

Continued record-high order book in an increasingly active market

SEK in millions	2022 Q2	2021 Q2	Δ %	2022 Jan-Jun	2021 Jan-Jun	Δ %	2021 Full year
Revenue	153.7	154.3	0	291.1	298.1	-2	593.0
Gross profit	88.4	89.6	-1	170.4	172.2	-1	340.4
Gross margin, %	57.5	58.0		58.5	57.8		57.4
EBITDA	3.4	25.6	-87	11.2	49.1	-77	69.9
EBITDA margin, %	2.2	16.6		3.8	16.5		11.8
Operating profit/loss	-8.3	14.2	-159	-12.1	26.9	-145	24.9
Operating margin, %	-5.4	9.2		-4.2	9.0		4.2
Profit/loss for the period	-7.3	9.4	-178	-11.7	16.1	-173	14.5
Earnings per share, SEK	-0.16	0.21	-178	-0.26	0.36	-172	0.33
Cash flow from operating activities	8.1	25.4	-68	11.5	59.4	-81	91.0
Order intake	157.7	167.3	-6	554.2	304.7	82	628.1
Order book	481.7	191.7	151	481.7	191.7	151	224.7

"We can note that the higher level of activity in the market has continued into the second quarter. Sales and marketing activities were marked by high intensity. After the first half year, we have both the highest order intake and the largest order book in the company's history. However, component shortage and delivery disruptions continue to negatively affect our own delivery capacity. The considerably more uncertain geopolitical situation has put further focus on defense and security issues, which in the long term most likely will mean increased demand for INVISIO's solutions. We are well-positioned to benefit from the increasing defense investments expected in coming years."

Lars Højgård Hansen, CEO

IMPORTANT EVENTS DURING THE QUARTER

- INVISIO has been awarded a three-year support contract by the UK MoD, with an option of a further two years. The contract refers to deliveries of INVISIO's communication system with hearing protection.

IMPORTANT EVENTS AFTER THE CLOSE OF THE QUARTER

- James Ewing, SVP Racial Acoustics and member of Group Management retires.

Continued record-high order book in an increasingly active market

"We can note that the higher level of activity in our markets has continued into the second quarter. We can also note that the current situation in Europe, with war in Ukraine and a considerably more uncertain geopolitical situation, has put a strong focus on defense and security issues.

For our part, sales and marketing activities were marked by high intensity. We participated in several trade exhibitions, including Eurosatory in Paris, which is one of Europe's major meeting places for the defense and security industry. The impression is that market conditions are beginning more to resemble those before the pandemic and that the level of activity among customers is increasing.

Good order intake and broader customer base

In the second quarter the order intake was SEK 157.7 million (167.3). For the first half year altogether, it was SEK 554.2 million (304.7), corresponding to an increase of about 80 per cent compared with the first half of 2021.

The trend towards more but smaller orders continues, to which the increased sales to law enforcement and security customers contributes. This development means increased stability for the revenue side and to some extent decreased dependence on the really large orders.

The strongest order book in INVISIO's history

At the close of the period the record strong order book amounted to SEK 481.7 million (191.7).

It is worth repeating in this context that deliveries of our offers take place with various time perspectives. For products under the INVISIO brand deliveries are usually within 2-6 months, while deliveries of solutions for use in vehicles, under the Racal Acoustics brand, often lie considerably further in the future. It is not unusual for a first part-delivery to be within 6 months and the following deliveries only after 1-3 years, according to the customers' roll-out plans and vehicle deliveries.

Continued component shortages and transport challenges

Sales in the quarter were SEK 153.7 million (154.3), which is somewhat higher than the previous quarter but significantly lower than our growth ambitions.

We continue to experience logistical challenges, where component shortages in particular have impacted our ability to deliver with short lead times. In addition, we are also experiencing longer lead times for procurement of transport for our customer deliveries. All in all, this has affected sales in the quarter.

We estimate that sales will be higher in the second half year.

The gross margin was 57.5 per cent (58.0). The margin level mainly depends on the product and sales mix, which may vary over time.

