

# CAPNOR WEASEL BIDCO OYJ

Half-Year Financial Report  
January – June 2021



## Half-Year Financial Report 2021

### Second quarter highlights

- Revenue increased by 52% to MEUR 23.2 (15.2)
- EBITDA increased to MEUR 4.3 (1.4), corresponding to a 19% (9%) EBITDA margin
- EBIT increased to MEUR 2.2 (-0.5), corresponding to a 10% (-4%) EBIT margin
- Operational cash flow increased to MEUR 1.3 (0.4). As planned, the strategic actions to mitigate possible global supply chain disruptions caused by global component shortages continued to have a negative impact to the Operational Cash Flow

### Significant events during the quarter

- iLOQ Rapide – Digital access management as a service launched in May
- iLOQ awarded ISO/IEC 27001 Information Security Management certification
- iLOQ kicks off cooperation with Bayer 04 Leverkusen to strengthen growth in Germany
- COVID-19 mitigation actions continued successfully
- Global component shortage situation mitigation actions continued successfully

KEY FINANCIALS			Change			Change	
EUR thousand	Q2 2021	Q2 2020	in %	H1 2021	H1 2020	in %	FY 2020
Revenue	23,172	15,234	52 %	42,215	29,274	44 %	74,125
<b>EBITDA</b>	<b>4,291</b>	<b>1,437</b>	198 %	<b>6,784</b>	<b>1,321</b>	414 %	<b>12,635</b>
<b>EBITDA margin</b>	<b>19 %</b>	<b>9 %</b>		<b>16 %</b>	<b>5 %</b>		<b>17 %</b>
EBIT	2,230	-537	-516 %	2,722	-2,528	-208 %	5,089
EBIT margin	10 %	-4 %		6 %	-9 %		7 %
Operational Cash Flow	1,277	387	230 %	-1,917	1,080	-278 %	8,017
Operational Cash Flow %	6 %	3 %		-5 %	4 %		11 %

\* Q1/H1 2020 EBITDA, EBIT & Operational Cash Flow include an impact from goodwill bridge calculation in which there is an inventory fair value adjustment of MEUR -1.2. This adjustment was done in connection with Nordic Capital Fund IX's acquisition of iLOQ and is an NRI

## Management overview of the second quarter

Following a strong Q1 2021, iLOQ was able to continue accelerating its growth in Q2 2021. For the fourth quarter in a row, the Group's revenue growth was above 30% with Q2 2021 revenue growth being 52%. For the second quarter in a row, the Group was able to have a record quarterly revenue growth. Despite the strong revenue growth being partly due to COVID-19 negatively affecting the comparison quarter of Q2 2020, the strong financial performance proved that iLOQ has been able to continue accelerating its growth path.

The successful actions to mitigate potential supply chain disruptions due to COVID-19 continued in Q2 2021. Management successfully continued measures to secure delivery capability and to mitigate possible unforeseen supply chain disruptions in the second quarter to be able to meet customer demand. These actions continued the trend of higher inventory levels compared to Q2 2020. The company is likely to continue to hold higher than normal inventory levels in the coming quarters to mitigate any possible supply chain disruption coming from the global component shortage.

Q2 2021 included multiple significant events for iLOQ: The launch of iLOQ Rapide in Finland, the awarded ISO/IEC 27001 Information Security Management certification and the start of cooperation with Bayer 04 Leverkusen in Germany. iLOQ Rapide is a fast and easy way to replace an outdated access management system with a modern iLOQ access management system by eliminating the need for an initial investment by offering a competitive and flexible monthly payment fee. The awarded ISO/IEC 27001 certificate highlights that iLOQ has the necessary tools and processes in place to defend against external cybersecurity threats and instill ongoing confidence in our customers, partners and end users. As for the cooperation with Bayer 04 Leverkusen, iLOQ looks forward to making life more accessible for staff and visitors to the BayArena stadium and to boost its reputation in key Residential, Commercial and Critical Infrastructure business areas in the important German market.

Management believes that the strong financial results achieved in Q2 2021 were a result of keeping the organization fully employed and active during the COVID-19 pandemic in 2020. During this time, a significant focus was directed to supporting and virtually training our partner network in these unprecedented times. The management decided to heavily invest in digital marketing and sales channels in 2020 and has continued on the same path in 2021. Due to these and many other actions completed during the last twelve months, management believes that iLOQ is well positioned to continue executing its long-term growth strategy in 2021, as well as in the coming years.

