
Other segment information					
Gross margin, %	67,3	69,4	-	-	68,1
Adjusted EBITDA margin, %	2,9	12,6	-	-	8,7
EBITDA margin, %	0,3	12,6	-	-	7,0
<i>Items affecting comparability:</i>					
Restructuring expenses	-3 700	-	-	-	-3 700
Number of employees at the end of the period	120	36			156

1 January 2024 - 30 June 2024	TagMaster Europe	TagMaster USA	Central	Eliminations	Total Group
Revenue					
External revenue	107 485	94 421	-	-	201 907
Cross-segment transactions	858	2 718	-	-3 576	0
	108 343	97 139	-	-3 576	201 907
Gross profit	76 365	60 481	-	-	136 846
Items affecting comparability	-	-2 763	-	-	-2 763
Adjusted gross profit	76 365	63 244	-	-	139 609
Adjusted EBITDA	4 883	10 959	4 917	-	20 760
Items affecting comparability	-	-2 763	-	-	-2 763
EBITDA	4 833	8 196	4 917	-	17 997
Depreciations and amortizations	-7 128	-10 194	-	-	-17 322
Operating profit/loss	-2 244	-1 998	4 917	-	675
Other segment information					
Gross profit margin, %	71,0	64,1	-	-	67,8
Adjusted gross margin, %	71,0	67,0	-	-	69,1
Adjusted EBITDA margin, %	4,5	11,6	-	-	10,3
EBITDA margin, %	4,5	8,7	-	-	8,9
<i>Items affecting comparability:</i>					
Difference between fair value and book value in RTMS PPA	-	-2 763	-	-	-2 763
Number of employees at the end of the period	81	39	-	-	120

Summarized parent company income statement

Amounts in TSEK	2025 Jan-June	2024 Jan-June	2024 Jan-Dec
Net sales	56 337	60 956	113 762
Other operating income	2 012	438	2 903
	58 349	61 394	116 665
Goods for resale and consumables	-21 079	-23 795	-42 677
Other external expenses	-13 101	-13 056	-30 949
Personnel expenses	-15 440	-15 090	-29 236
Depreciation of property, plant and equipment and amortisation of intangible assets	-7	-51	-75
Other operating expenses	-2 919	2	-1 160
Operating profit/loss	5 803	9 404	12 568
Financial expenses	2 995	1 441	-1 469
Profit after financial items	8 798	10 845	11 099
Change in untaxed reserves	-	-	-2 092
Tax on net profit for the year	-1 812	-1 530	-1 288
Profit for the period *	6 986	9 315	7 719

*) Profit for the year accords with comprehensive income for the year.

Summary parent company balance sheet

Amounts in TSEK	2025-06-30	2024-06-30	2024-12-31
ASSETS			
Intangible assets	-	18	0
Property, plant, and equipment	23	36	30
Financial assets	368 672	287 583	391 789
Inventories	18 569	19 369	17 401
Trade receivables	18 986	14 518	17 065
Receivables from Group companies	39 493	42 557	21 422
Other receivables	6 439	8 837	5 810
Cash and bank balances	203	2 950	11 505
TOTAL ASSETS	452 385	375 868	465 022
EQUITY AND LIABILITIES			
Equity	282 089	276 699	275 103
Provisions	1 565	1 534	1 565
Untaxed reserves	9 145	7 053	9 145
Non-current liabilities to credit institutions	45 097	33 250	57 543
Current liabilities to credit institutions	45 393	30 600	47 636
Trade payables	11 193	8 214	8 158
Current tax liability	0	2 883	0
Liabilities to Group companies	31 670	4 286	39 207
Other liabilities	26 233	11 349	26 665
TOTAL EQUITY AND LIABILITIES	452 385	375 868	465 022

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 applied are in accordance with described in the 2024 Annual Report.

Amendments and interpretations of existing standards that became effective in 2025 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 2024 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 2024 Annual Report on pages 50–51 and in the Director's report, pages 39–42. The risk assessment is in all material aspects unchanged.

4. Transactions with related parties

After TagMaster's acquisition of 92,5 percent of the shares in Quercus, the previous owner retains 7,5 percent of the shares in the acquired company. The previous owner has assumed a role in the Group management and is therefore considered a related party under IAS 24. Transactions with the previous owner as of June 30, 2025, have been reported as follows:

- Short term financial liability in Quercus: 3,4 MSEK
- Additional purchase consideration recognized in TagMaster AB: 9,7 MSEK (nominal amount 1,0 MEUR)
- Option to acquire 7,5 percent of the shares in Quercus recognized as a long term liability in TagMaster AB: 4,3 MSEK (nominal amount 445,9 TEUR)

Other related-party transactions refer to transactions in the form of remuneration to senior executives, as stated on page 54-55 of the 2024 Annual Report.

5. Fair value of financial instruments

The additional purchase consideration and option related to the acquisition of Quercus have been valued at fair value, in accordance with level 3. Other financial assets and liabilities are valued at amortized cost.