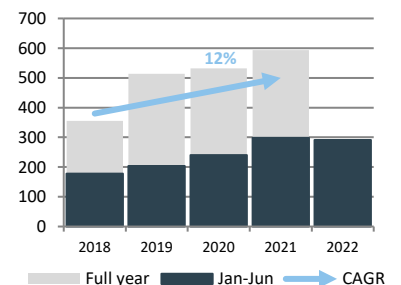
Operating expenses in the quarter include greatly increased market activities after the pandemic of about SEK 10 million, of which about SEK 5 million is non-recurring. The activities include trade fairs, marketing and a large number of customer visits, but also increasing costs of products for customer tests.

The EBITDA margin was 2.2 per cent (16.6) and the operating margin was -5.4 per cent (9.2) for the second quarter which of course is not satisfactory. The margin levels are mainly a consequence of forward-looking investments, which we are making despite temporarily weaker sales. In addition, non-recurring costs have also had a negative impact. The operating margin excluding non-recurring costs was -2.1 per cent.

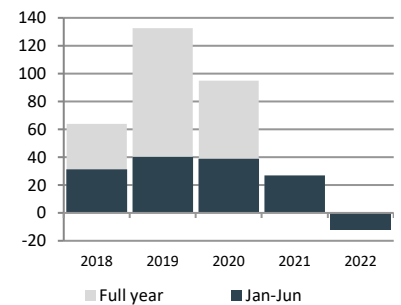


Lars Højgård Hansen, CEO

Sales (SEK million)



EBIT (SEK million)



The average EBIT margin for the past 20 quarters was 14 per cent.

Operating expenses include greatly increased market activities of SEK 10 million, where SEK 5 million are non-recurring.

Another major contract with the UK MoD

In mid-April the UK Ministry of Defence awarded us a three-year support contract, for INVISIO's communication system with hearing protection. The contract includes an option to extend for another two years. The new contract replaces a 5-year agreement that expired in March 2022, which over its lifetime generated about SEK 180 million in order intake. We expect the new contract to develop in a similar way.

The new contract is the third larger with the UK Ministry of Defence this year.

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Impact of increased geopolitical uncertainty

The war in Ukraine has meant that more countries, particularly in Europe, have communicated an intention to substantially increase their defense budgets in coming years. The investments will amount to multi-billion figures. They will include increased materials purchases and greater strategic stockpiles so that more soldiers than before can be equipped immediately when a situation arises.

In the short term this development has limited impact on demand for INVISIO's products. Some smaller orders have been brought forward but are not considered to have any great effect on sales in 2022.

However, in the longer term we are convinced that larger defense budgets and more soldiers will mean increased demand for our products. The need for new and modern communication equipment including hearing protection is great in many countries and larger budgets will allow faster roll out.

Larger defense budgets mean in the long-term higher demand for INVISIO's offer.

Continued positive expectations for 2022

Although component supply and deliveries in the first half of 2022 have been challenging, we believe in a gradual return to more normal conditions in the second half of the year and a continued strong intake of orders.

In the second half year special focus will lie on marketing of our numerous new product solutions, while we intend to resume our penetration and expansion, above all in Asia.

I am convinced that we are well-positioned to benefit from the increasing defense investments expected in coming years. There is therefore every reason to take a positive view of INVISIO's continued development.

We are well-positioned to benefit from the increasing defense investments.

Lars Højgård Hansen, CEO

Sales and profit

Second quarter 2022

The order intake in the quarter amounted to SEK 157.7 million (167.3). The order book, which is the strongest in the history of the company, amounted to SEK 481.7 million (191.7) at the close of the quarter. This is a result of a market increasingly starting to return to normal conditions.

Sales in the quarter amounted to SEK 153.7 million (154.3), which is in line with the corresponding period in the previous year. Adjusted for exchange rate effects, sales decreased by 7 per cent.

Gross profit was SEK 88.4 million (89.6) and the gross margin was 57.5 per cent (58.0). The gross margin is mainly governed by the product mix and share of direct sales versus sales via distribution partners.

Operating expenses in the quarter were SEK 96.7 million (75.4). The increase is mainly attributable to greatly increased market activities of about SEK 10 million, of which about SEK 5 million are non-recurring. The activities include trade fairs, marketing and a large number of customer visits, but also increasing costs of products for customer tests.

Depreciation/amortization in the quarter amounted to SEK 11.6 million (11.4). Depreciation on completed development projects amounted to SEK 5.0 million (4.7). Of the remaining SEK 6.6 million (6.7), SEK 3.3 million (3.1) refers to amortization of other intangible assets (customer relations, technology and trademark) arising in connection with the acquisition of Racal Acoustics. Amortization of rights of use (leases) of SEK 2.1 million (2.1) is also included, as well as depreciation of property, plant and equipment of SEK 1.2 million (1.5). See Note 3 for further information.

