

# Year-end report

January – December 2025



## October – December 2025

- Net sales decreased by 12.5% to SEK 116.9 (133.5) million. Adjusted for currency effects, sales decreased by 3.8%.
- EBITDA amounted to SEK 17.2 (27.9) million, corresponding to an EBITDA margin of 14.7% (20.9%). Adjusted for restructuring costs of SEK -0.7 (-) million, EBITDA amounted to SEK 17.9 (27.9) million.
- EBIT amounted to SEK -5.1 (5.2) million, corresponding to an EBIT margin of -4.3% (3.9%). Adjusted for restructuring costs of SEK -0.7 (-) million, EBIT amounted to SEK -4.4 (5.2) million.
- Net profit/loss for the period amounted to SEK -4.0 (9.4) million.
- Earnings per share diluted were SEK -0.01 (0.03).
- Cash flow from operating activities amounted to SEK 12.1 (35.6) million. Excluding final payment of FPGA's, the operating cash flow amounted to SEK 70.1 million.

## January – December 2025

- Net sales decreased by 14.3% to SEK 521.2 (608.0) million. Adjusted for currency effects, the decrease was 9.1%.
- EBITDA decreased to SEK 91.5 (159.8) million, corresponding to an EBITDA-margin of 17.6% (26.3%). Adjusted for restructuring costs of SEK -10.7 (-2.5) million, EBITDA amounted to SEK 102.2 (162.3) million.
- EBIT amounted to SEK -2.0 (78.9) million, corresponding to an EBIT margin of -0.4% (13.0%). Adjusted for restructuring costs of SEK -10.7 (-2.5) million, EBIT amounted to SEK 8.8 (81.3) million.
- Net profit/loss for the period amounted to SEK -7.6 (71.0) million.
- Earnings per share diluted were SEK -0.02 (0.20).
- Cash flow from operating activities amounted to SEK -39.4 (128.2) million.

### In brief

- Andreas Eriksson appointed new CEO for Net Insight on January 12<sup>th</sup>, 2026
- Weak finish in 2025 with a decline in revenue by 12,5%
- Revenue growth in time synchronization after acceleration rollout by Türk Telekom during the quarter
- First commercial order for our new media-optimized 400G IP technology from a leading North American sports broadcaster

## Financial overview

SEK millions	Oct-Dec			Jan-Dec		
	2025	2024	Change	2025	2024	Change
Net sales	116.9	133.5	-12.5%	521.2	608.0	-14.3%
Growth, FX adjusted	-3.8%	-19.3%		-9.1%	9.1%	
Gross earnings	61.6	81.5	-24.4%	274.5	372.8	-26.4%
Gross margin	52.7%	61.0%		52.7%	61.3%	
EBITDA	17.2	27.9	-38.5%	91.5	159.8	-42.8%
EBITDA margin	14.7%	20.9%		17.6%	26.3%	
EBIT	-5.1	5.2	-197.7%	-2.0	78.9	-102.5%
EBIT margin	-4.3%	3.9%		-0.4%	13.0%	
EBIT adjusted*	-4.4	5.2	-184.2%	8.8	81.3	-89.2%
EBIT margin adjusted*	-3.7%	3.9%		1.7%	13.4%	
Net margin	-3.5%	7.0%		-1.4%	11.7%	
Earnings per share	-0.01	0.03		-0.02	0.21	
Cash flow from operating activities	12.1	35.6	-65.9%	-39.4	128.2	
Cash flow excluding stock related transactions	-13.5	4.1		-138.9	13.9	

\*Adjusted for one-off restructuring costs

For financial definitions, see pages 19-21.  
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# CEO statement

## A challenging year but also a year that builds the foundation for the future

As previously communicated, 2025 was a challenging year for Net Insight with a weak finish. Revenue was negatively impacted by currency headwinds, an uncertain macroeconomic environment and longer sale cycles within the Time synchronization business. At the same time, we need to strengthen our sales efficiency and continue to develop our offering. Our new 400G media platform, for which we have secured our first order, is an important example of the continued development of our portfolio.

To adapt the business to prevailing market conditions, while at the same time strengthening our long-term competitiveness, a number of important measures were initiated during the year.

A cost-saving program with annual savings of SEK 30 million has been implemented to ensure a cost structure that is long-term sustainable.

At the same time, we continued to invest in our media platform. During the year, we launched, among other things, the market's first 400G media platform. The platform enables a reduced total cost of ownership (TCO) for our customers and strengthens our position as a market-leading provider of high-capacity solutions. Delivery of the first commercial order was initiated during the fourth quarter.

Our time synchronization business continued to develop in a positive direction. Customer activity increased, with more customers wishing to carry out tests (Proof of Concept). Although we can conclude that sales processes within time synchronization are longer than we expected, we have advanced our positions towards rollout during the year.

### Reflections and measures

Even though 2025 was a challenging year, I did not hesitate to accept the offer to become the new CEO of Net Insight. Net Insight operates in a very attractive industry and has a long-standing experience of developing innovative, industry-leading products. However, I can conclude that we are currently not reaching our full potential. My ambition is to ensure that the organization, ways of working and offering are clearly adapted to the needs of the market – now and in the future.

During the year, we identified a need to further strengthen parts of our media product portfolio, including parts of video compression, our cloud-based platform, and solutions suitable for smaller installations. We have made clear priorities in product development to address these product gaps and thereby strengthen our long-term competitiveness.

Furthermore, we need to continue developing our sales and marketing efforts within media, both in terms of sales focus and how we bring new offerings to market, as well as how we more effectively grow existing customers and reach new ones. This is particularly evident in the Americas, our largest market, where we have not sufficiently succeeded in establishing relationships with new major customers in recent years. We have therefore implemented changes in the Americas organization to increase our

commercial impact and strengthen our local presence. In January 2026, new Regional Heads in both the Americas and APAC were appointed, and the former Head of EMEA was appointed Chief Commercial Officer (CCO) of the company.

Interest in our time synchronization business continues to grow. However, the pace of our commercial traction has been impacted by long and technically complex sales processes, with extensive requirements for testing and integration into operators' networks. During 2026, we will prioritize the conversion of customers from the testing phase to rollout, ahead of engaging new customers.

### Focus ahead on execution

Net Insight has a strong foundation with technical leadership in a future-oriented industry. In order to strengthen our profitability and competitiveness going forward, we will further focus on our resources, prioritize more clearly, and sharpen our commercial way of working. In the medium term, we aim to achieve growth through an expanded and strengthened product portfolio and stronger commercial execution.

As we enter 2026, we see continued subdued demand also during the beginning of the year, but the measures underway will have an effect gradually and strengthen our position step by step. With an adapted cost structure, a modern and relevant offering, and a more focused commercial organization, we are well positioned to create long-term value for our customers and shareholders.

Our long-term financial targets currently remain unchanged, while we see that the possibility of reaching them by 2027 is challenging.

I look forward with great confidence to developing Net Insight together with all committed employees and to making the most of the opportunities ahead of us.



Andreas Eriksson, CEO  
Solna, Sweden, February 11, 2026

# Net Insight in brief

Net Insight is a leading provider of solutions for live media transport and time synchronization in 5G networks and other critical infrastructures

Net Insight combines advanced technology with close customer relationships to deliver solutions that meet the need for reliability and precision in live media transport. The company also offers solutions for GNSS/GPS-independent time synchronization in 5G and other critical networks.