## Second quarter 2021

Total revenue grew 52% compared to Q2 2020, driven by strong sales across all regions. The record high revenue growth was partly due to the comparison quarter being weaker than normal due to COVID-19 negatively affecting Q2 2020. Management expects the quarterly growth rates to slow down closer to the Group's long-term average due to the strong sales in the comparison quarters of Q3 and Q4 of 2020. The stronger comparison quarters were caused by projects which were postponed from Q2 2020 to Q3 and Q4 2020.

EBITDA amounted to MEUR 4.3 (1.4), corresponding to a 19% (9%) EBITDA margin. The increase in EBITDA was mainly caused by the increased volumes and operational leverage.

EBIT amounted to MEUR 2.2 (-0.5), corresponding to a 10% (-4%) EBIT margin. The increase in EBIT was mainly caused by the increased volumes and operational leverage.

Operational cash flow was MEUR 1.3 (0.4). The increased inventories to mitigate any possible COVID-19-related supply chain disruptions continued to have a material negative impact on the Q2 2021 Operational cash flow. The company is expected to continue to have higher than normal inventories during the COVID-19 pandemic and until the global component situation improves to guarantee its ability to produce and ship iLOQ products to customers.

## First half 2021

Total revenue grew 44% compared to first half 2020, driven by strong sales across all regions. The high revenue growth was partly due to the comparison period being weaker than normal due to COVID-19 negatively affecting H1 2020. Management expects the H2 2021 growth rate to be slower and closer to the Group's long-term average due to the strong sales in the comparison period of H2 2020. Despite this, management believes that the company has been able to continue taking market share in H1 2021 and is well positioned to continue the growth momentum in all regions during the rest of 2021.

EBITDA amounted to MEUR 6.8 (1.3), corresponding to a 16% (5%) EBITDA margin. The increase in EBITDA was mainly caused by the increased volumes and operational leverage.

EBIT amounted to MEUR 2.7 (-2.5), corresponding to a 6% (-9%) EBIT margin. The increase in EBIT was mainly caused by the increased volumes and operational leverage.

Operational cash flow was MEUR -1.9 (1.1). The decrease was caused by continued efforts to mitigate any possible COVID-19-related supply chain disruptions. The increased inventories had a material negative impact on the H1 2021 Operational cash flow. The company is expected to continue to have higher than normal inventories during the COVID-19 pandemic and until the global component situation improves to guarantee its ability to produce and ship iLOQ products to customers.

## Events after the reporting period

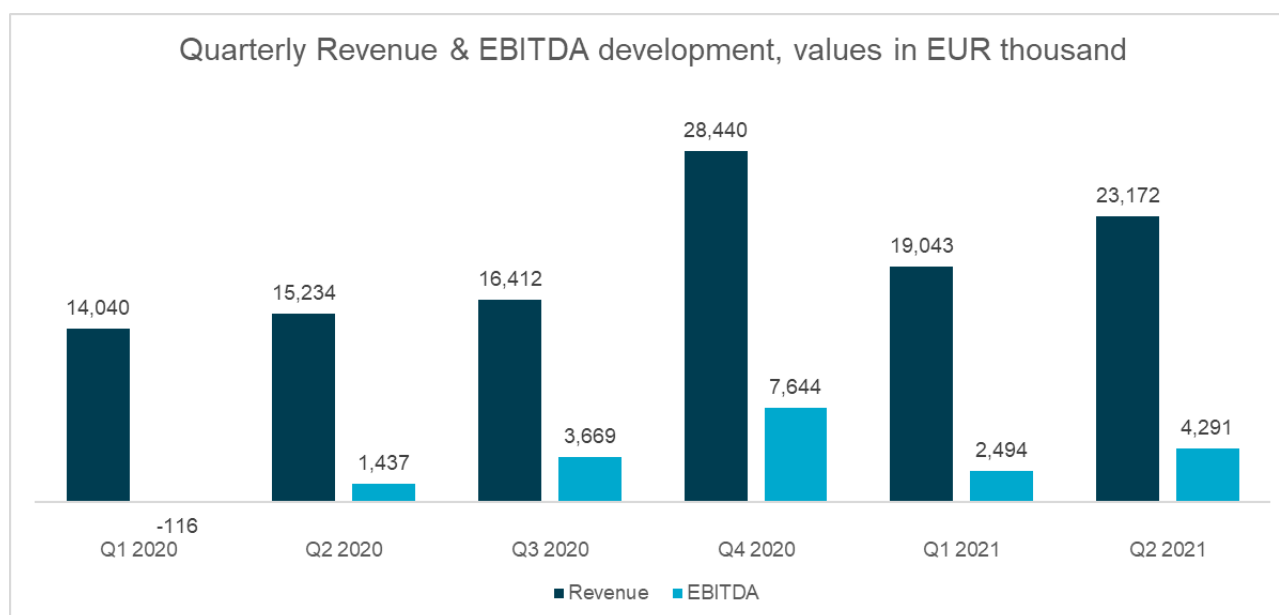
As of 1<sup>st</sup> of July, Agustín Llobet Pedrero has been appointed as Country Manager for iLOQ Spain. He takes over the role from Joaquim Serrahima who is now Director of Global Key Accounts for the telecom segment – a strategic move in order to further strengthen iLOQ's focus on the critical infrastructure business.

