

# CAPNOR WEASEL BIDCO OYJ

Half Year Financial report  
January – June 2024



## Half year Financial Report 2024

### Second quarter highlights

- Revenue decreased by 3% to MEUR 28.4 (29.1)
- Adjusted EBITDA increased by 42% to MEUR 4.0 (2.8), corresponding to a 14% (10%) EBITDA margin
- Adjusted EBIT increased by 216% to MEUR 1.0 (0.3), corresponding to a 3% (1%) EBIT margin
- Operational Cash Flow improved to MEUR -0.5 from MEUR -6.9 in the previous year

### Significant events during the quarter

- Everest Infrastructure Partners and iLOQ signed an agreement to roll out battery-free smart locks at telecom towers throughout the U.S.
- iLOQ announced to join forces with Carson Living, a leader in the multifamily industry in the US, to integrate iLOQ's battery-free smart-locking solution with Carson Living's state-of-the-art app used daily by residents
- iLOQ announced to deliver its battery-free and keyless smart-locking solution to VodafoneZiggo

### Significant events after the quarter

- iLOQ announced to create customized mobile-key-based solution to provide secure access to DFMG's (a subsidiary of Deutsche Telekom) rooftop sites and radio towers in Germany.

EUR thousand	Q2 2024	Q2 2023	Change		H1 2024	H1 2023	Change		FY 2023
			in %				in %		
<b>Revenue</b>	<b>28,352</b>	<b>29,135</b>	<b>-3 %</b>		<b>48,640</b>	<b>61,135</b>	<b>-20 %</b>		<b>141,318</b>
EBITDA	4,027	2,840	42 %		929	8,900	-90 %		31,367
EBITDA margin	14 %	10 %			2 %	15 %			22 %
EBIT	963	305	216 %		-4,872	3,847	-227 %		20,493
EBIT margin	3 %	1 %			-10 %	6 %			15 %
Operational Cash Flow	-532	-6,893	-92 %		9,901	861	1050 %		11,197
Operational Cash Flow %	-2 %	-24 %			20 %	1 %			8 %
<b>Adjusted EBITDA*</b>	<b>4,027</b>	<b>2,840</b>	<b>42 %</b>		<b>929</b>	<b>9,278</b>	<b>-90 %</b>		<b>32,673</b>
<b>Adjusted EBITDA margin*</b>	<b>14 %</b>	<b>10 %</b>			<b>2 %</b>	<b>15 %</b>			<b>23 %</b>
Adjusted EBIT	963	305	216 %		-4,872	4,225	-215 %		21,799
Adjusted EBIT margin	3 %	1 %			-10 %	7 %			15 %
Adjusted Operational Cash Flow	-532	-6,893	-92 %		9,901	1,239	699 %		12,504
Adjusted Operational Cash Flow %	-2 %	-24 %			20 %	2 %			9 %

\* Year 2023 EBITDA, EBIT & Operational Cash Flow included an impact from the IT Salonen transaction and a brand renewal together with costs related to iLOQ 20 years anniversary, which have been treated as items affecting comparability. The adjustment related to brand renewal in 378 thousand euros. The adjustment related to IT Salonen acquisition was 60 thousand and iLOQ 20 years anniversary events 870 thousand euros. These costs have been excluded in the Adjusted EBITDA, EBIT and Operational Cash Flow figures above.