With over 25 years of experience and a proven track record in turning innovation into successful commercialization, Net Insight delivers end-to-end solutions to a global and growing customer base, with a strong focus on long-term relationships with customers and business partners.

The company's live media transport products enable high-quality, efficient, and reliable distribution—primarily of sports content—to large audiences around the world.

The network-based time synchronization solution provides cost-effective and secure time synchronization for 5G and other critical networks. The solution has been developed from technology that has been part of the company's media products for over 15 years.

## Business model

Net Insight focuses on long-term, sustainable growth by offering high-quality end-to-end solutions to a global and expanding customer base.

The company operates in EMEA, the Americas, and APAC, with sales conducted both directly to end customers and indirectly through business partners.

Revenue is generated through hardware sales, software licensing, as well as subscriptions and support agreements for four main

customer groups within media, as well as companies reliant on time synchronization (see "Customers" below).

Strong partnerships, long-term customer relationships, and research and development are key priorities to ensure market-leading technology solutions with high reliability and quality.

## Customers

In Media, Net Insight serves service providers, broadcasters, production companies, and rights holders. In Time Synchronization, the primary customers are telecom operators and service providers of 5G networks and other critical infrastructure networks.

## Strategy

Net Insight strives to deliver the highest quality and most reliable technology for live media transmission and GNSS/GPS-independent time synchronization through strong innovation capabilities.

Guided by its core values — innovation, collaboration, and trust — the company's vision is to be a highly regarded partner and a global leader by 2028. Through technical expertise and close customer relationships, Net Insight works to strengthen its market position, with a primary focus on the rapidly growing sports segment within Media.

Strategic initiatives include growing alongside existing customers, securing new business, increasing the share of cloud-based software revenues, and ensuring efficient scalability of operations.

## Net Insight in numbers, rolling 12 months

**521**

Net sales, SEK million

**67%**

Gross margin before amortization of capitalized development expenditure

**25%**

Innovation\* as a percentage of net sales

**9**

EBIT one-off adjusted\*\*, SEK million

**-0.02**

Earnings per share, SEK (after dilution)

**168**

Available liquidity\*\*\*, SEK million

\* Total development expenditures

\*\* Excluding one-off restructuring cost in connection with the cost savings program

\*\*\*Cash and cash equivalents including unutilized credit facility



# Financial information

## October-December

### Net sales

Net sales in the fourth quarter of 2025 amounted to SEK 116.9 (133.5) million, a decrease of 12.5% compared to the same quarter last year. The decrease is partly attributable to exchange rate changes; in comparable currencies, sales decreased compared to the previous year by 3.8%.

Revenue from time synchronization for 5G and other critical networks in the quarter amounted to SEK 20.0 (14.3) million, corresponding to an increase of 40.1%. Most of the increase is due to Türk Telekom's accelerated rollout in the quarter for the 5G network launch in April 2026. The orderbook for the time synchronization offer extends several years into the future and at the end of the quarter amounted to approximately SEK 121 (172) million.

### Gross profit

Gross profit for the fourth quarter amounted to SEK 61.6 (81.5) million, a decrease of 24.4%. The gross profit included amortization of capitalized development expenditure of SEK -18.5 (-18.3) million. Gross margin excluding and including amortization of capitalized development expenditure was 68.5% (74.7%) and 52.7% (61.0%) respectively. The lower gross profit and margin is primarily driven by the lower gross profit and negative exchange rate changes due to a strengthened SEK.

### Operating expenses

Sales and marketing expenses amounted to SEK -35.7 (-42.4) million. Administration expenses were SEK -17.3 (-18.6) million and includes SEK -0.7 (-) million in one-off restructuring cost in connection with the cost savings program. Development expenses were SEK -12.3 (-13.3) million and development expenditures before capitalization amounted to SEK 34.7 (38.9) million.

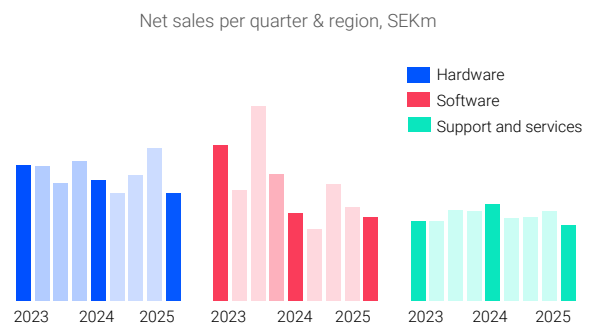
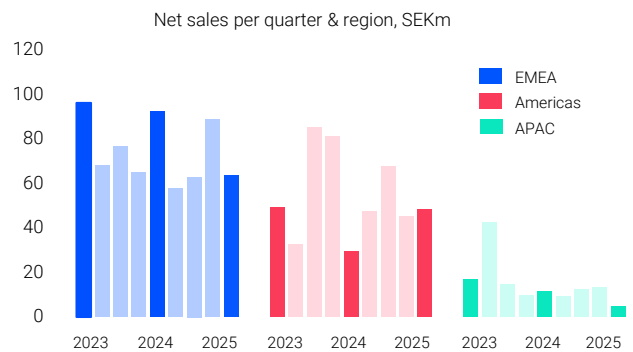
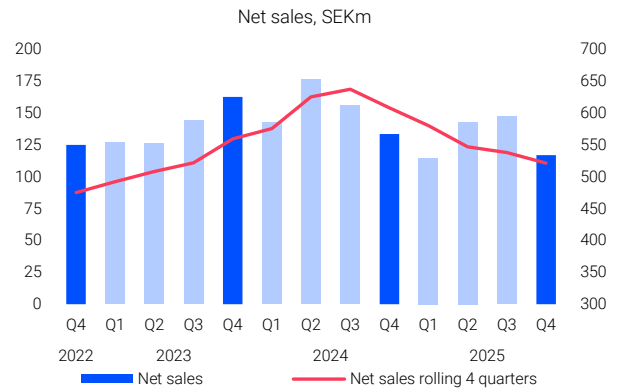
Overall, operating expenses for the fourth quarter amounted to SEK -65.3 (-74.3) million, a decrease of 12.0% year-on-year. The decrease is due to implemented cost savings programs which will generate annual savings of approx. SEK 30 million with full effect from the turn of the year 25/26. Other operating income and expenses were SEK -1.3 (-2.1) million, of which currency exchange rate differences account for the total.

### Earnings

EBIT amounted to SEK -5.1 (5.2) million, corresponding to an EBIT margin of -4.3% (3.9). Excluding items affecting comparability of SEK -0.7 (-) million and exchange rate differences of SEK -1.3 (-2.0) million, EBIT amounted to SEK -3.1 (7.2) million which corresponds to EBIT margin of -2.6% (5.4%). The lower profit is primarily explained by the lower revenue. For more information, see the table "Material profit and loss items" on page 18.

EBITDA and EBITDAC (EBITDA including reversal of capitalization of development expenditures) amounted to SEK 17.2 (27.9) million and SEK -5.2 (2.3) million respectively, corresponding to an EBITDA margin of 14.7% (20.9%) and an EBITDAC margin of -4.5% (1.7%). Adjusted for one-offs and exchange rate differences, EBITDA and EBITDAC amounted to SEK 19.2 (30.0) million and SEK -3.3 (4.4) million respectively.