## Key Figures

<b>FINANCIAL KEY FIGURES</b>	<b>H1 2021</b>	<b>H1 2020</b>	<b>FY 2020</b>
Revenue (EUR 1,000)	42,215	29,274	74,125
Operating profit (EUR 1,000)	2,722	-2,528	5,089
Operating profit (%)	6,4 %	-8,6 %	6,9 %
Return on equity (%) (ROE)	0,3 %	-2,8 %	0,4 %
Equity ratio (%)	60,5 %	58,6 %	60,3 %
<b>Average number of employees for the financial period</b>	<b>213</b>	<b>167</b>	<b>170</b>

## Quarterly Information

QUARTERLY INFORMATION	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
Revenue	14,040	15,234	16,412	28,440	19,043	23,172
EBITDA	-116	1,437	3,669	7,644	2,494	4,291
EBITDA margin	-1 %	9 %	22 %	27 %	13 %	19 %
EBIT	-1,991	-537	2,011	5,606	492	2,230
EBIT margin	-14 %	-4 %	12 %	20 %	3 %	10 %
Operational Cash Flow	693	387	1,509	5,428	-3,194	1,277
Operational Cash Flow %	5 %	3 %	9 %	19 %	-17 %	6 %



## Declaration of the Board

We confirm that, to the best of our knowledge, the condensed financial statements give a true and fair view of the Group's assets, liabilities, financial position and results of operations for the period. We also confirm, to the best of our knowledge, that the management overview includes a fair review of important events that have occurred during the first half 2021.

Espoo August 20, 2021

Heikki Hiltunen  
 President and CEO

Karl Petersson  
 Member of the Board

## INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT, IFRS					
EUR Thousand	Q2 2021	Q2 2020	H1 2021	H1 2020	FY 2020
<b>Revenue</b>	23,172	15,234	42,215	29,274	74,125
Other income	0	1	0	1	1
Materials and services	-9,907	-7,176	-18,487	-14,803	-33,789
Employee benefit expenses	-5,772	-3,741	-10,700	-7,375	-15,474
Depreciation, amortisation and impairment losses	-2,060	-1,974	-4,063	-3,849	-7,545
Other operating expenses	-3,202	-2,880	-6,243	-5,776	-12,229
<b>Operating profit</b>	<b>2,230</b>	<b>-537</b>	<b>2,722</b>	<b>-2,528</b>	<b>5,089</b>
Finance income	17	47	38	61	133
Finance cost	-999	-891	-1,924	-2,048	-4,067
<b>Net financial expenses</b>	<b>-982</b>	<b>-843</b>	<b>-1,886</b>	<b>-1,987</b>	<b>-3,934</b>
<b>Profit (-loss) before taxes</b>	<b>1,248</b>	<b>-1,380</b>	<b>835</b>	<b>-4,515</b>	<b>1,155</b>
Income taxes	-480	101	-435	701	-637
<b>Profit (loss) for the financial period</b>	<b>768</b>	<b>-1,279</b>	<b>401</b>	<b>-3,814</b>	<b>518</b>
<b>Items that may be subsequently reclassified to profit or loss</b>					0
Translation differences	31	-11	1	-2	-15
<b>Total comprehensive income</b>	<b>800</b>	<b>-1,290</b>	<b>402</b>	<b>-3,816</b>	<b>503</b>
<b>Earnings per share, undiluted (EUR)</b>	<b>7,684</b>	<b>-12,790</b>	<b>4,005</b>	<b>-38,139</b>	<b>5,181</b>
<b>Earnings per share, diluted (EUR)</b>	<b>7,684</b>	<b>-12,790</b>	<b>4,005</b>	<b>-38,139</b>	<b>5,181</b>