Cash flow from operating activities was SEK 8.1 million (25.4). The weaker cash flow was mainly due to temporarily weaker sales and the resulting lower profit level.

EBITDA was SEK 3.4 million (25.6), which resulted in a margin of 2.2 per cent (16.6).

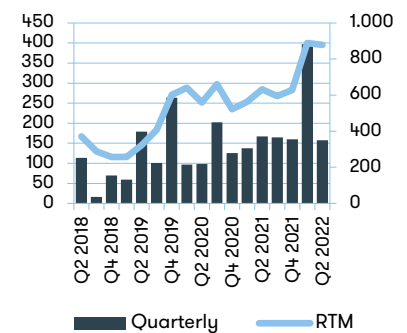
The operating profit (EBIT) was SEK -8.3 million (14.2). The operating margin was -5.4 per cent (9.2). The result is mainly explained by a delay in sales and a higher cost level. This comes, as stated previously, mainly from investments in line with the company's growth strategy and the non-recurring cost mentioned.

The average operating margin for the last 20 quarters was 14.0 per cent.

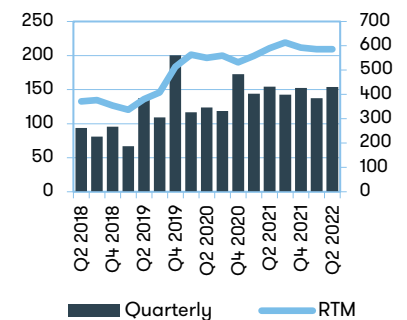
Net financial income was SEK 0.3 million (-1.1).

Profit/loss before tax amounted to SEK -8.0 million (13.0) and profit/loss for the period was SEK -7.3 million (9.4). Earnings per share were SEK -0.16 (0.21).

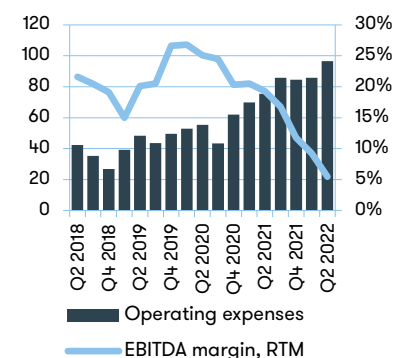
Order intake per quarter and rolling 12 months (SEK million)



Sales per quarter and rolling 12 months (SEK million)



Operating expenses per quarter (SEK million) and EBITDA margin rolling 12 months (per cent)



First half year 2022

Sales for the first half of 2022 amounted to SEK 291.1 million (298.1). In comparable currencies sales decreased by 8 per cent.

Gross profit was SEK 170.4 million (172.2) and the gross margin was 58.5 per cent (57.8).

Operating expenses for the first half of 2022 were SEK 182.6 million (145.3). The increase is attributable to the forward-looking investments that have been made despite weaker sales.

During the period development costs of SEK 10.8 million (9.3) were capitalized. Operating expenses include depreciation of capitalized development costs of SEK 10.1 million (9.2).

EBITDA was SEK 11.2 million (49.1), which resulted in a margin of 3.8 per cent (16.5).

Operating profit for the period was SEK -12.1 million (26.9) and the operating margin was -4.2 per cent (9.0).

Net financial income was SEK 0.1 million (-3.2).

Profit/loss before tax amounted to SEK -12.0 million (23.8) and profit/loss for the period was SEK -11.7 million (16.1). Earnings per share were SEK -0.26 (0.36).

14%

Investments in R&D for 2017-2021 amounted to an average of 14 per cent of the company's total annual revenue.

Cash flow, investments and financial position

Cash flow and investments

The Group's cash flow for the first half of 2022 was SEK -13.8 million (-39.7), of which cash flow from operating activities was SEK 11.5 million (59.4). The weaker cash flow from operating activities, compared with the corresponding period of the previous year, is mainly due to weaker sales than planned and changes in working capital.

Cash flow from investing activities amounted to SEK -12.8 million (-185.6). Cash flow from financing activities was SEK -12.5 million (86.6).

Capitalized development costs were SEK -10.8 million (-9.3) and net investment in property, plant and equipment amounted to SEK -2.0 million (-2.6).