In the fourth quarter, Net financial items amounted to SEK -0.7 (6.1) million, whereof SEK -0.6 (4.6) million is related to exchange rate differences, SEK 0.3 (0.2) million is related to the value of endowment insurance and SEK -0.1 (1.3) million to net interest income.



Profit/loss before tax in the fourth quarter amounted to SEK -5.8 (11.2) million and net profit/loss SEK -4.0 (9.4) million, corresponding to a net margin of -3.5% (7.0%).

## Financial position and cash flow

### Cash flow

Cash flow from operating activities in the fourth quarter amounted to SEK 12.1 (35.6) million. The decreased cash flow from operating activities is due to an increase in capital tied up in working capital. The increase in capital tied up is primarily attributable to payment of the larger purchase of programmable circuits (FPGAs) during the second quarter.

# Financial information

This purchase secures component availability for several years to come. Final payment of SEK 58.0 million was made in the fourth quarter. Excluding final payment of FPGA's, the operating cash flow amounted to SEK 70.1 million.

Cash flow from investment activities in the fourth quarter amounted to SEK -23.3 (-28.7) million and is primarily attributable to capitalized development expenditures.

Cash flow from financing activities in the fourth quarter amounted to SEK -2.3 (-14.8) million. No share repurchase was made during the quarter whilst repurchase of own share in the comparable period 2024 amounted to SEK 12.1 million.

The total cash flow for the fourth quarter amounted to SEK -13.5 (-7.9) million. Excluding the cash impact from share-related transactions (repurchase of own shares) the cash flow for the fourth quarter was SEK -13.5 (4.1) million. For additional information, see pages 12 and 18.

## Investments

The investments in the fourth quarter were SEK 23.3 (28.7), of which SEK 22.4 (25.6) million were related to capitalization of expenditure for development.

Depreciation and amortization in the fourth quarter amounted to SEK -22.2 (-22.7) million, of which SEK -18.5 (-18.3) million related to amortization of capitalized expenditure for development.

Changes in capitalized development costs and depreciation are driven by the completion status of development projects combined with the timing of launches of fully developed products.

## January-December

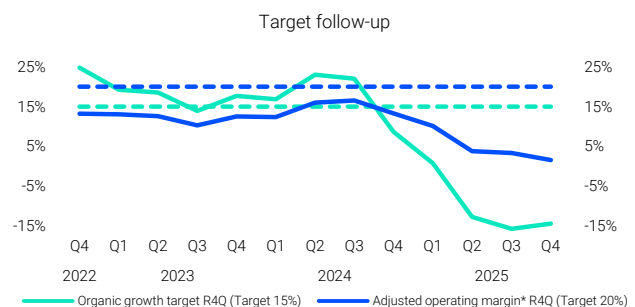
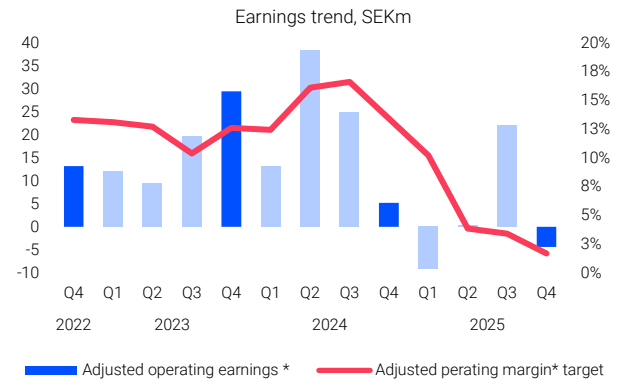
### Net sales

Net sales for 2025 amounted to SEK 521.2 (608.0) million, a decrease of 14.3% compared to last year and adjusted for currency effects, a decrease of 9.1%.

Revenue from time synchronization for 5G and other critical networks in the period amounted to SEK 46.2 (43.6) million, corresponding to an increase of 5.8%. Deliveries related to the agreement with Türk Telekom account for most of the revenue.

### Gross profit

Gross profit for the year amounted to SEK 274.5 (372.8) million, a decrease of 26.4%. The gross profit included amortization of capitalized development expenditure of SEK -76.9 (-64.2) million. Gross margin excluding and including amortization of capitalized development expenditure was 67.4% (71.9%) and 52.7% (61.3%) respectively. The lower gross profit and the lower gross margin were primarily attributable to the lower turnover, negative currency effects and that the previous year's margin was positively affected by the higher share of software because of a one-off software order of SEK 29.8 million in the second quarter.



## Financial targets 2023-2027:

- Average annual organic Net sales growth exceeding 15 percent
- Operating margin (EBIT margin) to reach 20 percent in the same period

## Operating expenses

Sales and marketing expenses amounted to SEK -159.1 (-172.0) million. Administration expenses were SEK -75.3 (-71.5) million and includes SEK -10.7 (-2.5) million in one-off restructuring cost in connection with the cost savings program. Development expenses were SEK -46.1 (-49.6) million and development expenditures before capitalization amounted to SEK -132.1 (-148.0) million.

Overall, operating expenses for the period amounted to SEK -280.5 (-293.1) million, a decrease of 4.3% year-on-year. One-off restructuring cost totaling SEK -10.7 (-2.5) million, in connection with the cost savings program, are included in the operating expenses. Adjusted for the one-offs, operating expenses decreased by 7.2%.

Other operating income and expenses were SEK 4.0 (-0.8) million, of which currency exchange rate differences account for the total.

# Finansiell information

## Earnings

EBIT for the year amounted to SEK -2.0 (78.9) million, corresponding to an EBIT margin of -0.4% (13.0%). Excluding one-off restructuring cost of SEK -10.7 (-2.5) million and exchange rate differences of SEK 4.0 (-0.8) million, operating earnings amounted to SEK 4.7 (82.2) million, corresponding to an operating margin of 0.9% (13.5%). The lower profit is primarily due to the lower revenue, negative changes in exchange rates and the fact that last year's gross margin was positively impacted by the higher share of software due to a one-off software order of SEK 29.8 million during the second quarter. For more information, see the table "Material profit and loss items" on page 18.

EBITDA and EBITDAC (EBITDA including reversal of capitalization of development expenditures) amounted to SEK 91.5 (159.8) million and SEK 5.5 (61.4) million respectively, which corresponds to an EBITDA margin of 17.6% (26.3%) and an EBITDAC margin of 1.1% (10.1%). Adjusted for on-offs and exchange rate differences, EBITDA and EBITDAC amounted to SEK 98.2 (163.1) million and SEK 12.2 (64.7) million.

Net financial items for the year amounted to SEK -7.0 (10.6) million, of which SEK -9.5 (1.8) million is related to exchange rate differences, SEK 0.2 (1.4) is relating to the value of endowment insurance and SEK 2.4 (7.5) million to net interest income.

The profit before tax for the period amounted to SEK -8.9 million (89.5) and the profit for the period amounted to SEK -7.6 million (71.0), which corresponded to a net margin of -1.4% (11.7%).

## Financial position and cash flow

### Cash flow

Cash flow from operating activities for the year amounted to SEK -39.4 (128.2) million. The decreased cash flow from operating activities is due to the lower profit and an increase in capital tied up in working capital. The increase in capital tied up is primarily attributable to an increase in inventory as a result of the larger purchase of approximately SEK 75 million of programmable circuits (FPGAs) during the second quarter.