## BALANCE SHEET

<b>CONSOLIDATED BALANCE SHEET, IFRS</b>			
<b>EUR Thousand</b>	<b>Jun 2021</b>	<b>Jun 2020</b>	<b>Dec 2020</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	101,712	103,498	102,650
Goodwill	91,672	91,672	91,672
Property, plant and equipment	4,802	3,679	4,519
Deferred tax assets	481	445	478
<b>Total non-current assets</b>	<b>198,667</b>	<b>199,294</b>	<b>199,319</b>
Inventories	15,179	7,948	10,246
Trade and other receivables	14,903	8,688	12,119
Cash and cash equivalents	1,666	13,565	8,013
<b>Total current assets</b>	<b>31,748</b>	<b>30,200</b>	<b>30,378</b>
<b>Total assets</b>	<b>230,415</b>	<b>229,494</b>	<b>229,697</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Share capital	80	80	80
Invested unrestricted equity fund	142,980	142,980	142,980
Translation difference	-1	-2	15
Retained earnings	-4,151	-8,831	-4,568
<b>Total equity</b>	<b>138,908</b>	<b>134,227</b>	<b>138,507</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities	54,308	54,141	54,218
Non-current lease liabilities	739	551	731
Non-current provisions	993	634	1,026
Deferred tax liabilities	18,319	18,726	18,743
<b>Total non-current liabilities</b>	<b>74,360</b>	<b>74,052</b>	<b>74,719</b>
<b>Current liabilities</b>			
Short-term interest-bearing liabilities	0	10,000	0
Account payables and other liabilities	15,303	10,092	13,569
Current lease liabilities	998	696	1,017
Current provisions	634	399	460
Current tax liabilities	211	29	1,425
<b>Total current liabilities</b>	<b>17,147</b>	<b>21,215</b>	<b>16,471</b>
<b>Total liabilities</b>	<b>91,507</b>	<b>95,267</b>	<b>91,190</b>
<b>Total equity and liabilities</b>	<b>230,415</b>	<b>229,494</b>	<b>229,697</b>

## STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENT OF CASH FLOWS, IFRS					
EUR Thousand	Q2 2021	Q2 2020	H1 2021	H1 2020	FY 2020
<b>CASH FLOW FORM OPERATING ACTIVITIES</b>					
Profit (Loss) for the financial period	768	-1,278	400	-3,814	518
Adjustments:					
Depreciation and amortization	2,061	1,974	4,063	3,849	7,545
Unrealized exchange rate gains and losses	0	0	0	0	-150
Financial Income	-17	-47	-38	-61	-133
Financial Expense	999	891	1,924	2,048	4,067
Taxes	480	-101	435	-701	637
Other adjustments	0	0	0	0	186
<b>Change in Working Capital:</b>					
Change in trade and other receivables	-1,581	-663	-2,753	2,277	-1,255
Change in inventory	-2,946	-730	-4,933	525	-1,774
Change in trade and other payables	2,970	1,349	1,703	-1,073	2,580
Change in provisions	26	179	142	259	712
Interest paid	-787	-795	-1,524	-1,557	-3,261
Interest received	0	0	0	0	1
Income tax paid	-348	-12	-2,098	-987	-1,050
Other financial items	-43	-154	-90	-168	-319
<b>Net cash flow from operating activities (A)</b>	<b>1,584</b>	<b>613</b>	<b>-2,769</b>	<b>597</b>	<b>8,304</b>
<b>Cash flow from investing activities</b>					
Investments in intangible assets	-1,075	-924	-2,134	-1,642	-3,671
Investments in tangible assets	-408	-262	-726	-588	-1,210
Business acquisitions	0	0	0	0	0
<b>Net cash flow from investing activities (B)</b>	<b>-1,483</b>	<b>-1,185</b>	<b>-2,860</b>	<b>-2,229</b>	<b>-4,881</b>
<b>Cash flow from financing activities</b>					
Payments of lease liabilities	-297	-245	-559	-496	-1,027
Proceeds from short-term liabilities	0	0	0	10,000	10,000
Payments of short-term liabilities	0	0	0	0	-10,000
<b>Net cash flow from financing activities (C)</b>	<b>-297</b>	<b>-245</b>	<b>-559</b>	<b>9,504</b>	<b>-1,027</b>
<b>CHANGE IN CASH AND EQUIVALENTS (A+B+C)</b>	<b>-196</b>	<b>-817</b>	<b>-6,188</b>	<b>7,872</b>	<b>2,396</b>
<b>Cash and cash equivalents, in the beginning of period</b>	<b>1,974</b>	<b>14,386</b>	<b>8,013</b>	<b>5,784</b>	<b>5,784</b>
Net effect of exchange rate changes on cash and cash equivalents	-112	-4	-159	-91	-167
<b>Cash and cash equivalents, at the end of period</b>	<b>1,666</b>	<b>13,565</b>	<b>1,666</b>	<b>13,565</b>	<b>8,013</b>