## Management overview of the second quarter

iLOQ Group's revenue decreased 3 percent compared to the corresponding period of the previous year. Negative market sentiment has prevailed throughout the year in the Nordics as continued postponement in decision making in the renovation market has affected overall demand. However, the worst slowdown seems to be behind in the Nordics and there are first signs of improving market sentiment. iLOQ's Build Environment market in the Nordics is not, however, expected to materially improve in 2024. Management is confident that the long-term growth potential and drivers in the market remain intact despite a short-term slowdown, due to delayed investments by customers, and that iLOQ is well positioned to continue to outgrow the market also during periods of softer market activity.

iLOQ continues to invest in future growth and the market entry in the US, an enormous market and opportunity for iLOQ, is on schedule and progressing as planned. iLOQ has a local sales organization in place, which has already generated a solid pipeline in the US market. Logistic channels and partner networks are being built and the US standard ANSI cylinder products were launched at the year-end in 2023. Everest Infrastructure Partners and iLOQ signed an agreement in April to roll out battery-free smart locks at telecom towers throughout the U.S. iLOQ announced in June to join forces with Carson Living. Carson Living is a leader in the multifamily industry providing cutting edge, user friendly software (mobile and web apps) that streamlines buildings operations by integrating property management software, building hardware such as access control, intercoms, smart locks (and more) and a 24/7 live remote doorman team.

Gross margins remained unchanged at the historical healthy levels. The organization for future growth is now fully established and hence the quarter-on-quarter volume growth related operational gearing improved EBITDA materially compared to the previous quarter.

Management reiterates its expectation of iLOQ Group revenue to grow in 2024 over 2023 driven by international expansion.

Operational cashflow improved compared to the previous year mainly due to improvement in the net working capital efficiency.

## Second quarter 2024

Total revenue decreased 3% compared to Q2 2023. Still low activity in the multi-residential new construction and renovation markets in the Nordics, but good performance in the rest of the world continued and international expansion also underpinned the revenue compared to the same period in the previous year.

EBITDA amounted to MEUR 4.0 (2.8), corresponding to a 14% (10%) EBITDA margin.

EBIT amounted to MEUR 1.0 (0.3), corresponding to a 3% (1%) EBIT margin.

Operational cashflow was MEUR -0.5 (-6.9). Improvement was based on improved EBITDA and lower net working capital.

## First half 2024

Total revenue decreased 20% compared to H1 2023.

EBITDA amounted to MEUR 0.9 (8.9), corresponding to a 2% (15%) EBITDA margin. Gross margins have remained unchanged at the historical healthy levels. Continued investments in growth, including costs related to the US market entry, continued to increase opex and impacted EBITDA negatively especially in the first quarter, which in combination with lower delivery volumes resulted in the negative EBITDA development.

EBIT amounted to MEUR -4.9 (3.9), corresponding to a -10% (6%) EBIT margin.

Operational Cash Flow was MEUR 9.9 (0.9). Improvement was based on increased net working capital efficiency.

Capnor Weasel Bidco Oyj successfully priced senior secured floating rate notes of EUR 55 million with a tenor of five years in March. The New Notes have a floating rate coupon of 3 months EURIBOR + 4.00 per cent per annum and final maturity in March 2029. Capnor Weasel Bidco Oyj intends to apply for listing of the New Notes on the corporate bond list of Nasdaq Stockholm. The total amount of different fees related to the transaction amounted to MEUR 1.4.

## Events after the reporting period

iLOQ announced to create customized mobile-key-based solution to provide secure access to DFMG's rooftop sites. After the roll-out at the rooftop sites, DFMG will implement the intelligent, secure, and sustainable solutions from iLOQ for its radio towers in Germany. Founded in 2002 (as a subsidiary of Deutsche Telekom), Deutsche Funkturm (DFMG) is a key player in developing infrastructure for German mobile network operators, broadcasters, operators of radio relays, and the radio networks of authorities and other institutions. With more than 35,000 antenna sites, it is the largest operator of radio infrastructure in Germany and the 3rd largest in Europe.