Cash flow from investment activities in the period amounted to SEK -87.7 (-103.3) million and is primarily attributable to capitalized development expenditures.

Cash flow from financing activities in the period amounted to SEK -22.1 (-59.1) million and is primarily attributable to repurchase of own shares by SEK -10.2 (-48.1) million.

The total cash flow for the period amounted to SEK -149.1 (-34.2) million. Excluding the cash impact from share-related transactions (repurchase of own shares) the cash flow for the period was SEK -138.9 (13.9) million. For additional information, see pages 12 and 18.

## Investments

The investments in the period were SEK 87.7 (103.3), of which SEK 86.0 (98.4) million were related to capitalization of expenditure for development.

Depreciation and amortization in the period amounted to SEK -93.4 (-80.9) million, of which SEK -76.9 (-64.2) million related to amortization of capitalized expenditure for development.

Changes in capitalized development costs and depreciation are driven by the completion status of development projects combined with the timing of launches of fully developed products.

At the end of the period, net value of capitalized expenditures for development amounted to SEK 279.7 (270.7) million.

## Net cash

Cash and cash equivalents at the end of the period amounted to SEK 82.7 million, compared to SEK 232.9 million per December 31, 2024. The Group's total credit facility amounts to SEK 85.0 (50.0) million. This was unutilized at the end of the period (-). Available liquidity therefore amounted to SEK 167.7 (282.9) million.

Net cash, excluding effects of IFRS16 amounted to SEK 82.7 million, compared to SEK 232.9 million per December 31, 2024.

## Equity

Equity at the end of the year amounted to SEK 626.1 million, compared to SEK 646.4 million per December 31, 2024. No repurchase of own shares was made in the quarter. The decrease in equity exceeds the result, driven by exchange rate differences.

## Equity/asset ratio

Equity/asset ratio was 78.3% compared to 77.4% per December 31, 2024.

## Employees

The average number of employees and consultants in the fourth quarter and for the period were 188 (205) and 196 (200) respectively.

## Parent company in summary

Net sales for the parent company in the fourth quarter amounted to SEK 116.9 (133.5) million and net profit to SEK -4.4 (8.5) million. During the fourth quarter the intra-group sales were SEK 0.0 (0.0) million while intra-group purchases were SEK -17.6 (-19.5) million.

Net sales for the parent company in the period amounted to SEK 521.2 (608.0) million and net loss to SEK -10.8 (67.6) million. During the period the intra-group sales were SEK 0.0 (0.0) million while intra-group purchases were SEK -77.1 (-85.5) million.

Development of the Parent Company for the year and its financial position essentially followed that of the Group as presented above (excluding intra-group transactions).



# Other information

## Events during the quarter

- During the quarter, Net Insight took a significant step in its future growth journey by securing the first commercial order for our media-optimized 400G IP solution. This was done by a leading North American sports broadcaster to meet the rapidly growing need for higher capacity and reliable media transport. Deliveries began at the turn of the year.
- During the quarter, Net Insight was certified to ISO/IEC 27001:2022, the internationally recognized standard for information security management systems. The certification confirms that the company has established and implemented a structured and independently audited framework to manage and mitigate information security risks in its operations.

## Events after the reporting period

Andreas Eriksson was appointed as the new CEO, effective January 12, 2026. He succeeds Crister Fritzon, who previously announced his resignation.

Nadia Kolli was appointed as the new Chief Commercial Officer and member of the management team on January 30, 2026.

## Accounting policies

This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations of the Swedish Annual Accounts Act. The Interim Report of the parent company complies with chapter 9 of the Swedish Annual Accounts Act, Interim Financial Reporting, and RFR 2 Accounting for Legal Entities.

Disclosures in accordance with IAS 34 are presented in the interim financial statements and the associated notes as well as elsewhere in the interim financial report.

There are no new or amended International Financial Reporting Standards (IFRS) in 2025 that have had a material impact on the Company's financial reporting.

The same accounting principles and basis of calculation as those used in the latest Annual Report have been applied to the group and parent company. For a description of these accounting principles, please refer to the Annual Report for 2024.

The preparation of the Interim Report requires management to make judgements, estimates and assumptions that affect the company's earnings and position and information presented generally. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. For a description of these estimates and assumptions, please refer to the Annual Report for 2024.

Figures in brackets in this report refer to comparison with the corresponding period or date in the previous year, if not stated otherwise. Divergences due to rounding may occur in this report.

## Contributed equity

The 2025 AGM resolved to authorize the board of directors to resolve to repurchase, on one or several occasions until the next AGM, as many own shares as may be purchased without the

company's holding at any time exceeding ten per cent of the total number of shares in the company. Further, the AGM resolved to authorize the board of directors to resolve on one or several occasions until the next annual general meeting, to transfer (sell) own shares.

The 2025 AGM resolved to approve the proposal to introduce a long-term share-based incentive program, LTIP 2025. The 2025 AGM further resolved to approve the transfer of treasury shares as a hedging measure regarding the company's commitments under LTIP 2025.

The 2025 AGM resolved that the company's share capital shall be reduced by SEK 273,542.80 for allocation to unrestricted equity through cancellation of 6,838,570 own B shares held by the company. The meeting further resolved that the share capital would be restored through a stock dividend issue, without the issuance of new shares, whereby the reduction amount of SEK 273,542.80 would be transferred from unrestricted equity. The cancellation was completed on May 22.

At the end of the period, the parent company had a total of 1,028,430 of its own class B shares, at an average cost of SEK 4.75 per share and with a par value of SEK 0.04 per share. The shares are held as own shares. The parent company has the right to reissue these shares at a later date.

The Company has an ongoing warrant program (LTI 2022) with a total of 50,000 warrants. When calculating earnings per share, a dilution effect arises when the average price for the period exceeds the exercise price for the warrants. For more information about the programs and the accounting principles, see Note 7 on pages 80-81 in the 2024 Annual Report.

The company also has an active share program, approved at the 2025 AGM (LTIP 2025).

All shares issued by the parent company were fully paid.

## Risk and sensitivity analysis

Net Insight's operations and results of operations are affected by a number of external and internal factors. There is a continuous process to identify risks, and to assess how each such risk should be mitigated.

The main risks the company is primarily exposed to include market-related risks (including, but not limited to, competition, technological progress, and political risks), operational risks (including product liability, intellectual property, disputes, customer dependence and contract risks), as well as financial and sustainability-related risks.

## International exposure

The current geopolitical tension causes hesitation in the market, and timing of business deals are harder to predict. In addition to the increased geopolitical instability, the risk of increased US tariffs brings further uncertainty. At the time of publication of the report, Net Insight's products are exempt from the tariffs introduced in April, but this may change and affect the company's profitability negatively. Net Insight is taking countermeasures to mitigate the risk of increased tariffs, including a review of the value chain, and

# Other information

has a long-term expectation of a gradual reduction in exposure to this risk through an increased share of software sales.

In recent years, currency fluctuations have been high. The company is exposed to changes primarily in USD and EUR, where a strengthened Swedish krona negatively impacts reported revenue, partly offset by hedging.

## **Inventory obsolescence**

The product life cycle of programmable circuits (FPGA) has been shortened, which has led to an increased need to secure supply of components. As a result, a decision was made in 2024 to temporarily increase inventory levels of these FPGAs, with purchases commencing in the second half of 2025. The consequence is an increased risk of inventory obsolescence due to incorrectly estimated future sales. The company is actively working to monitor inventory levels and sell any surplus on the spot market.