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR thousand	Share capital	Share premium reserve	Reserve for invested non-restricted equity	Translation reserve	Retained earnings	Total
<b>Equity on Jan 1, 2021</b>	80		142,980	15	-4,568	138,507
Adjustment for previous year's retained earnings						
<b>Comprehensive income</b>						
Profit for the financial year				1	401	402
<b>Total comprehensive income</b>				1	401	402
<b>Equity on Jun 30, 2021</b>	80		142,980	16	-4,167	138,908

EUR thousand	Share capital	Share premium reserve	Reserve for invested non-restricted equity	Translation reserve	Retained earnings	Total
<b>Equity on Jan 1, 2020</b>			142,778		-5,017	137,761
Comprehensive income						
Profit for the financial year				-2	-3,814	-3,816
<b>Total comprehensive income</b>					-3,814	-3,816
<b>Transactions with shareholders</b>						
Unmatched investment			282			282
Issue of shares	80		-80			
<b>Total transactions with shareholders</b>	80		202			282
<b>Equity on Jun 30, 2020</b>	80	0	142,980	-2	-8,831	134,227

<b>EUR thousand</b>	<b>Share capital</b>	<b>Share premium reserve</b>	<b>Reserve for invested non-restricted equity</b>	<b>Translation reserve</b>	<b>Retained earnings</b>	<b>Total</b>
<b>Equity on Jan 1, 2020</b>			142,778		-5,017	137,761
Adjustment for previous year's retained earnings					-69	-69
<b>Comprehensive income</b>						
Profit for the financial year				15	518	533
<b>Total comprehensive income</b>				<b>15</b>	<b>518</b>	<b>533</b>
<b>Transactions with shareholders</b>						
Unmatched investment			282			282
Issue of shares	80		-80			0
<b>Total transactions with shareholders</b>	<b>80</b>		<b>202</b>			<b>282</b>
<b>Equity on Dec 31, 2020</b>	<b>80</b>		<b>142,980</b>	<b>15</b>	<b>-4,568</b>	<b>138,507</b>

# Notes to the interim consolidated financial statements

## 1. Reporting Entity

Capnor Weasel Bidco Oyj (the Company) is domiciled in Finland. These condensed interim financial statements for the quarter ended June 30, 2021 comprise the Company and its subsidiaries (together referred to as the 'Group')

## 2. Accounting Principles

The Group's Interim Report for January-June 2021 has been prepared in line with IAS 34, 'Interim Financial Reporting' and should be read in conjunction with the Group's financial statements for 2020, published on April 30, 2021. The Group has applied the same accounting principles in the preparation of this Interim Report as in its Financial Statements for 2020. The information presented in this Interim Report has not been audited.

Revenue from IFRS IC finalized in April 2021 its agenda decision Configuration or Customization Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets). In this agenda decision, IFRS IC considered whether, applying IAS 38, the customer recognizes an intangible asset in relation to configuration or customization of the application software, and, if an intangible asset is not recognized, how the customer accounts for the configuration or customization costs. IFRIC agenda decisions have no effective date, so they are expected to be applied as soon as possible. As the Group has cloud computing arrangements in place, it has started to analyze if this agenda decision has an impact to the accounting policies applied to implementation costs in cloud computing arrangements. The Group will undertake this analysis during the fall 2021, and the possible impacts will be implemented retrospectively in the financial statements 2021 at the latest.

## 3. Seasonality

The Group operates in an industry that sees seasonal changes in revenue. In a typical year, the first three quarters amount to approximately two thirds of the Group's full-year revenue while the last quarter sees the revenue rise to amount to one third of the full-year revenue. Therefore, in a normalized year, the financial results of the fourth quarter can be expected to be stronger than compared to the first three quarters.

## 4. Segment reporting

Capnor Weasel Bidco Group is a Finnish group of companies. In addition to the parent company Capnor Weasel Bidco Oyj, iLOQ Group belongs to the Group. Industrial operations are in the iLOQ Group that offers solutions for electrical locking. iLOQ Group operates with a network business model in the manufacture and distribution of products. iLOQ Group's products are sold through iLOQ's distribution channel providing professional installation and maintenance services. iLOQ Group has subsidiaries in Sweden, Denmark, Norway, Germany, the Netherlands, France, Spain, Great Britain and Canada.