## Quarterly Information

QUARTERLY INFORMATION	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Revenue	25,716	28,790	27,439	51,003	32,000	29,135	22,905	57,278	20,288	28,352
EBITDA	5,368	4,684	4,701	16,625	6,060	2,840	1,679	20,786	-3,098	4,027
EBITDA margin	21 %	16 %	17 %	33 %	19 %	10 %	7 %	36 %	-15 %	14 %
EBIT	3,083	2,405	2,414	13,952	3,542	305	-948	17,594	-5,835	963
EBIT margin	12 %	8 %	9 %	27 %	11 %	1 %	-4 %	31 %	-29 %	3 %
Operational Cash Flow	3,451	442	-2,372	7,065	7,753	-6,893	-3,639	12,295	10,433	-532
Operational Cash Flow %	13 %	2 %	-9 %	14 %	24 %	-24 %	-16 %	21 %	51 %	-2 %
Adjusted EBITDA	5,368	5,172	4,701	16,625	6,438	2,840	2,609	20,786	-3,098	4,027
Adjusted EBITDA margin	21 %	18 %	17 %	33 %	20 %	10 %	11 %	36 %	-15 %	14 %

## 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 of 2024.

Espoo August 14, 2024

Heikki Hiltunen

President and CEO

Magnus Hammarstöm

Member of the Board

## INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT, IFRS					
EUR Thousand	Q2 2024	Q2 2023	H1 2024	H1 2023	FY 2023
<b>Revenue</b>	28,352	29,135	48,640	61,135	141,318
Other income	3	0	8	0	35
	0	0			
Materials and services	-11,855	-14,228	-21,159	-27,399	-59,724
Employee benefit expenses	-6,907	-6,299	-15,934	-13,847	-26,908
Depreciation, amortisation and impairment losses	-3,063	-2,536	-5,801	-5,054	-10,873
Other operating expenses	-5,565	-5,767	-10,627	-10,988	-23,355
<b>Operating profit</b>	<b>963</b>	<b>305</b>	<b>-4,872</b>	<b>3,847</b>	<b>20,493</b>
Finance income	15	4	178	84	278
Finance cost	-844	-1,226	-4,092	-2,659	-6,330
<b>Net financial expenses</b>	<b>-829</b>	<b>-1,221</b>	<b>-3,915</b>	<b>-2,575</b>	<b>-6,051</b>
<b>Profit (-loss) before taxes</b>	<b>134</b>	<b>-916</b>	<b>-8,787</b>	<b>1,271</b>	<b>14,442</b>
Income taxes	159	12	417	-467	-3,338
<b>Profit (loss) for the financial period</b>	<b>293</b>	<b>-905</b>	<b>-8,369</b>	<b>804</b>	<b>11,104</b>
<b>Items that may be subsequently reclassified to profit or loss</b>					
Translation differences	-11	-1	-59	9	25
<b>Total comprehensive income</b>	<b>281</b>	<b>-906</b>	<b>-8,428</b>	<b>813</b>	<b>11,129</b>
<b>Earnings per share, undiluted (EUR)</b>	<b>2,929</b>	<b>-9,049</b>	<b>-83,692</b>	<b>8,041</b>	<b>111,039</b>
<b>Earnings per share, diluted (EUR)</b>	<b>2,929</b>	<b>-9,049</b>	<b>-83,692</b>	<b>8,041</b>	<b>111,039</b>