The inventory value amounted to SEK 141.6 million (118.0) at the close of the period.

Cash and cash equivalents and financial position

INVISIO has a sound financial position. The Group's cash and cash equivalents at the close of the quarter amounted to SEK 125.5 million (120.4).

Group equity on the same date amounted to SEK 432.9 million (404.3), which gave an equity/assets ratio of 63 per cent (59).

Parent company

Net sales for the parent company for the first half year amounted to SEK 0.0 million (0.0). The operating profit was SEK -6.7 million (-4.2). Net financial income was SEK -1.4 million (-1.9).

At the close of the quarter the parent company's cash and bank balances amounted to SEK 42.2 million (34.3). Equity amounted to SEK 244.4 million (224.1), which gave an equity/assets ratio of 70 per cent (66). The number of employees of the parent company was 1 person (1).

Employees

The number of employees in the Group, restated as full-time positions, was 195 (187) at the close of the period. Of the employees, 162 were men (155) and 33 women (32).

James Ewing, SVP Racial Acoustics and member of Group Management retires July 31, 2022. His role will not be replaced. All Racial Acoustics functions are now fully integrated in INVISIO and the organization now operates as one company with two brands.

Other information

Material risks and uncertainties

INVISIO's business and earnings are affected by a number of external and internal factors. A continuous process is conducted to identify all existing risks and to assess how each respective risk is to be managed. The risks can be divided into market-related, operational, sustainability and climate-related, as well as financial risks. For a more detailed description of these risks, please refer to INVISIO's annual report for 2021.

Financial instruments

The fair value of the Group's financial assets and liabilities is estimated to be equal to the book value.

Review

This report has not been reviewed by the company's auditors.

Financial calendar

Interim report January-September 2022	October 27, 2022
Year-end report 2022	February 13, 2023

Interim reports and annual reports are available at www.invisio.com.

Stockholm, July 22, 2022

Lars Højgård Hansen
President/CEO

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Public disclosure

This information is information that INVISIO AB (publ) is obliged to disclose under the EU Market Abuse Regulation. The information was released for public disclosure, through the agency of the President/CEO, on July 22, 2022, at 08.30 CEST.

Address

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INVISIO AB is a Swedish limited company listed on Nasdaq Stockholm. The company's share is traded under the ticker name IVSO and the ISIN code is SE0001200015.

Invitation to conference call

INVISIO invites the media, investors and analysts to a conference call on Friday, July 22, at 10:00 CEST, when the CEO Lars Højgård Hansen will present INVISIO's report for the first half of 2022.

The conference call will be held in English, starting with a brief presentation of the report followed by a question-and-answer session.

Registration

Pre-registration is required for participation in the conference call. After registration a telephone number and PIN code will be provided. It is also possible to use the "call me function".

Please complete registration 5–10 minutes prior to the scheduled starting time to facilitate a timely start to the conference.

Registration link

<https://register.vevent.com/register/Bldeae0181833140a597920c2e25e73040>

Webcast

To follow the presentation online, use the link below:

<https://edge.media-server.com/mmc/p/5be7yz48>

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INVISIO in brief

The core of INVISIO's business is to develop and market, on the basis of good customer understanding and innovative capacity, advanced communication systems that help professionals in noisy and mission critical environments to work more safely and effectively while protecting their hearing.

The personal system and Intercom solution

INVISIO's offer consists of both personal communication systems for use in the field and in vehicles, and an Intercom system for use in various forms of transport. The personal equipment reduces high noise levels and enables disruption-free communication in noisy and mission critical environments. The Intercom system makes it possible for users of the personal equipment to communicate within the group and with others while on the move. The products are marketed under the INVISIO and Racal Acoustics brands.

A structurally growing niche market

INVISIO mainly addresses customers in defense as well as law enforcement and security, in the USA and Europe and selected countries in Asia. The company estimates that the annual value of the total addressable market for personal equipment and the Intercom system amounts to about SEK 14 billion.

At present more than 85 per cent of revenue comes from European and American defense customers. However, the company sees steadily increasing business opportunities in the law enforcement and security market as well as new geographical markets.

Sales primarily through own channels

Sales are from the headquarters in Copenhagen and via our own sales offices in the USA, France, Italy, the United Kingdom and Thailand. Sales are also via a global network of partners and resellers. Major business transactions are normally via procurements, which are often time-consuming due to extensive administrative processes and customer tests. INVISIO has long-term framework agreements with customers in the USA, Canada, the United Kingdom, Australia, Sweden and Denmark, among others.