The Group's business operations are managed and monitored as one entity. Subsidiaries are sales organizations and their turnover consists of commission charges from the iLOQ Group's parent company. Based on the similarity of business operations, products, services and production process, the Group has only one operating segment. The Executive Board is iLOQ Group's chief operative decision maker. The Executive Board evaluates the performance of the company and the use of resources as a whole.

Composition of the Group's turnover and geographical distribution is presented with the notes related to turnover. The Group has no external customers with net sales over 10% of the Group's total net sales. The Group's most significant non-current assets are located at the domicile state of the parent company.

## 5. Revenue

The revenue of Capnor Weasel Bidco Group consists of digital locking and access management systems. The Group's products consist of supplied locks, as well as lock operation and maintenance services. The Group's customers are retailers and partners of locking products.

Revenue is recognized when control over the goods or the service is transferred to the customer. Lock deliveries are recognized as revenue when control is transferred on the basis of the delivery of the products, when the risks and benefits have been transferred to retailers. EX Works Incoterms delivery term is generally used on the delivery of products. For one significant customer, performance obligation is satisfied at the time of the delivery, and for these deliveries Delivered Duty Paid Incoterms are applied. Revenue from maintenance and repair services is recognized over time as the customer receives the benefits simultaneously as the service is provided. Sales contracts are made with the regular payment terms. A yearly discount can be granted to customers for products sold.

The Group's revenue by geographical area is presented below.

<b>REVENUE BY GEOGRAPHY</b>	<b>Q2</b>	<b>% of</b>	<b>Q2</b>	<b>% of</b>	<b>H1</b>	<b>% of</b>	<b>H1</b>	<b>% of</b>
<b>EUR thousand</b>	<b>2021</b>	<b>Rev</b>	<b>2020</b>	<b>Rev</b>	<b>2021</b>	<b>Rev</b>	<b>2020</b>	<b>Rev</b>
Finland	9,652	42 %	6,903	45 %	16,657	39 %	12,642	43 %
Northern Europe excl Finland	7,172	31 %	5,652	37 %	13,596	32 %	10,334	35 %
Rest of the World	6,348	27 %	2,679	18 %	11,962	28 %	6,298	22 %
<b>Total Sales</b>	<b>23,172</b>	<b>100 %</b>	<b>15,234</b>	<b>100 %</b>	<b>42,215</b>	<b>100 %</b>	<b>29,274</b>	<b>100 %</b>

The classification of revenue according to the timing of product deliveries and service production is presented below

<b>REVENUE</b>	<b>Q2</b>	<b>% of</b>	<b>Q2</b>	<b>% of</b>	<b>H1</b>	<b>% of</b>	<b>H1</b>	<b>% of</b>
<b>EUR thousand</b>	<b>2021</b>	<b>Rev</b>	<b>2020</b>	<b>Rev</b>	<b>2021</b>	<b>Rev</b>	<b>2020</b>	<b>Rev</b>
Revenue is recognized at point in time	22,768	98,3 %	14,986	98,4 %	41,468	98,2 %	28,817	98,4 %
Revenue is recognized over time	403	1,7 %	247	1,6 %	747	1,8 %	457	1,6 %
<b>Total Sales</b>	<b>23,172</b>	<b>100 %</b>	<b>15,234</b>	<b>100 %</b>	<b>42,215</b>	<b>100 %</b>	<b>29,274</b>	<b>100 %</b>

## INTANGIBLE ASSETS

EUR thousand	Technology	Intangible Rights	Brand	Goodwill	Other Intangible assets	Customer relations	Work in progress	Total
Acquisition cost, Jan 1, 2021	79,699	210	12,865	91,672	850	12,142	3,103	200,540
Transfer between items	-228						254	26
Additions		52			821		1,259	2,132
Acquisition cost, Jun 30, 2021	79,471	262	12,865	91,672	1,670	12,142	4,616	202,698
Accumulated depreciations and impairment Jan 1, 2021	4,251	46	906		162	854		6,219
Amortisation	2,012	28	429		222	405		3,095
Accumulated depreciations and impairment Jun 30, 2021	6,263	74	1,335		384	1,259		9,314
Carrying amount Jan 1, 2021	75,448	164	11,959	91,672	688	11,288	3,103	194,321
Carrying amount Jun 30, 2021	73,209	187	11,531	91,672	1,287	10,885	4,616	193,384