## BALANCE SHEET

<b>CONSOLIDATED BALANCE SHEET, IFRS</b>			
<b>EUR Thousand</b>	<b>June 2024</b>	<b>June 2023</b>	<b>Dec 2023</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	108,315	105,301	107,750
Goodwill	92,467	92,467	92,467
Property, plant and equipment	6,374	7,063	6,989
Deferred tax assets	485	409	395
<b>Total non-current assets</b>	<b>207,642</b>	<b>205,241</b>	<b>207,601</b>
Inventories	26,710	32,079	24,477
Trade and other receivables	18,725	21,103	36,908
Current tax receivables for the financial year	1,749	670	143
Cash and cash equivalents	4,906	2,350	7,397
<b>Total current assets</b>	<b>52,089</b>	<b>56,202</b>	<b>68,925</b>
<b>Total assets</b>	<b>259,731</b>	<b>261,444</b>	<b>276,526</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Share capital	80	80	80
Invested unrestricted equity fund	143,240	143,240	143,240
Translation difference	-26	-2	33
Retained earnings	19,317	17,741	27,972
<b>Total equity</b>	<b>162,612</b>	<b>161,060</b>	<b>171,325</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities	54,607	54,938	54,979
Non-current lease liabilities	1,465	847	1,716
Non-current provisions	922	1,057	880
Deferred tax liabilities	15,943	16,816	16,316
<b>Total non-current liabilities</b>	<b>72,938</b>	<b>73,658</b>	<b>73,891</b>
<b>Current liabilities</b>			
Short-term interest-bearing liabilities	1,387	4,003	5,062
Account payables and other liabilities	20,149	21,137	22,401
Current lease liabilities	1,575	1,447	1,597
Current provisions	824	100	386
Current tax liabilities	247	38	1,864
<b>Total current liabilities</b>	<b>24,181</b>	<b>26,725</b>	<b>31,309</b>
<b>Total liabilities</b>	<b>97,119</b>	<b>100,384</b>	<b>105,201</b>
<b>Total equity and liabilities</b>	<b>259,731</b>	<b>261,444</b>	<b>276,526</b>

## STATEMENT OF CASH FLOWS

<b>CONSOLIDATED STATEMENT OF CASH FLOWS, IFRS</b>			
<b>EUR Thousand</b>	<b>H1 2024</b>	<b>H1 2023</b>	<b>FY 2023</b>
<b>CASH FLOW FORM OPERATING ACTIVITIES</b>			
Profit (Loss) for the financial period	-8,369	804	11,104
Adjustments:			
Depreciation and amortization	5,801	5,054	10,873
Unrealized exchange rate gains and losses	0	0	-306
Financial Income	-178	-84	-278
Financial Expense	4,092	2,659	6,330
Taxes	-417	467	3,338
Other adjustments	-370	0	-817
<b>Change in Working Capital:</b>			
Change in trade and other receivables	18,183	8,919	-6,886
Change in inventory	-2,233	-5,962	1,640
Change in trade and other payables	-2,208	-3,634	-1,417
Change in provisions	480	-121	-12
Interest paid	-2,654	-2,222	-5,127
Interest received	10	0	35
Income tax paid	-3,218	-3,025	-4,117
Other financial items	-1,468	-91	-138
<b>Net cash flow from operating activities (A)</b>	<b>7,450</b>	<b>2,765</b>	<b>14,223</b>
<b>Cash flow from investing activities</b>			
Payments from tangible assets sales	0	18	18
Investments in intangible assets	-4,936	-6,147	-12,892
Investments in tangible assets	-313	-1,113	-621
<b>Net cash flow from investing activities (B)</b>	<b>-5,249</b>	<b>-7,242</b>	<b>-13,496</b>
<b>Cash flow from financing activities</b>			
Payments of lease liabilities	-904	-880	-1,851
Withdrawals of short-term loans	1,325	3,942	8,365
Proceeds from short-term liabilities	-5,000	0	-3,365
Withdrawals of long-term loans	55,000	0	0
Payments of long-tem liabilities	-55,000	0	-62
<b>Net cash flow from financing activities (C)</b>	<b>-4,579</b>	<b>3,062</b>	<b>3,087</b>
<b>CHANGE IN CASH AND EQUIVALENTS (A+B+C)</b>	<b>-2,379</b>	<b>-1,416</b>	<b>3,814</b>
<b>Cash and cash equivalents, in the beginning of period</b>	<b>7,397</b>	<b>4,087</b>	<b>4,087</b>
Net effect of exchange rate changes on cash and cash equivalents	-113	-321	-504
<b>Cash and cash equivalents, at the end of period</b>	<b>4,906</b>	<b>2,350</b>	<b>7,397</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium reserve	Reserve for invested non-restricted equity	Translation reserve	Retained earnings	Total
<b>EUR thousand</b>						
<b>Equity on Jan 1, 2024</b>	80	0	143,240	33	27,972	171,325
Adjustment for previous year's retained earnings	0	0	0	0	-286	-286
<b>Comprehensive income</b>						
Profit for the financial year	0	0	0	-59	-8,369	-8,428
<b>Total comprehensive income</b>	80	0	143,240	-26	19,318	162,612
<b>Equity on Jun 30, 2024</b>	80	0	143,240	-26	19,318	162,612