Uneven order flow and sales and varying delivery times

Order intake and sales can fluctuate between quarters and the company's development should therefore be evaluated in a longer time perspective than an individual quarter or year.

For products under the INVISIO brand deliveries are usually within 2-6 months, while for Racal Acoustics solutions it is not unusual for an initial part-delivery to be made within six months and the remaining deliveries to be made only after 12-36 months.

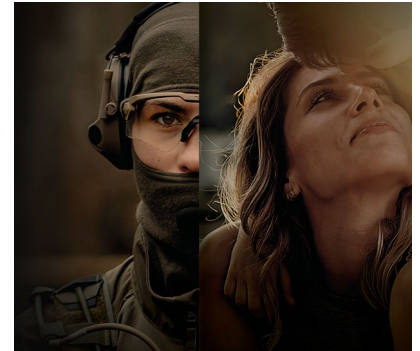
An organizational structure focused on core business

INVISIO focuses on development and sales, while selected European contract manufacturers are responsible for most of the manufacturing. Outsourcing manufacturing to external partners ensures the flexibility to be able to manage variations in order volumes.

High growth with sound profitability

INVISIO is a distinct growth company with the financial targets of an average sales increase of 20 per cent per year and an operating margin that exceeds 15 per cent. In the five-year period 2017-2021 average sales have grown annually by about 12 per cent and the average operating margin has been about 17 per cent.

The share is listed on Nasdaq Stockholm and is in the Mid Cap segment.



By enabling safe communication and hearing protection in critical situations INVISIO creates value for both individuals and society as a whole.

Users

- Safer work environment
- Increased operational capacity
- Prevents lifelong hearing loss and related problems

Society

- Higher efficiency
- Lower costs for rehabilitation and compensation for hearing loss

Condensed consolidated income statement and consolidated statement of comprehensive income

SEK in millions	Note	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun	2021 Full year
Revenue	2	153.7	154.3	291.1	298.1	593.0
Cost of goods sold		-65.3	-64.8	-120.7	-125.9	-252.6
Gross profit		88.4	89.6	170.4	172.2	340.4
Operating expenses*	3	-96.7	-75.4	-182.5	-145.3	-315.5
Operating profit/loss		-8.3	14.2	-12.1	26.9	24.9
Net financial items		0.3	-1.1	0.1	-3.2	-1.3
Profit/loss before tax		-8.0	13.0	-12.0	23.8	23.5
Income tax	4	0.6	-3.7	0.4	-7.7	-9.0
Profit/loss for the period		-7.3	9.4	-11.7	16.1	14.5
OTHER COMPREHENSIVE INCOME						
<i>Items that may subsequently be reclassified to profit and loss</i>						
Translation differences		17.9	-1.0	21.8	11.4	24.1
Comprehensive income for the period		10.6	8.4	10.1	27.4	38.6
<i>(Profit/loss attributable to equity holders of the parent company.)</i>						
*Depreciation/amortization incl. in operating expenses	3	-11.6	-11.4	-23.3	-22.1	-45.1

	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun	2021 Full year
Per-share data					
Earnings per share, SEK	-0.16	0.21	-0.26	0.36	0.33
Earnings per share after dilution, SEK	-0.16	0.21	-0.26	0.36	0.32
Shareholders' equity per share, SEK	9.61	9.08	9.61	9.08	9.37
Shareholders' equity per share after dilution, SEK	9.61	8.84	9.61	8.84	9.26
Equity ratio, %	63	59	63	59	61
Number of shares, thousand	45,049	44,540	45,049	44,540	44,540
Average number of outstanding shares, thousand	44,625	44,172	44,625	44,172	44,358
Average number of outstanding shares after dilution, thousand	45,049	45,578	45,049	45,758	45,098
Share price at end of period, SEK	147.60	188.60	147.60	188.60	163.80