EUR thousand	Technology	Intangible Rights	Brand	Goodwill	Other Intangible assets	Customer relations	Work in progress	Total
Acquisition cost, Jan 1, 2020	77,472	148	12,865	91,672	209	12,142	2,361	196,869
Transfer between items	2,067						-2,067	
Additions	329	16			377		1,005	1,727
Acquisition cost, Jun 30, 2020	79,868	164	12,865	91,672	586	12,142	1,299	198,596
Accumulated depreciations and impairment Jan 1, 2020	220	2	48		39	45		354
Amortisation	2,000	21	429		217	405		3,072
Accumulated depreciations and impairment Jun 30, 2020	2,220	23	477		256	450		3,426
Carrying amount Jan 1, 2020	77,252	146	12,817	91,672	170	12,097	2,361	196,515
Carrying amount Jun 30, 2020	77,648	140	12,388	91,672	330	11,693	1,299	195,170

Capnor Weasel Bidco Oyj  
Half-Year Financial Report  
January – June 2021

	Technology	Intangible Rights	Brand	Goodwill	Other Intangible assets	Customer relations	Work in progress	Total
<b>EUR thousand</b>								
<b>Acquisition cost, Jan 1, 2020</b>	<b>77,472</b>	<b>148</b>	<b>12,865</b>	<b>91,672</b>	<b>209</b>	<b>12,142</b>	<b>2,361</b>	<b>196,869</b>
Correction of the previous year misstatement	-65							-65
Transfer between items	-542					542		
Additions	2,834	62			641		200	3,736
<b>Acquisition cost, Dec 31, 2020</b>	<b>79,699</b>	<b>210</b>	<b>12,865</b>	<b>91,672</b>	<b>850</b>	<b>12,142</b>	<b>3,103</b>	<b>200,540</b>
<b>Accumulated depreciations and impairment Jan 1, 2020</b>	<b>220</b>	<b>2</b>	<b>48</b>		<b>39</b>	<b>45</b>		<b>354</b>
Amortisation	4,031	44	858		123	809		5,865
<b>Accumulated depreciations and impairment Dec 31, 2020</b>	<b>4,251</b>	<b>46</b>	<b>906</b>		<b>162</b>	<b>854</b>		<b>6,219</b>
<b>Carrying amount Jan 1, 2020</b>	<b>77,252</b>	<b>146</b>	<b>12,817</b>	<b>91,672</b>	<b>170</b>	<b>12,097</b>	<b>2,361</b>	<b>196,515</b>
<b>Carrying amount Dec 31, 2020</b>	<b>75,449</b>	<b>164</b>	<b>11,959</b>	<b>91,672</b>	<b>688</b>	<b>11,288</b>	<b>3,103</b>	<b>194,321</b>

## PROPERTY, PLANT AND EQUIPMENT

	Machinery and equipment	Work in progress	Other tangible assets	Cars	Premises	Total
<b>EUR thousand</b>						
<b>Acquisition cost, Jan 1, 2021</b>	<b>2,401</b>	<b>286</b>	<b>104</b>	<b>1,014</b>	<b>713</b>	<b>4,519</b>
Transfer between items	168	-191	0	0	0	-23
Additions	200	474	54	0	595	1,323
<b>Acquisition cost, Jun 30, 2021</b>	<b>2,768</b>	<b>569</b>	<b>158</b>	<b>1,014</b>	<b>1,308</b>	<b>5,818</b>
<b>Accumulated depreciations and impairment Jan 1, 2021</b>	<b>651</b>	<b>0</b>	<b>39</b>	<b>513</b>	<b>575</b>	<b>1,778</b>
Changes in agreements				48	0	48
Amortisation	358	0	22	252	336	968
<b>Accumulated depreciations and impairment Jun 30, 2021</b>	<b>1,009</b>	<b>0</b>	<b>61</b>	<b>813</b>	<b>911</b>	<b>2,793</b>
<b>Carrying amount Jan 1, 2021</b>	<b>2,401</b>	<b>286</b>	<b>104</b>	<b>1,014</b>	<b>713</b>	<b>4,519</b>
<b>Carrying amount Jun 30, 2021</b>	<b>2,411</b>	<b>570</b>	<b>135</b>	<b>714</b>	<b>972</b>	<b>4,802</b>