	Share capital	Share premium reserve	Reserve for invested non-restricted equity	Translation reserve	Retained earnings	Total
<b>EUR thousand</b>						
<b>Equity on Jan 1, 2023</b>	80	0	143,240	8	17,658	160,986
Adjustment for previous year's retained earnings	0	0	0	0	-722	-722
<b>Comprehensive income</b>						
Profit for the financial year	0	0	0	-9	804	795
<b>Total comprehensive income</b>	80	0	143,240	-1	17,740	161,059
<b>Equity on Jun 30, 2023</b>	80	0	143,240	-1	17,740	161,059



# 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, 2024 comprise the Company and its subsidiaries (together referred to as the 'Group')

## 2. Accounting Principles

The Group's Interim Report for January-June 2024 has been prepared in line with IAS 34, 'Interim Financial Reporting' and should be read in conjunction with the Group's financial statements for 2023, published on April 12, 2024. The Group has applied the same accounting principles in the preparation of this Interim Report as in its Financial Statements for 2023. The information presented in this Interim Report has not been audited.

## 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, Poland, Great Britain, Canada, Australia and United States. 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 and software 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>2024</b>	<b>REV</b>	<b>2023</b>	<b>REV</b>	<b>2024</b>	<b>REV</b>	<b>2023</b>	<b>REV</b>
Finland	9,938	35 %	8,910	31 %	15,171	31 %	18,640	30 %
Northern Europe excl Finland	7,877	28 %	7,548	26 %	13,445	28 %	16,365	27 %
Rest of the World	10,537	37 %	12,676	44 %	20,024	41 %	26,130	43 %
<b>Total Sales</b>	<b>28,352</b>	<b>100 %</b>	<b>29,135</b>	<b>100 %</b>	<b>48,640</b>	<b>100 %</b>	<b>61,135</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>2024</b>	<b>REV</b>	<b>2023</b>	<b>REV</b>	<b>2024</b>	<b>REV</b>	<b>2023</b>	<b>REV</b>
Revenue is recognized at point in time	26,791	94 %	28,167	97 %	45,887	94.3 %	59,310	97.0 %
Revenue is recognized over time	1,561	6 %	968	3 %	2,753	5.7 %	1,824	3.0 %
<b>Total Sales</b>	<b>28,352</b>	<b>100 %</b>	<b>29,135</b>	<b>100 %</b>	<b>48,640</b>	<b>100 %</b>	<b>61,135</b>	<b>100 %</b>