Condensed consolidated statement of financial position

SEK in millions

Assets	Note	30/06/2022	30/06/2021	31/12/2021
Goodwill		55.5	57.5	54.5
Capitalized development costs	3	97.3	95.9	92.6
Other intangible assets	3	84.4	92.1	89.3
Property, plant and equipment	3	15.9	18.5	17.1
Right-of-use assets, leases	3	27.0	37.4	33.7
Deposits for rent, long-term		2.5	2.4	2.4
Deferred tax assets	4	3.1	2.5	3.2
Inventories		141.6	118.0	117.5
Trade receivables		111.5	121.1	117.6
Other short-term receivables		26.6	23.3	27.3
Cash and cash equivalents		125.5	120.4	134.8
Total assets		690.9	689.2	690.0

Shareholders' equity and liabilities

Shareholders' equity		432.9	404.3	417.5
Liabilities to credit institutions		75.0	95.0	85.0
Lease liabilities		28.5	37.6	34.3
Deferred tax liabilities	4	35.3	38.0	35.5
Trade payables		51.6	36.2	34.1
Other current liabilities		67.5	78.1	83.7
Total shareholders' equity and liabilities		690.9	689.2	690.0

Condensed consolidated statement of changes in equity

	2022	2021	2021
	Jan-Jun	Jan-Jun	Full year
Opening balance	417.5	378.9	378.9
New issue through exercising employee stock options	34.7	26.6	26.9
Employee stock option program	1.8	2.1	3.9
Dividend	-31.2	-30.9	-30.9
Comprehensive income for the period	10.1	27.4	38.6
Closing balance	432.9	404.3	417.5

Condensed consolidated statement of cash flow

SEK in millions	Note	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun	2021 Full year
Operating activities						
Profit/loss before tax		-8.0	13.0	-12.0	23.8	23.5
Adjustments for non-cash items		11.6	12.0	28.0	24.4	47.7
Income tax paid		-7.4	-1.2	-8.8	-2.2	-9.0
Cash flow from operating activities before changes in working capital		-3.8	23.8	7.1	46.0	62.2
Changes in inventories		-14.9	11.5	-16.0	17.7	21.5
Changes in operating receivables		10.4	-3.5	15.1	12.2	17.1
Changes in operating liabilities		16.4	-6.5	5.3	-16.5	-9.9
<i>Cash flow from changes in working capital</i>		11.9	1.6	4.4	13.4	28.8
Cash flow from operating activities		8.1	25.4	11.5	59.4	91.0
Investing activities						
Capitalization of development costs		-5.7	-5.0	-10.8	-9.3	-14.9
Changes in other intangible assets		-	12.1	-	12.1	12.5
Investments in subsidiaries		-	-1.3	-	-185.6	-185.6
Acquisition of property, plant, and equipment		-0.5	-1.2	-2.0	-2.6	-3.7
Acquisition of financial assets		0.0	0.1	0.0	-0.1	-0.1
Cash flow from investing activities		-6.3	4.7	-12.8	-185.6	-191.9
Financing activities						
New issues through exercising employee stock options		34.7	26.6	34.7	26.6	26.9
Borrowings		-5.0	-5.0	-10.0	95.0	85.0
Changes in lease liabilities		-1.4	-2.3	-6.0	-4.2	-8.0
Dividend paid		-31.2	-30.9	-31.2	-30.9	-30.9
Cash flow from financing activities		-2.9	-11.5	-12.5	86.6	73.0
CASH FLOW FOR THE PERIOD		-1.1	18.5	-13.8	-39.7	-27.9
Cash and cash equivalents at start of period		123.3	103.1	134.8	157.7	157.7
Translation differences in cash and cash equivalents		3.4	-1.3	4.5	2.4	5.0
Cash and cash equivalents at end of period		125.5	120.4	125.5	120.4	134.8

Condensed parent company income statement

SEK in millions	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun	2021 Full year
Revenue	0.0	0.0	0.0	0.0	0.1
Operating expenses	-3.7	-1.7	-6.8	-4.2	-8.9
Operating profit/loss	-3.7	-1.7	-6.7	-4.2	-8.8
Net financial items**	-1.2	-0.6	-1.4	-1.9	23.8
Profit/loss before tax	-4.9	-2.3	-8.2	-6.1	15.0
Income tax	-	-	-	-	-
Profit/loss for the period	-4.9	-2.3	-8.2	-6.1	15.0
**Of which, dividend from subsidiaries	-	-	-	-	26.8