	Machinery and equipment	Work in progress	Other tangible assets	Cars	Premises	Total
<b>EUR thousand</b>						
<b>Acquisition cost, Jan 1, 2020</b>	<b>1,613</b>	<b>553</b>	<b>105</b>	<b>835</b>	<b>943</b>	<b>4,049</b>
Transfer between items	99	-70	0	0	0	29
Additions	434	0	38	0	0	472
<b>Acquisition cost, Jun 30, 2020</b>	<b>2,146</b>	<b>483</b>	<b>143</b>	<b>835</b>	<b>943</b>	<b>4,551</b>
<b>Accumulated depreciations and impairment Jan 1, 2020</b>	<b>36</b>	<b>0</b>	<b>1</b>	<b>26</b>	<b>32</b>	<b>96</b>
Amortisation	264		18	173	322	777
<b>Accumulated depreciations and impairment Jun 30, 2020</b>	<b>300</b>	<b>0</b>	<b>19</b>	<b>200</b>	<b>354</b>	<b>873</b>
<b>Carrying amount Jan 1, 2020</b>	<b>1,577</b>	<b>554</b>	<b>104</b>	<b>809</b>	<b>911</b>	<b>3,954</b>
<b>Carrying amount Jun 30, 2020</b>	<b>1,847</b>	<b>484</b>	<b>124</b>	<b>635</b>	<b>589</b>	<b>3,679</b>

EUR thousand	Machinery and equipment	Work in progress	Other tangible assets	Cars	Premises	Total
<b>Acquisition cost, Jan 1, 2020</b>	1,613	553	105	835	943	4,049
Transfer between items						
Additions	1,439	736	38	692	345	3,250
Reductions		-1,002				-1,002
<b>Acquisition cost, Dec 31, 2020</b>	<b>3,052</b>	<b>287</b>	<b>143</b>	<b>1,527</b>	<b>1,288</b>	<b>6,296</b>
<b>Accumulated depreciations and impairment Jan 1, 2020</b>	<b>36</b>	<b>0</b>	<b>1</b>	<b>26</b>	<b>32</b>	<b>96</b>
Amortisation	615	0	38	487	542	1,681
<b>Accumulated depreciations and impairment Dec 31, 2020</b>	<b>651</b>	<b>0</b>	<b>39</b>	<b>513</b>	<b>575</b>	<b>1,778</b>
<b>Carrying amount Jan 1, 2020</b>	<b>1,577</b>	<b>554</b>	<b>104</b>	<b>809</b>	<b>911</b>	<b>3,954</b>
<b>Carrying amount Dec 31, 2020</b>	<b>2,401</b>	<b>286</b>	<b>104</b>	<b>1,014</b>	<b>713</b>	<b>4,519</b>

## RELATED PARTY TRANSACTIONS

The Group's related parties consist of parent company iLOQ Oy and its subsidiaries. In addition, related parties include iLOQ-Group's Board members as key management personnel, the CEO and members of the Group management, as well as entities that are under the control of key management personnel and their family members. There were no related party transactions during the reported period.



## CONTINGENT LIABILITIES

COLLATERALS AND CONTINGENT LIABILITIES			
EUR thousand	H1 2021	H1 2020	FY 2020
<b>Contingent liabilities</b>			
Credit facility	15,000	15,000	15,000
Standby letter of credit	0	0	0
Lease guarantee	225	167	225
Corporate credit card	36	35	32
<b>Total</b>	<b>15,261</b>	<b>15,202</b>	<b>15,257</b>

Credit facility of EUR 15.000.000 has been in use at times during the review period, but was not in use at the end of the review period of Jan 1 – Jun 30, 2021.

EUR thousand	H1 2021	H1 2020	FY 2020
<b>Collateral given for own commitments</b>			
	155,000	155,000	155,000
<b>Collateral given on behalf of others</b>			
Collateral		13	13
Guarantee	764	507	766
<b>Total</b>	<b>155,764</b>	<b>155,520</b>	<b>155,780</b>

## Definitions of alternative performance measures

1. **EBITDA** = EBIT before depreciation, amortization and impairments
2. **Operational Cash Flow** = EBITDA + Change in trade and other receivables + Change in inventory + Change in trade and other payables + Change in provisions + Net cash flow from investing activities (C). Operational cashflow is used internally by the group to follow EBITDA which takes into account investments and change in working capital
3. **Operational Cash Flow %** = Operational Cash Flow / Revenue

## CONTACT

Additional information about the company can be found on the corporate website [www.ilq.com](http://www.ilq.com). The company can be contacted by e-mail, [info@ilq.com](mailto:info@ilq.com)

For questions concerning this report please contact:

Heikki Hiltunen  
*CEO and President*  
[Heikki.Hiltunen@ilq.com](mailto:Heikki.Hiltunen@ilq.com)

Timo Pirskanen  
*CFO*  
[Timo.Pirskanen@ilq.com](mailto:Timo.Pirskanen@ilq.com)