## INTANGIBLE ASSETS

	Technology	Intangible Rights	Brand	Goodwill	Other Intangible assets	Customer relations	Work in progress	Total
<b>EUR thousand</b>								
<b>Acquisition cost, Jan 1, 2024</b>	<b>85,742</b>	<b>2,253</b>	<b>12,865</b>	<b>92,467</b>	<b>4,200</b>	<b>12,142</b>	<b>17,501</b>	<b>227,170</b>
Adjustments for previous financial periods	0	0	0	0	0	0	0	0
Transfer between items	5,492	0	0	0	36	0	-5,528	0
Additions		239	0			0	4,697	4,936
<b>Acquisition cost, Jun 30, 2024</b>	<b>91,234</b>	<b>2,492</b>	<b>12,865</b>	<b>92,467</b>	<b>4,236</b>	<b>12,142</b>	<b>16,670</b>	<b>232,106</b>
<b>Accumulated depreciations and impairment Jan 1, 2024</b>	<b>17,733</b>	<b>722</b>	<b>3,480</b>	<b>0</b>	<b>1,737</b>	<b>3,281</b>	<b>0</b>	<b>26,953</b>
Amortisation	2,600	148	429	0	360	405	429	4,370
<b>Accumulated depreciations and impairment Jun 30, 2024</b>	<b>20,333</b>	<b>869</b>	<b>3,909</b>	<b>0</b>	<b>2,097</b>	<b>3,686</b>	<b>429</b>	<b>31,322</b>
<b>Carrying amount Jan 1, 2024</b>	<b>68,009</b>	<b>1,531</b>	<b>9,385</b>	<b>92,467</b>	<b>2,463</b>	<b>8,861</b>	<b>17,501</b>	<b>200,217</b>
<b>Carrying amount Jun 30, 2024</b>	<b>70,902</b>	<b>1,622</b>	<b>8,956</b>	<b>92,467</b>	<b>2,140</b>	<b>8,457</b>	<b>16,242</b>	<b>200,783</b>
	Technology	Intangible Rights	Brand	Goodwill	Other Intangible assets	Customer relations	Work in progress	Total
<b>EUR thousand</b>								
<b>Acquisition cost, Jan 1, 2023</b>	<b>83,066</b>	<b>1,728</b>	<b>12,865</b>	<b>92,412</b>	<b>2,767</b>	<b>12,142</b>	<b>9,246</b>	<b>214,224</b>
Adjustments for previous financial periods				55				55
Transfer between items	1,470				687		-2,157	0
Additions	1,039	152			149		4,811	6,151
<b>Acquisition cost, Jun 30, 2023</b>	<b>85,575</b>	<b>1,880</b>	<b>12,865</b>	<b>92,467</b>	<b>3,603</b>	<b>12,142</b>	<b>11,900</b>	<b>220,432</b>
<b>Accumulated depreciations and impairment Jan 1, 2023</b>	<b>12,634</b>	<b>461</b>	<b>2,622</b>	<b>0</b>	<b>849</b>	<b>2,472</b>	<b>0</b>	<b>19,039</b>
Amortisation	2,361	119	429	0	312	405	0	3,626
<b>Accumulated depreciations and impairment Jun 30, 2023</b>	<b>14,995</b>	<b>580</b>	<b>3,051</b>	<b>0</b>	<b>1,161</b>	<b>2,877</b>	<b>0</b>	<b>22,664</b>
<b>Carrying amount Jan 1, 2023</b>	<b>70,433</b>	<b>1,267</b>	<b>10,243</b>	<b>92,412</b>	<b>1,918</b>	<b>9,670</b>	<b>9,246</b>	<b>195,186</b>
<b>Carrying amount Jun 30, 2023</b>	<b>70,580</b>	<b>1,300</b>	<b>9,814</b>	<b>92,467</b>	<b>2,442</b>	<b>9,265</b>	<b>11,900</b>	<b>197,768</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, 2024</b>	<b>6,501</b>	<b>773</b>	<b>458</b>	<b>3,063</b>	<b>5,840</b>	<b>16,635</b>
Additions in acquisition	0	0	0	0	0	0
Transfer between items	0	0	0	0	0	0
Additions	280	18	15	103	468	884
Deductions	0	-67	0	0	0	-67
<b>Acquisition cost, Jun 30, 2024</b>	<b>6,781</b>	<b>723</b>	<b>473</b>	<b>3,166</b>	<b>6,308</b>	<b>17,451</b>
<b>Accumulated depreciations and impairment Jan 1, 2024</b>	<b>3,734</b>	<b>0</b>	<b>257</b>	<b>2,270</b>	<b>3,384</b>	<b>9,646</b>
Amortisation	548	0	35	278	570	1,431
<b>Accumulated depreciations and impairment Jun 30, 2024</b>	<b>4,283</b>	<b>0</b>	<b>292</b>	<b>2,548</b>	<b>3,954</b>	<b>11,077</b>
<b>Carrying amount Jan 1, 2024</b>	<b>2,767</b>	<b>773</b>	<b>200</b>	<b>793</b>	<b>2,456</b>	<b>6,989</b>
<b>Carrying amount Jun 30, 2024</b>	<b>2,498</b>	<b>723</b>	<b>180</b>	<b>618</b>	<b>2,354</b>	<b>6,374</b>