Condensed parent company balance sheet

SEK in millions	30/06/2022	30/06/2021	31/12/2021
Assets			
Participations in Group companies	305.7	302.2	304.0
Receivables from Group companies	-	-	-
Other current receivables	0.6	0.5	0.4
Cash and bank balances	42.2	34.3	41.8
Total assets	348.6	337.0	346.2
Shareholders' equity and liabilities			
Restricted shareholders' equity	66.6	66.1	66.1
Non-restricted shareholders' equity	177.8	158.0	181.1
Liabilities to credit institutions	75.0	95.0	85.0
Trade payables	0.5	0.5	0.5
Liabilities to Group companies	27.2	15.8	11.4
Other current liabilities	1.5	1.6	2.0
Total shareholders' equity and liabilities	348.6	337.0	346.2
	2022	2021	2021
Parent company changes in shareholders' equity	Jan-Jun	Jan-Jun	Full year
Opening balance	247.2	232.3	232.3
New issues through exercising employee stock options	34.7	26.6	26.9
Employee stock option program	1.8	2.1	3.9
Dividend	-31.2	-30.9	-30.9
Profit/loss for the period**	-8.2	-6.1	15.0
Closing balance	244.4	224.1	247.2

Notes

Note 1. Accounting policies and valuation principles

The interim report for the Group was prepared in accordance with IAS 34, the Swedish Financial Reporting Board's Recommendation RFR 1, Supplementary Accounting Rules for Groups, and the Annual Accounts Act. The parent company's accounts were prepared in accordance with RFR2, Accounting for Legal Entities and the Swedish Annual Accounts Act. The accounting policies applied are consistent with the policies described in INVISIO's annual report for 2021.

New standards

None of the new standards and amendments of interpretations and existing standards which are effective for financial years starting on or after January 1, 2022, have had any significant impact on the Group's financial statements.

Note 2. Revenue by geographical area

	2022	2021	2022	2021	2021
SEK in millions	Q2	Q2	Jan-Jun	Jan-Jun	Full year
Sweden	7.8	8.3	14.7	11.1	36.6
Europe	55.5	51.9	141.2	123.0	218.8
North America	74.7	85.7	111.6	131.2	253.3
Rest of the world	15.6	8.5	23.7	32.7	84.3
Total	153.7	154.3	291.1	298.1	593.0

Note 3. Depreciation/amortization

	2022	2021	2022	2021	2021
SEK in millions	Q2	Q2	Jan-Jun	Jan-Jun	Full year
Depreciation of capitalized development costs	5.0	4.7	10.1	9.2	18.9
Amortization of Other intangible assets*	3.3	3.1	6.6	5.2	11.1
Amortization of Right of use assets, leases	2.1	2.1	3.9	5.2	9.3
Depreciation of Property, plant and equipment	1.2	1.5	2.7	2.6	5.7
Total	11.6	11.4	23.3	22.1	45.1

*Other intangible assets consists of values allocated to intangible assets, such as customer relations, technology and trademarks, in connection with the acquisition of Racal Acoustics.

Note 4. Taxes

Deferred tax assets referring to tax loss carry forwards are recognized to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized. An individual assessment is made of each company with reference to historical performance and possibilities of utilizing loss carry-forwards.

The Group's total loss carry-forwards as of June 30, 2022, were SEK 143.7 million (129.8), of which none are capitalized. Unutilized loss carry-forwards refers mainly to the parent company and cannot be capitalized at present. All loss carry-forwards has an unlimited life.

SEK in millions	30/06/2022	30/06/2021
Deferred tax assets		
Receivables attributable to other temporary differences	3.1	2.5
Closing balance	3.1	2.5
Deferred tax liabilities		
Liabilities attributable to capitalized development costs in Denmark	-20.5	-20.7
Liabilities attributable to temporary differences in other intangible assets	-15.1	-17.5
Receivables attributable to other temporary differences in Denmark	0.3	0.2
Closing balance	-35.3	-38.0

Financial key figures, alternative performance measures and other definitions

INVISIO's financial statements include financial key figures that are specified in current financial reporting rules, alternative performance measures in accordance with ESMA's definition and other key figures related to the business. The alternative performance measures are regarded as relevant for an investor who wants to understand the company's results and financial position better. Definitions and reconciliation of the alternative performance measures that are not directly reconcilable with the financial statements can be found below. Reconciliation is against the closest comparable IFRS financial measure.

Gross margin

Gross profit as a percentage of total income.

Operating margin

Operating profit as a percentage of total revenue.

Profit margin

Profit for the year as a percentage of total revenue.

