

## Ranplan Group AB – Annual Statement 2021

2022-02-24 08:00

### The period in summary

#### Second half of 2021 (second half of 2020)

- Total income amounted to SEK 14.9 million (13.2 million)<sup>1</sup>
- Net sales amounted to SEK 7.0 million (5.0 million)
- Operating income amounted to SEK -12.3 million (-15.2 million)
- Net income amounted to SEK -13.3 million (-16.4 million)
- Earnings per share amounted to SEK -0.49 (-0.75)
- Cash at the end of the period amounted to SEK 17.4 million (2.6 million)

#### Full year of 2021 (Full year of 2020)

- Total income amounted to SEK 32.3 million (25.1 million)<sup>1</sup>
- Net sales amounted to SEK 15.3 million (9.7 million)
- Operating income amounted to SEK -21.9 million (-34.1 million)
- Net income amounted to SEK -23.9 million (-36.9 million)
- Earnings per share amounted to SEK -0.93 (-1.76)
- Cash at the end of the period amounted to SEK 17.4 million (2.6 million)
- The Board proposes that no dividend be paid for 2021 (no dividend)

<sup>1</sup>Total income comprises the sum of net sales (related to commercial products and services), other income (associated with research projects) and other operating income (derived mainly from R&D tax credits).

#### Significant events in the first and second half of 2021

- On 21 February 2021, Ranplan signed a technology and reseller partnership with Magna Systems, a market leader in providing comprehensive and innovative RF solutions for telco customers in the Asia Pac region.
- On 17 May 2021, at the AGM in Stockholm, it was resolved that Tomas Isaksson be re-elected as chairman of the board, and that Jie Zhang, Wen Yang and Jon Ullmark be re-elected as ordinary members of the board (Jinxing Xue and Per Lindberg declined re-election as ordinary members of the board).
- On 15 June 2021, Ranplan Wireless launched the first version of its Automatic Cell Optimiser (ACO) module.
- On 18 August 2021, Ranplan announced that Chongqing College of Electronic Engineering (CQCEE) - one of the leading technical institutions in China - has awarded Ranplan Wireless a contract worth around USD 140k (SEK 1.2 million) for the provision of software licenses, training and support over a three-year period. Deliveries of the software resulting in net sales are envisaged to take place in the second half of the 2021 calendar year.

- On 21 Sept 2021, the Board of Directors, in accordance with its authorisation from the Annual General Meeting of 17 May 2021, decided to carry out a directed issue in the amount of SEK 27 880 000 before transaction costs by issuing 3 400 000 new shares at a subscription price of SEK 8.20 per share. Subscribers in the Directed Issue encompass three Nordic funds (St Petri Capital, Modelio Equity and a Family Fund based in Denmark) as well as two existing shareholders (Wilhelm Risberg and Fredrik Lundgren).
- On 22 Sept 2021, the Board of Directors published convening notice for extraordinary general meeting ('EGM') to be held in Stockholm on Monday 18 October 2021. The board proposed that the EGM resolve on a Set-Off Issue whereby loans in the amount of SEK 23 780 000 be converted into 2 900 000 new shares. The conversion price at SEK 8.20 – like the Directed issue - was determined by the 30-Day volume-weighted average share price in the market between 9 Aug and 17 Sep 2021 after applying a discount of 1.5%.
- On 18 Oct 2021, at an extraordinary general meeting in Stockholm, it was resolved that the proposed Set-Off Issue be carried out. The resolution was made in accordance with the proposal of the Board of Directors.

### **Significant events after the end of calendar 2021**

- On 8 February 2022, Ranplan Wireless announced by means of a news feed that it has signed a reseller partnership agreement with BESCom, an innovator of private radio and mobile network solutions in Europe.
- On 23 February 2022, Ranplan announced that it has cemented its partnership with CommScope Inc.

## Words from the CEO

In a year noticeably restrained by covid-related concerns, component shortages and surging input prices, the financial performance of Ranplan Group displayed healthy resilience. Net sales drawn from commercial products and services rose by 58% on the low-point of calendar 2020 while losses from operations – with all R&D expenses accounted for - fell by 36%. Operationally, substantial progress was registered. Relationships with existing customers were cemented and several new significant ones were won. Our suite of state-of-the-art software offerings, spanning an increasingly comprehensive universe of capabilities, received accolades for their accuracy, functionality, productivity, useability and versatility.