6. Breakdown of revenue from contracts with customers

	1 January 2025 – 30 June 2025			1 January 2024 – 30 June 2024		
	TagMaster Europe	TagMaster USA	Total Group	TagMaster Europe	TagMaster USA	Total Group
Geographical region						
Sweden	1 020	-	1 020	1 629	-	1 629
EMEA	91 959	26 693	118 653	61 665	28 895	90 560
Asia Pacific	15 013	3 830	18 843	22 898	4 140	27 038
Americas	36 175	52 525	88 701	21 293	61 386	82 678
Total	144 167	83 048	227 216	107 485	94 421	201 907
Customer category						
Traffic Solutions	109 790	83 048	192 838	79 520	94 421	173 942
Rail Solutions	34 378	-	34 378	27 965	-	27 965
Total	144 167	83 048	227 216	107 485	94 421	201 907
Time of revenue recognition						
At a particular time	127 991	80 604	208 595	89 663	92 020	181 683
Over time	16 176	2 444	18 620	17 822	2 402	20 224
Total	144 167	83 048	227 216	107 485	94 421	201 907

7. Intangible non-current assets

	Goodwill	Goodwill associated with assets and liabilities	Capitalized development expenditure	Customer relationships	Trademarks	Total Group
At 1 January 2025						
Cost of acquisition, opening balance	156 129	17 613	89 383	112 738	10 228	386 091
Accumulated amortization	-14 704	-	-61 690	-58 195	-484	-135 073
Carrying amount	141 425	17 613	27 690	54 543	9 744	251 015
1 January-30 June 2025						
Carrying amount, opening balance	141 425	17 613	27 690	54 543	9 744	251 015
Amortization for the period	-	-	-4 060	-7 650	-163	-11 873
Translation difference for the period	-10 707	-1 305	-1 512	-3 856	-1 307	-18 687
Carrying amount	130 718	16 308	22 118	43 037	8 274	220 455
At 30 June 2025						
Cost	130 718	16 308	89 773	100 976	8 845	346 620
Accumulated amortization	-	-	-67 652	-57 939	-571	-126 162
Carrying amount	130 718	16 308	22 118	43 037	8 274	220 455

Group key ratios

Amounts in SEK th. unless otherwise specified

Result	2025 April-June	2025 Jan-March	2024 Oct-Dec	2024 July-Sept	2024 April-June	2024 Jan-March	R12M Oct-Sept	Full Year 2024
Net sales	127 172	100 044	133 727	84 812	102 907	99 000	445 754	420 445
Net sales growth, %	23,6	1,1	6,8	-2,4	4,8	4,9	7,7	3,9
Organic net sales change, %	-0,8	-20,5	1,4	-17,3	-9,6	-14,5	-5,4	-8,3
Gross profit	86 283	68 386	93 545	56 704	71 329	65 517	304 917	287 095
Gross margin, %	67,8	68,4	70,0	66,9	69,3	66,2	68,4	68,3
Adjusted gross margin, %	67,8	68,4	70,0	66,9	69,3	69,0	68,4	68,9
Adjusted EBITDA	21 800	-2 131	26 957	583	11 615	9 144	47 209	48 300
Adjusted EBITDA margin, %	17,1	-2,1	20,2	0,7	11,3	9,2	10,6	11,5
EBITDA	18 100	-2 131	24 351	583	11 615	6 381	40 902	42 930
EBITDA margin, %	14,2	-2,1	18,2	0,7	11,3	6,4	9,2	10,2
Adjusted EBITA	18 703	-5 354	23 625	-2 596	7 732	6 557	34 379	35 381
Adjusted EBITA margin, %	14,7	-5,4	17,7	-3,1	7,5	6,6	7,7	8,4
EBITA	15 004	-5 354	21 019	-2 596	7 732	3 794	28 073	30 011
EBITA margin %	11,8	-5,4	15,7	-3,1	7,5	3,8	6,3	7,1
Operating profit	9 565	-11 166	16 248	-6 618	2 481	-1 806	8 028	10 304
Operating margin, %	7,5	-11,2	12,2	-7,8	2,4	-1,8	1,8	2,5
Profit/loss before tax	7 818	-7 377	12 570	-6 955	1 177	-3 773	6 056	3 019
Net profit for the period	6 993	-7 567	14 075	-7 482	1 170	-3 101	6 020	4 632
Earnings per share before dilution, SEK	0,48	-0,52	0,96	-0,51	0,08	-0,21	0,41	0,32
Earnings per share after dilution, SEK	0,48	-0,52	0,96	-0,51	0,08	-0,21	0,41	0,32

Financial position

Equity	251 609	251 421	286 251	254 406	270 505	271 144	251 609	286 251
Average equity	251 515	268 836	270 329	262 455	270 825	265 214	261 377	272 748
Equity ratio, %	51,1	51,2	51,4	61,4	60,9	60,6	51,1	51,4
Net debt (-) receivable	100 361	95 876	114 567	16 394	23 002	35 457	100 361	114 567
Return on equity, %	2,8	-2,8	5,2	-2,9	0,4	-1,2	2,3	1,7