Except for this, no significant risks and uncertainties have changed compared to those described in the 2024 annual report.

The risks and uncertainties are essentially the same for the parent company and the Group as a whole. For a comprehensive review of the company's risk and sensitivity analysis, and its risk management process, see pages 55–57, 58–59 and 73–74 of the 2024 Annual Report.

## **Transactions with related parties**

In 2025, the parent company hired a member of the management team's related party company for consulting services. Charged fees during the year amounted to SEK 0.7 (0.1) million.

## **Annual general meeting 2026**

The Annual General Meeting will be held on May 12, at 10.00 o'clock in the office of Net Insight at Smidesvägen 7, Solna, Sweden. The Annual Report will be published and available on Net Insight's website, [www.netinsight.net](http://www.netinsight.net), on April 22. The Nomination Committee's proposals will be presented in the notice of the Annual General Meeting and on the company's website, [www.netinsight.net](http://www.netinsight.net)

## **Dividend**

The Board of Directors proposes that no dividend be paid for the financial year 2025.

## **Auditors' review**

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

Solna, Sweden, February 11, 2026

Andreas Eriksson  
CEO

The report has been prepared in a Swedish and an English version. In case of discrepancies between the two, the Swedish version shall prevail. The information was submitted for publication, through the agency of the contact persons set out above, at 7:30 CET on February 11, 2025.



# Financial reports

## Consolidated income statement, in summary

SEK thousands	Oct-Dec		Jan-Dec	
	2025	2024	2025	2024
Net sales	116,914	133,543	521,173	608,011
Cost of sales	-55,332	-52,057	-246,688	-235,226
<b>Gross earnings</b>	<b>61,582</b>	<b>81,486</b>	<b>274,485</b>	<b>372,785</b>
Sales and marketing expenses	-35,730	-42,408	-159,088	-171,994
Administration expenses	-17,300	-18,553	-75,262	-71,540
Development expenses	-12,316	-13,291	-46,132	-49,566
Other operating income and expenses	-1,296	-2,057	4,040	-824
<b>EBIT</b>	<b>-5,060</b>	<b>5,177</b>	<b>-1,957</b>	<b>78,861</b>
Net financial items	-692	6,066	-7,031	10,636
<b>Profit/loss before tax</b>	<b>-5,752</b>	<b>11,243</b>	<b>-8,988</b>	<b>89,497</b>
Tax	1,717	-1,857	1,437	-18,451
<b>Net Income</b>	<b>-4,035</b>	<b>9,386</b>	<b>-7,551</b>	<b>71,046</b>
Net income for the period attributable to the shareholders of the parent company	<b>-4,035</b>	<b>9,386</b>	<b>-7,551</b>	<b>71,046</b>

Earnings per share, based on net income attributable to the parent company's shareholders during the period	Oct-Dec		Jan-Dec	
	2025	2024	2025	2024
<b>Earnings per share</b>				
-Basic, SEK	-0.01	0.03	-0.02	0.21
-Diluted, SEK	-0.01	0.03	-0.02	0.20
<b>Average number of outstanding shares in thousands</b>				
-Basic	340,376	343,236	340,706	346,480
-Diluted	340,376	345,041	341,067	348,255

## Consolidated statement of comprehensive income

SEK thousands	Oct-Dec		Jan-Dec	
	2025	2024	2025	2024
Net income	-4,035	9,386	-7,551	71,046
<b>Other comprehensive income</b>				
Translation differences	-375	2,161	-2,794	2,266
<b>Total other comprehensive income, after tax</b>	<b>-375</b>	<b>2,161</b>	<b>-2,794</b>	<b>2,266</b>
<b>Total other comprehensive income for the period</b>	<b>-4,410</b>	<b>11,547</b>	<b>-10,345</b>	<b>73,312</b>
<b>Total comprehensive income for the period attributable to the shareholders of the parent company</b>	<b>-4,410</b>	<b>11,547</b>	<b>-10,345</b>	<b>73,312</b>

# Financial reports

## Consolidated balance sheet, in summary

SEK thousands	31 Dec 2025	30 Sep 2025	31 Dec 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Capitalized expenditure for development	279,730	275,786	270,700
Goodwill	38,751	38,751	38,751
Other intangible assets	143	173	473
Right-of-use assets	41,996	44,335	14,466
Equipment	8,236	8,719	11,922
Deferred tax asset	4,717	3,080	3,653
Deposits	5,003	5,008	5,142
<b>Total non-current assets</b>	<b>378,576</b>	<b>375,852</b>	<b>345,107</b>
<b>Current assets</b>			
Inventories	138,357	141,975	87,986
Accounts receivable	158,840	216,739	137,520
Other receivables	41,143	42,365	31,225
Cash and cash equivalents	82,678	96,271	232,941
<b>Total current assets</b>	<b>421,018</b>	<b>497,350</b>	<b>489,672</b>
<b>TOTAL ASSETS</b>	<b>799,594</b>	<b>873,202</b>	<b>834,779</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to parent company's shareholders</b>			
Share capital	13,930	13,930	13,930
Other paid-in capital	1,200,443	1,200,443	1,200,443
Translation reserve	-528	-153	2,266
Accumulated deficit	-587,779	-583,851	-570,274
<b>Total shareholders' equity</b>	<b>626,066</b>	<b>630,369</b>	<b>646,365</b>
<b>Non-current liabilities</b>			
Lease liabilities	31,110	33,084	1,555
Other liabilities	8,770	9,534	16,146
<b>Total non-current liabilities</b>	<b>39,880</b>	<b>42,618</b>	<b>17,701</b>
<b>Current liabilities</b>			
Lease liabilities	8,305	8,702	11,738
Accounts payable	41,745	99,677	35,496
Other liabilities	83,598	91,836	123,479
<b>Total current liabilities</b>	<b>133,648</b>	<b>200,215</b>	<b>170,713</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>799,594</b>	<b>873,202</b>	<b>834,779</b>

# Financial reports

## Changes in consolidated equity, in summary

SEK thousands	Attributable to parent company's shareholders				
	Share capital	Other paid-in capital	Translation reserve	Accumulated deficit	Total shareholders' equity
<b>January 1, 2024</b>	<b>14,362</b>	<b>1,200,443</b>	<b>1,010</b>	<b>-593,656</b>	<b>622,159</b>
Transfer of quota value upon cancellation of repurchased shares	-432	-	-	432	-
Repurchase of own shares	-	-	-	-48,096	-48,096
Share-based payment reserve	-	-	-	-	-
Total comprehensive income	-	-	1,256	71,046	72,302
<b>December 31, 2024</b>	<b>13,930</b>	<b>1,200,443</b>	<b>2,266</b>	<b>-570,274</b>	<b>646,365</b>
<b>January 1, 2025</b>	<b>13,930</b>	<b>1,200,443</b>	<b>2,266</b>	<b>-570,274</b>	<b>646,365</b>
Repurchase of own shares				-10,207	-10,207
Share-based payment reserve				254	254
Total comprehensive income			-2,794	-7,551	-10,345
<b>December 31, 2025</b>	<b>13,930</b>	<b>1,200,443</b>	<b>-528</b>	<b>-587,779</b>	<b>626,066</b>