EBITDA

Operating profit before depreciation/amortization and impairment losses.

EBIT (Operating profit)

Operating profit after depreciation/amortization and impairment losses. INVISIO defines EBIT (earnings before interest and tax) in the same way as Operating profit.

Operating expenses

Selling and marketing costs, Administrative expenses and Development costs.

Net financial items

Financial income less Financial expenses.

Equity/assets ratio

Equity divided by total assets (balance sheet total).

Number of shares

Number of outstanding shares at the close of the period.

Number of shares after dilution

Number of outstanding shares at the close of the period plus the number of shares that would be added if all potential dilutive shares were converted to shares.

Only the option programs whose issue price is less than the average market price of the shares during the period can lead to a dilutive effect.

Average number of outstanding shares

Weighted average of the number of outstanding shares during the period.

Average number of outstanding shares after dilution

Weighted average of the number of outstanding shares during the period plus a weighted number of shares that would be added if all potential dilutive shares were converted to shares. Only the option programs whose issue price is less than the average market price of the shares during the period can lead to a dilutive effect.

Earnings per share

Profit for the year divided by the average number of outstanding shares.

Earnings per share after dilution

Profit for the year in relation to the number of shares outstanding after dilution.

Equity per share

Equity divided by the number of outstanding shares adjusted for non-registered issues.

Shareholders' equity per share after dilution

Shareholders' equity divided by the number of outstanding shares after dilution.

Number of employees at close of period

The number of employees on the date of the last monthly salary payment for the period.

Reconciliation of alternative performance measures

SEK in millions		2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun	2021 Full year
Gross profit	A	88.4	89.6	170.4	172.2	340.4
Operating expenses	B	96.7	75.4	182.5	145.3	315.5
EBIT (Operating profit)	A-B	-8.3	14.2	-12.1	26.9	24.9
EBIT (Operating profit/loss)	A	-8.3	14.2	-12.1	26.9	24.9
Depreciation, amortization and impairment losses	B	11.6	11.4	23.3	22.1	45.1
EBITDA	A+B	3.4	25.6	11.2	49.1	69.9

SEK in millions		30/06/2022	30/06/2021	31/12/2021
Equity	A	432.9	404.3	417.5
Number of shares, thousands	B	45,049	44,540	44,540
Shareholders' equity per share, SEK	A/B	9.61	9.08	9.37
Equity	A	432.9	404.3	417.5
Number of shares after dilution, thousands	B	45,049	45,758	45,098
Shareholders' equity per share after dilution, SEK	A/B	9.61	8.84	9.26

Overview - eight past quarters

	2020	2020	2021	2021	2021	2021	2022	2022
SEK in millions	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Revenue	118.7	172.8	143.7	154.3	142.7	152.2	137.4	153.7
Cost of goods sold	-59.0	-70.6	-61.1	-64.8	-60.3	-66.4	-55.4	-65.3
Gross profit	59.8	102.2	82.7	89.6	82.4	85.8	82.1	88.4
Operating expenses	-43.4	-61.9	-69.9	-75.4	-85.7	-84.5	-85.9	-96.7
Operating profit/loss	16.4	40.2	12.8	14.2	-3.4	1.3	-3.8	-8.3
Net financial items	-8.2	-1.4	-2.1	-1.1	1.0	0.8	-0.2	0.3
Profit/loss before tax	8.2	38.9	10.7	13.0	-2.3	2.1	-4.0	-8.0
Income tax	-1.9	-11.4	-4.0	-3.7	-0.5	-0.9	-0.3	0.6
Profit/loss for the period	6.2	27.5	6.7	9.4	-2.8	1.3	-4.3	-7.3
Cash flow from operating activities	-66.5	50.4	34.0	25.4	8.5	23.1	3.3	8.1
Gross margin, %	50.3	59.1	57.5	58.0	57.7	56.4	59.7	57.5
Operating margin, %	13.8	23.3	8.9	9.2	-2.4	0.9	-2.8	-5.4
Profit margin %	5.2	15.9	4.7	6.1	-2.0	0.8	-3.1	-4.8
Equity ratio, %	73	73	57	59	58	61	63	63
Earnings per share, SEK*	0.14	0.62	0.15	0.21	-0.06	0.03	-0.10	-0.16
Shareholders' equity per share, SEK*	8.35	8.59	9.05	9.08	9.13	9.37	9.38	9.61

* Before dilution