Although affected by delays of various nature, the demand picture – an indicator of forthcoming orders – appears vibrant across the globe. In 2021, all regions of any materiality showed solid growth. As society at large recuperates from the pandemic – its repercussions will stay in living memory – one can envisage (courtesy of pent-up demand) at least a resurrection of pre-covid project plans. Whilst timing of such events is fraught with uncertainties, we will increasingly shift our focus to commercialising our products and services, mobilising all internal and external resources. As a corollary, we will put less emphasis on research projects, with a commensurate reduction in Other Income and associated operating activities.

In September 2021, the balance sheet was fortified through a directed issue (in which three institutional and two private investors took part) and a set-off issue (through which debt was converted into equity). As calendar 2021 came to a close, net cash stood at SEK 17.4 million (up by SEK 22.9 million from the end of 2020) with the full capacity of the credit line (SEK 50 million or c. USD 5.5 million) still being available. These facilities make us well prepared to ramp-up investments should attractive opportunities emerge.

Nowhere is our optimism greater than in the field of Private Wireless (also known as Enterprise Cellular, CBRS in the US, or Local 5G in Japan) – a segment, building-centric, green-field and tailor-made in character that is ideally suitable to our wireless design expertise, field experience and software tools. Our unique ability to master the design of indoor (in-building) and outdoor networks in complete coordination, harmony and unison - using the very same logic within a single, unified software tool – allows all parties involved to meet specific key performance criteria, on a case-by-case basis, while, crucially, ascertaining that interference between the private (enterprise) the public (general) networks are minutely controlled.

The frenzy surrounding this space, amplified by the release of new spectrum or the flexible sharing of existing ones, is likely to continue unabated in 2022 and beyond. It sets the scene for the influx of a series of new actors - hyper-scalers, system integrators, enterprises, neutral hosts (asset owners) - which in collaboration or competition with traditional mobile network operators and equipment vendors seem destined to catapult investments in a bid to seize a leading role in perfecting 5G for industrial applications.

Making our modules available as cloud applications buoys the commercial appeal of our offerings. With access to virtually unlimited computing resources, the virtues of Precise Design – a signature of Ranplan and an absolute necessity for the smart factory of the future – is likely to become increasingly obvious to increasingly many. Through the development and provision of APIs (applications programming interfaces) and SDKs (Software Development Kits), we stand prepared to ease integration with third parties including leading providers of OSSs (Operations Support Systems), the next generation of SONs (Self-Organising Networks) under the banner of O-RAN: RICs (Radio Intelligent Controllers). As an entrant with passion for automation, and innovation through development of software code, we embrace openness. We believe in a world without vendor lock-ins, one where customers enjoy proper freedom of choice, where they mix-and-match from a package of best-of-breed components without onerous integration costs.

We are well placed to expand our own operations, go-to-market resources and networks of partners, including, highly qualified and strongly motivated resellers, software system architects and a growing roster of providers of communications platforms. Our products and services continually win terrain. Our customers seek better and safer alternatives than they may have experienced in the distant past. Our agility, dependability and objectivity

(independence from any hardware ties) garner recognition, at a time when the next generation of beamforming antennas emerge as a chief point of vendor differentiation.

In conclusion, we feel that we have wind in our sails. We are spirited by our competency, ingenuity, and tenacity. We possess deep knowledge, a clear mission and a sense of purpose. We are encouraged by the breadth and depth of demand. We benefit from migrations to cloud-native architectures. We advance our competitiveness vis-à-vis a group of a very select few. As appropriate and customary, I wish to end my remarks by thanking all of our customers, employees, contractors, partners and shareholders. Our journey has had its ups and downs, produced memorable milestones and suffered the effects of exogenous shocks in recent years. Although the date of arrival may be somewhat postponed – not at all unheard of in the global software sector - the final destination of our journey still looks well within reach. In the telecom industry, patience (where required), perseverance and professionalism do serve one well.

### **Per Lindberg, CEO**

The complete report is attached to this press release and is available at [www.ranplanwireless.com](http://www.ranplanwireless.com)

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### **About Ranplan Wireless**

Ranplan Wireless is an innovative wireless technology company that has developed the World's only solution that can plan, design and optimise inbuilding and outdoor wireless networks in coordination. Our solutions enable us to help an ecosystem of companies deploy the next generation of wireless networks for a range of applications in urban environments, supporting multiple technologies such as 4G LTE, 5G, Wifi and IoT, providing end users with an unmatched quality of experience.

Ranplan Wireless is a subsidiary of Ranplan Group AB (Nasdaq First North: RPLAN) whose head office is in Stockholm, Sweden. The group operates out of offices in the UK, US and China.

[www.ranplanwireless.com](http://www.ranplanwireless.com)

### **Certified Adviser**

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