# Financial reports

## Consolidated statement of cash flows

SEK thousands	Oct-Dec		Jan-Dec	
	2025	2024	2025	2024
<b>Operating activities</b>				
EBIT	-5,060	5,177	-1,957	78,861
Depreciation, amortization & impairment	22,225	22,738	93,423	80,916
Other items not affecting liquidity	5,676	-1,330	5,412	688
<b>Sub-total</b>	<b>22,841</b>	<b>26,585</b>	<b>96,878</b>	<b>160,465</b>
Interest received	286	1,431	3,177	8,243
Interest paid	-391	-155	-731	-763
Other financial income and expenses	-587	4,789	-9,479	3,155
Income tax paid	-250	-4,356	-8,140	-23,209
<b>Cash flow from operating activities before changes in working capital</b>	<b>21,899</b>	<b>28,294</b>	<b>81,705</b>	<b>147,891</b>
<b>Changes in working capital</b>				
Increase-/decrease+ in inventories	-1,458	-20,569	-55,948	-1,659
Increase-/decrease+ in receivables	58,865	29,175	-31,126	-6,293
Increase+/-decrease- in liabilities	-67,180	-1,321	-34,008	-11,700
<b>Total changes in working capital</b>	<b>-9,773</b>	<b>7,285</b>	<b>-121,082</b>	<b>-19,652</b>
<b>Cash flow from operating activities</b>	<b>12,125</b>	<b>35,579</b>	<b>-39,377</b>	<b>128,239</b>
<b>Investment activities</b>				
Capitalized expenditure	-22,414	-25,595	-85,979	-98,425
Investment in intangible assets	-	-	-	-3
Investment in tangible assets	-908	-3,139	-1,699	-4,881
<b>Cash flow from investment activities</b>	<b>-23,322</b>	<b>-28,734</b>	<b>-87,678</b>	<b>-103,309</b>
<b>Financing activities</b>				
Amortization leasing	-2,341	-2,749	-11,860	-11,030
Repurchase of own shares	-	-12,011	-10,207	-48,096
<b>Cash flow from financing activities</b>	<b>-2,341</b>	<b>-14,760</b>	<b>-22,067</b>	<b>-59,126</b>
<b>Net change in cash and cash equivalents</b>	<b>-13,538</b>	<b>-7,915</b>	<b>-149,122</b>	<b>-34,196</b>
Exchange differences in cash and cash equivalents	-55	652	-1,141	733
Cash and cash equivalents at the beginning of the period	96,271	240,204	232,941	266,404
<b>Cash and cash equivalents at the end of the period</b>	<b>82,678</b>	<b>232,941</b>	<b>82,678</b>	<b>232,941</b>

# Financial reports

## Disaggregation of revenue

SEK thousands	Oct-Dec		Jan-Dec	
	2025	2024	2025	2024
<b>Net sales by product group</b>				
Hardware	47,276	52,905	216,022	224,577
Software	36,602	38,234	159,893	227,393
Support & Services	33,036	42,404	145,258	156,041
<b>Total</b>	<b>116,914</b>	<b>133,543</b>	<b>521,173</b>	<b>608,011</b>
<b>Net sales by region</b>				
EMEA	63,763	92,503	273,294	301,888
AM	48,295	29,475	208,051	227,958
APAC	4,856	11,565	39,828	78,165
<b>Total</b>	<b>116,914</b>	<b>133,543</b>	<b>521,173</b>	<b>608,011</b>
<b>Timing of revenue recognition</b>				
Products and services transferred at a point in time	83,878	86,867	373,866	441,195
Products and services transferred over time	33,036	46,676	147,307	166,816
<b>Total</b>	<b>116,914</b>	<b>133,543</b>	<b>521,173</b>	<b>608,011</b>

## Financial assets and liabilities

Group's financial instruments by category	31 Dec 2025			31 Dec 2024		
	Value-tier	Assets measured at amortized cost	Assets measured at fair value through profit or loss	Value-tier	Assets measured at amortized cost	Assets measured at fair value through profit or loss
<b>Amounts in SEK thousands</b>						
<b>Assets in Balance Sheet</b>						
Derivative instruments	2		1,241	2		-
Accounts receivable and other receivables, excluding non-financial assets		165,584			144,439	
Cash and cash equivalents		82,678			232,941	
<b>Total</b>		<b>248,262</b>	<b>1,241</b>		<b>377,380</b>	<b>-</b>

Group's financial instruments by category	31 Dec 2025			31 Dec 2024		
	Value-tier	Liabilities measured at amortized cost	Liabilities measured at fair value through profit and loss	Value-tier	Liabilities measured at amortized cost	Liabilities measured at fair value through profit and loss
<b>Amounts in SEK thousands</b>						
<b>Liabilities in Balance Sheet</b>						
Derivative instruments	2		-	2		3,790
Accounts payable and other liabilities, excluding non-financial liabilities		42,074			44,354	
Lease liabilities		39,415			13,293	
<b>Total</b>		<b>81,489</b>	<b>-</b>		<b>57,647</b>	<b>3,790</b>

Carrying amounts of trade receivables, other receivables, cash and cash equivalents, trade payables, lease liabilities, and other liabilities constitute a reasonable approximation of fair value.

### Financial instruments at Level 2

The fair value of derivative instruments is determined by using exchange rates for forward foreign exchange contracts on the balance sheet date.

# Financial reports

## Parent company income statement, in summary

SEK thousands	Oct-Dec		Jan-Dec	
	2025	2024	2025	2024
Net sales	116,914	133,543	521,173	608,011
Cost of sales	-55,568	-51,966	-247,632	-233,064
<b>Gross earnings</b>	<b>61,346</b>	<b>81,577</b>	<b>273,541</b>	<b>374,947</b>
Sales and marketing expenses	-37,118	-42,596	-165,554	-174,868
Administration expenses	-17,117	-18,363	-73,321	-73,611
Development expenses	-12,414	-13,198	-46,817	-50,332
Other income expenses	-607	-3,507	5,828	-2,375
<b>EBIT</b>	<b>-5,910</b>	<b>3,913</b>	<b>-6,323</b>	<b>73,761</b>
Net financial items	-334	6,202	-6,380	11,318
<b>Profit/loss before tax</b>	<b>-6,244</b>	<b>10,115</b>	<b>-12,703</b>	<b>85,079</b>
Tax	1,796	-1,594	1,914	-17,461
<b>Net income</b>	<b>-4,448</b>	<b>8,521</b>	<b>-10,789</b>	<b>67,618</b>



# Financial reports

## Parent company balance sheet, in summary

SEK thousands	31 Dec 2025	31 Dec 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Capitalized expenditure for development	279,730	270,700
Other intangible assets	143	473
Equipment	7,972	11,397
Participations in group companies	3,198	3,198
Deferred tax asset	3,717	1,705
Deposits	4,752	4,855
<b>Total non-current assets</b>	<b>299,512</b>	<b>292,328</b>
<b>Current assets</b>		
Inventories	138,357	87,986
Accounts receivable	159,758	138,318
Receivables from group companies	72	346
Other receivables	45,003	33,767
Cash and cash equivalents	75,683	221,894
<b>Total current assets</b>	<b>418,873</b>	<b>482,311</b>
<b>TOTAL ASSETS</b>	<b>718,385</b>	<b>774,639</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Restricted equity	370,312	361,282
Non-restricted equity	205,440	235,213
<b>Total equity</b>	<b>575,752</b>	<b>596,495</b>
<b>Non-current liabilities</b>		
Other liabilities	8,770	14,271
<b>Total non-current liabilities</b>	<b>8,770</b>	<b>14,271</b>
<b>Current liabilities</b>		
Accounts payable	41,592	35,372
Liabilities to group companies	14,359	13,279
Other liabilities	77,912	115,222
<b>Total current liabilities</b>	<b>133,863</b>	<b>163,873</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>718,385</b>	<b>774,639</b>