Share data

Net sales per share, SEK	8,68	6,83	9,13	5,79	7,03	6,76	30,43	28,70
Equity per share, SEK	17,18	17,16	19,54	17,37	18,47	18,51	17,18	19,54
Market price on closing day, SEK	13,50	13,90	13,25	15,60	20,00	23,30	13,50	13,25
Number of shares at end of period	14 648	14 648	14 648	14 648	14 648	14 648	14 648	14 648
Average number of shares, thousands	14 648	14 648	14 648	14 648	14 648	14 648	14 648	14 648

Personnel information

Sales per employee	795	603	922	701	865	850	2 933	3 460
Average number of employees	160	166	145	121	119	117	152	122
Number of employees at end of period	156	164	168	122	120	118	156	168

¹Number 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.
Adjusted gross profit	Gross profit adjusted for items affecting comparability.	The key ratio is used in other calculations.
Adjusted gross margin	Net sales less costs of goods and services sold (adjusted gross profit) as a percentage of net sales.	The gross margin is used to measure production profitability in on-going operations.
Operating margin	Operating profit (EBIT) after depreciation, amortisation and impairments as a percentage of net sales.	Operating margin is used to measure operating profitability.
EBITDA	Operating profit (EBIT) before depreciation, amortisation and impairments.	EBITDA together with EBIT provides an overall picture of profit generated from operating activities.
Items affecting comparability	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 items affecting comparability	The key ratio provides an overall picture of profit generated from operating activities.
EBITA	Operating Profit before depreciation, amortisation of goodwill and depreciation, amortisation 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.

		2025 Jan-June	2024 Jan-June	R12M July-June	2024 Jan-Dec
A	Net sales	227 216	201 907	445 754	420 445
	Change in inventories during manufacture and finished goods	677	775	-132	-34
	Goods for resale, raw materials and consumables	-73 224	-65 835	-140 704	-133 316
B	Gross profit	154 669	136 847	304 917	287 095
	Items affecting comparability	-	2 763	-	2 763
B.1	Adjusted gross profit	154 669	139 610	304 917	289 859
C	Operating profit (EBIT)	-1 601	675	8 028	10 304
	Amortisation of intangible assets related to acquisitions	-11 252	-10 914	-20 045	-19 707
D	EBITA	9 651	11 589	28 073	30 011
	Depreciation of other intangible assets	-620	-1 041	-1 675	-2 096
	Depreciation of property, plant and equipment	-5 699	-5 367	-11 155	-10 823
E	EBITDA	15 970	17 997	40 903	42 930
	Items affecting comparability	3 700	-	6 306	2 606
	Total items affecting comparability	3 700	2 763	6 306	5 370
E	Adjusted EBITDA	19 670	20 760	47 209	48 300
D.1	Adjusted EBITA	13 351	14 352	34 379	35 381
(B/A)	Gross profit margin, %	68,1	67,8	68,4	68,3
(B.1/A)	Adjusted gross profit margin, %	68,1	69,1	68,4	68,9
(C/A)	EBIT margin, %	-0,7	0,3	1,8	2,5
(D.1/A)	Adjusted EBITA margin, %	5,9	7,1	7,7	8,4
(D/A)	EBITA margin, %	4,2	5,7	6,3	7,1
(E/A)	EBITDA margin, %	7,0	8,9	9,2	10,2
(F/A)	Adjusted EBITDA margin, %	8,7	10,3	10,6	11,5

Return on equity, %

		2025 Jan-June	2024 Jan-June	R12M July-June	2024 Jan-Dec
(A)	Net profit for the period	-574	-1 931	-574	4 663
(B)	Opening equity for the period	286 251	259 285	271 144	259 285
(C)	Closing equity for the period	251 609	270 505	251 609	286 251
D	Average equity	268 930	264 894	261 377	272 768
(A)/(D)	Return on equity, %	-0,2	-0,7	-0,2	1,7

Equity ratio, %

		2025-06-30	2024-06-30	2025-06-30	2024-12-31
(A)	Equity	-	-	251 609	285 251
(B)	Balance sheet total	-	-	492 837	556 693
(A/B)	Equity ratio, %	-	-	51,1	51,4

Net debt

		2025-06-30	2024-06-30	2025-06-30	2024-12-31
	Liabilities to credit institutions	102 885	63 850	102 885	125 200
	Lease liabilities	13 225	16 871	13 225	18 628
	Additional purchase consideration	17 398	-	17 398	17 630
	Cash	-33 147	-57 718	-33 147	-46 891
(A)	Net debt (-) receivable	100 361	23 003	100 361	114 567
(A)/(E)	Net debt/adjusted EBITDA, multiple (rolling 12 m)			2,1	2,4