### Owned property, plant and equipment

	Machinery and equipment	Work in progress	Other tangible assets	Right-of-use assets		
				Cars	Premises	Total
<b>EUR thousand</b>						
<b>Acquisition cost, Jan 1, 2023</b>	<b>5,862</b>	<b>811</b>	<b>438</b>	<b>2,587</b>	<b>4,325</b>	<b>14,022</b>
Additions in acquisition						<b>0</b>
Transfer between items	245	-245				<b>0</b>
<b>Additions</b>	<b>96</b>	<b>1,017</b>	<b>20</b>	<b>7</b>	<b>55</b>	<b>1,195</b>
Deductions	-15	-20				<b>-35</b>
<b>Acquisition cost, Jun 30, 2023</b>	<b>6,188</b>	<b>1,563</b>	<b>458</b>	<b>2,594</b>	<b>4,380</b>	<b>15,182</b>
<b>Accumulated depreciations and impairment Jan 1, 2023</b>	<b>2,591</b>	<b>0</b>	<b>188</b>	<b>1,651</b>	<b>2,260</b>	<b>6,690</b>
Amortisation	565		35	263	566	<b>1,428</b>
<b>Accumulated depreciations and impairment Jun 30, 2023</b>	<b>3,156</b>	<b>0</b>	<b>223</b>	<b>1,914</b>	<b>2,826</b>	<b>8,118</b>
<b>Carrying amount Jan 1, 2023</b>	<b>3,271</b>	<b>811</b>	<b>250</b>	<b>937</b>	<b>2,065</b>	<b>7,334</b>
<b>Carrying amount Jun 30, 2023</b>	<b>3,032</b>	<b>1,563</b>	<b>235</b>	<b>680</b>	<b>1,554</b>	<b>7,063</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 2024	H1 2023	FY 2023
<b>Contingent liabilities</b>			
Credit facility	30,000	15,000	15,000
Lease guarantee	146	203	204
Delivery guarantee	600	17	664
Corporate credit card	110	122	140
<b>Total</b>	<b>30,856</b>	<b>15,374</b>	<b>16,008</b>

EUR thousand	H1 2024	H1 2023	FY 2023
<b>Collateral given for own commitments</b>			
	160,000	155,000	155,000
<b>Collateral given on behalf of others</b>			
Collateral	0	0	0
Guarantee	0	0	0
<b>Total</b>	<b>160,000</b>	<b>155,000</b>	<b>155,000</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 + Investments in intangible assets + Investments and Payments in tangible assets. Operational Cash Flow 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
4. **Adjusted EBITDA, Adjusted EBIT & Adjusted Operational Cash Flow** = Same as above but excluding an impact from the IT Salonen transaction, the brand renewal and the iLOQ 20 years anniversary events, which have been treated as items affecting comparability. Year 2023 EBITDA, EBIT & Operational Cash Flow included an impact from the IT Salonen transaction and the brand renewal together with costs related to iLOQ 20 years anniversary, which have been treated as items affecting comparability. The adjustment related to brand renewal in Q1 2023 was 378 thousand. The adjustment related to IT Salonen acquisition was 60 thousand and iLOQ 20 years anniversary events 870 thousand euros. Both took place in Q3 2023. These costs have been excluded in the Adjusted EBITDA, EBIT and Operational Cash Flow figures.

## 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)

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