	31 Dec, 2025			31 Dec, 2024		
The division of shares	A-shares	B-shares	Total	A-shares	B-shares	Total
Outstanding shares	1,000,000	339,376,009	340,376,009	1,000,000	341,233,009	342,233,009
Repurchased own shares	-	1,028,430	1,028,430	-	6,010,000	6,010,000
<b>Issued shares</b>	<b>1,000,000</b>	<b>340,404,439</b>	<b>341,404,439</b>	<b>1,000,000</b>	<b>347,243,009</b>	<b>348,243,009</b>

# Financial reports

## Financial information

SEK millions (if not defined differently)	Oct-Dec		Jan-Dec	
	2025	2024	2025	2024
<b>Earnings</b>				
Net sales	116,9	133,5	521,2	608,0
Gross earnings	61,6	81,5	274,5	372,8
Operating expenses	65,3	74,3	280,5	293,1
Total development expenditure	34,7	38,9	132,1	148,0
EBITDA	17,2	27,9	91,5	159,8
EBITDAC	-5,2	2,3	5,5	61,4
EBIT	-5,1	5,2	-2,0	78,9
Profit before tax	-5,8	11,2	-9,0	89,5
Net income	-4,0	9,4	-7,6	71,0
<b>Balance sheet and cash flow</b>				
Cash and cash equivalents	82,7	232,9	82,7	232,9
Working capital	211,3	109,5	188,2	118,1
Total cash flow	-13,5	-7,9	-149,1	-34,2
<b>The share</b>				
Dividend per share, SEK	-	-	-	-
Earnings per share, diluted, SEK	-0,01	0,03	-0,02	0,20
Cash flow per share, diluted, SEK	-0,04	-0,02	-0,44	-0,10
Average number of outstanding shares diluted, thousands	340 376	345 041	341 067	348 255
Number of outstanding shares at the end of the period, diluted, thousands	340 376	344 038	340 376	344 038
Share price at end of period, SEK	3,92	7,53	3,92	7,53
<b>Employees and consultants</b>				
Average number of employees and consultants	188	205	196	200
<b>KPI</b>				
Net sales YoY, change in %	-12,5%	-17,8%	-14,3%	8,7%
Gross margin	52,7%	61,0%	52,7%	61,3%
Total development expenditure/Net sales	29,7%	29,1%	25,3%	24,3%
EBIT margin	-4,3%	3,9%	-0,4%	13,0%
EBITDA margin	14,7%	20,9%	17,6%	26,3%
EBITDAC margin	-4,5%	1,7%	1,1%	10,1%
Net margin	-3,5%	7,0%	-1,4%	11,7%
Return on capital employed	0,1%	8,6%	0,2%	8,6%
Equity/asset ratio	78,3%	77,4%	78,3%	77,4%
Return on equity	-1,2%	11,1%	-1,2%	11,1%

# Financial reports

KPI Income Statement	Oct-Dec		Jan-Dec	
SEK millions (if not defined differently)	2025	2024	2025	2024
Net sales	116.9	133.5	521.2	608.0
Net sales YoY, change in %	-12.5%	-17.8%	-14.3%	8.7%
Cost of sales ex. amortization of capitalized development	-36.9	-33.8	-169.7	-171.0
<b>Gross earnings ex. amortization of capitalized development</b>	<b>80.1</b>	<b>99.8</b>	<b>351.4</b>	<b>437.0</b>
Gross margin ex. amortization of capitalized development	68.5%	74.7%	67.4%	71.9%
Cost of sales amortization of capitalized development	-18.5	-18.3	-76.9	-64.2
<b>Gross earnings</b>	<b>61.6</b>	<b>81.5</b>	<b>274.5</b>	<b>372.8</b>
Gross margin	52.7%	61.0%	52.7%	61.3%
Sales and marketing expenses	-35.7	-42.4	-159.1	-172.0
Administration expenses	-17.3	-18.6	-75.3	-71.5
Development expenses	-12.3	-13.3	-46.1	-49.6
<b>Operating expenses</b>	<b>-65.3</b>	<b>-74.3</b>	<b>-280.5</b>	<b>-293.1</b>
Operating expenses/net sales	55.9%	55.6%	53.8%	48.2%
Other operating income and expenses	-1.3	-2.1	4.0	-0.8
<b>EBIT</b>	<b>-5.1</b>	<b>5.2</b>	<b>-2.0</b>	<b>78.9</b>
EBIT margin	-4.3%	3.9%	-0.4%	13.0%
Net financial items	-0.7	6.1	-7.0	10.6
<b>Profit before tax</b>	<b>-5.8</b>	<b>11.2</b>	<b>-9.0</b>	<b>89.5</b>
Tax	1.7	-1.9	1.4	-18.5
<b>Net Income</b>	<b>-4.0</b>	<b>9.4</b>	<b>-7.6</b>	<b>71.0</b>
Net margin	-3.5%	7.0%	-1.4%	11.7%

EBITDA margin	Oct-Dec		Jan-Dec	
SEK millions (if not defined differently)	2025	2024	2025	2024
Net sales	116.9	133.5	521.2	608.0
EBIT	-5.1	5.2	-2.0	78.9
Amortization of capitalized development expenditure	18.5	18.3	76.9	64.2
Other depreciation & amortization	3.8	4.5	16.5	16.7
<b>EBITDA</b>	<b>17.2</b>	<b>27.9</b>	<b>91.5</b>	<b>159.8</b>
<b>EBITDA margin</b>	<b>14.7%</b>	<b>20.9%</b>	<b>17.6%</b>	<b>26.3%</b>
Capitalization of development expenditure	-22.4	-25.6	-86.0	-98.4
<b>EBITDAC</b>	<b>-5.2</b>	<b>2.3</b>	<b>5.5</b>	<b>61.4</b>
<b>EBITDAC margin</b>	<b>-4.5%</b>	<b>1.7%</b>	<b>1.1%</b>	<b>10.1%</b>

Change in net sales in comparable currencies	Oct-Dec		Jan-Dec	
SEK millions (if not defined differently)	2025	2024	2025	2024
Net sales	116.9	133.5	521.2	608.0
Net sales in comparable currencies	128.5		552.6	
<b>Change in net sales in comparable currencies</b>	<b>-3.8%</b>		<b>-9.1%</b>	



# Financial reports

Development expenditure SEK millions (if not defined differently)	Oct-Dec		Jan-Dec	
	2025	2024	2025	2024
Development expenses	12.3	13.3	46.1	49.6
Capitalization of development expenditure	22.4	25.6	86.0	98.4
<b>Total development expenditure</b>	<b>34.7</b>	<b>38.9</b>	<b>132.1</b>	<b>148.0</b>
<b>Capitalization rate</b>	<b>64.5%</b>	<b>65.8%</b>	<b>65.1%</b>	<b>66.5%</b>
Net Sales	116.9	133.5	521.2	608.0
<b>Total development expenditure/net sales</b>	<b>29.7%</b>	<b>29.1%</b>	<b>25.3%</b>	<b>24.3%</b>

## Material profit and loss items

The Group has identified a number of items which are material due to the significance of their nature and/or amount. These are listed separately here to provide a better understanding of the financial performance of the Group:

Material profit and loss items		Oct-Dec		Jan-Dec	
SEK millions	Note	2025	2024	2025	2024
<b>Exchange rate differences</b>					
Part of Other operating income & expenses		-1.3	-2.0	4.0	-0.8
Part of Net Financial Items		-0.6	4.6	-9.5	1.8
<b>Total Exchange rate differences</b>		<b>-1.9</b>	<b>2.6</b>	<b>-5.4</b>	<b>0.9</b>
Other operating income		0.0	-	0.2	-
<b>Total</b>		<b>0.0</b>	<b>-</b>	<b>0.2</b>	<b>-</b>
<b>Items affecting comparability</b>					
Restructuring	(a)	-0.7	-	-10.7	-2.5
<b>Total</b>		<b>-0.7</b>	<b>-</b>	<b>-10.7</b>	<b>-2.5</b>
<b>EBIT excluding items affecting comparability</b>					
EBIT		-5.1	5.2	-2.0	78.9
Items affecting comparability, as per above		0.7	-	10.7	2.5
<b>Total</b>		<b>-4.4</b>	<b>5.2</b>	<b>8.8</b>	<b>81.3</b>
<b>EBIT excluding exchange rate differences</b>					
EBIT		-5.1	5.2	-2.0	78.9
Exchange rate differences, as per above		1.3	2.0	-4.0	0.8
<b>Total</b>		<b>-3.8</b>	<b>7.2</b>	<b>-6.0</b>	<b>79.7</b>
<b>EBIT excluding exchange rate differences &amp; items affecting comparability</b>					
EBIT		-5.1	5.2	-2.0	78.9
Exchange rate differences, as per above		1.3	2.0	-4.0	0.8
Items affecting comparability, as per above		0.7	-	10.7	2.5
<b>Total</b>		<b>-3.1</b>	<b>7.2</b>	<b>4.7</b>	<b>82.2</b>
<b>Cash flow excluding share-base transactions</b>	(b)				
Net change in cash and cash equivalents		-13.5	-7.9	-149.1	-34.2
Repurchase of own shares		-	12.0	10.2	48.1
<b>Total</b>		<b>-13.5</b>	<b>4.1</b>	<b>-138.9</b>	<b>13.9</b>

All items in the table above effects operating earnings, except for (b) that affects cash flow.

(a) Severance pay in due to structural changes.

(b) Presenting the cash flow without effects from the repurchase program of own shares and exercised warrants provides a better understanding and comparison of the underlying operations' cash flow.

# Financial definitions

## Alternative performance measures and other definitions

Non-IFRS financial measures are presented to enhance investors and management possibility to evaluate the ongoing operating results, to aid in forecasting future periods and to facilitate meaningful comparison of results between periods. The APMs in this report may differ from similar-titled measures used by other companies. The section has also been supplemented with some other definitions.

Any key figures in text, diagrams or tables that include periods earlier than 1 April 2021, refer to continued operations, i.e. excluding the effect from divested operations. For more information, see interim reports and the 2024 annual report.

### Calculation of performance measures not included in IFRS framework, and some other definitions.

Various types of performance measures and margin measures as a percentage of sales.		
Performance measures	Description	
Non-IFRS performance measures	Reason for the use of the measure	
<b>Gross margin</b>	Gross earnings as a percentage of net sales.	The gross margin is of major importance, showing the margin for covering the operating expenses, supplemented by the margin to cover the operating expenses as well as the cost of amortization of capitalized development expenditures.
<b>Gross margin excl. amortization of capitalized development</b>	Gross earnings excl. amortization of capitalized development as a percentage of net sales.	
<b>Operating expenses</b>	Sales and marketing expenses, administration expenses and development expenses.	Shows the company's total operating expenses. Putting them in relation to net sales shows the company's cost efficiency.
<b>Operating expenses/net sales</b>	Operating expenses as a percentage of net sales.	
<b>Operating earnings (EBIT)</b>	Calculated as operating earnings before financial items and tax.	Operating earnings provides an overall picture of earnings generated in the operating activities.
<b>Operating margin (EBIT%)</b>	Operating earnings as a percentage of net sales.	The operating margin is a key measure together with sales growth and capital employed for monitoring value creation.
<b>Net sales YoY, change in %</b>	The relation between net sales for the period and the corresponding sales for the comparative period in the previous year.	The sales growth is a key measure together with operating margin and capital employed for monitoring value creation.
<b>Change in Net sales in comparable currencies</b>	The relation between the net sales for the period, recalculated using the foreign currency exchange rates from the comparative period, and the corresponding sales for the comparative period in the previous year. Only sales from business combinations that have been part of the Group for the whole comparative period are recalculated.	This measure is of major importance for management in its monitoring of the underlying sales growth driven by changes in volume, price and product mix for comparable exchange rates between different periods.
<b>Net margin</b>	Net Income as a percentage of net sales.	The net margin shows the remaining share of net sales after all the company's costs have been deducted.
<b>Total development (R&amp;D) expenditure</b>	Development expenses and capitalized expenditures for development.	The measure is a good complement to development expenses, as it shows the company's total development expenditures. The development expenditures effect on income, financial position, and presentation in the statement of cash flow is affected by the periods level of capitalized development expenditures.
<b>Capitalization rate</b>	Capitalized development expenditures as a percentage of total development expenditures.	
<b>Total development (R&amp;D) expenditure/net sales</b>	Total development expenditure as percentage of net sales.	

# Financial definitions

Performance measures	Various types of performance measures and margin measures as a percentage of sales.	
Non-IFRS performance measures	Description	Reason for the use of the measure
<b>Regions</b>	Definition of regions for designation of revenue: <ul style="list-style-type: none"> <li>• EMEA – Europe, the Middle East and Africa</li> <li>• Americas (AM) - North and South America</li> <li>• APAC – Asia and Pacific</li> </ul>	Definition of regions for designation of revenue.
<b>Working capital</b>	Current assets minus cash and cash equivalents, accounts payable and other interest-free current liabilities. The Company has no interest-bearing liabilities, excluding lease liabilities.  Changes in working capital in the cash flow statement also includes adjustments for items not affecting liquidity and changes in non-current operating assets and liabilities.	This measure shows how much working capital is tied up in the operations and can be put in relation to sales to understand how effectively tied up working capital is used.
<b>Capital employed</b>	The Company capital employed is calculated as an average of total assets, less total liabilities, excluding interest-bearing liabilities. The Company has no interest-bearing liabilities, excluding lease liabilities.	Return on capital employed is the central ratio for measuring the return on the capital tied up in operations.
<b>Return on capital employed</b>	Operating earnings plus interest income, in relation to average capital employed, rolling four quarters (R4Q).	
<b>Equity/asset ratio</b>	Shareholders' equity divided by the balance sheet total.	A traditional measure for showing financial risk, expressing the ratio of the assets that are financed by the owners.
<b>Return on equity</b>	Net income as a percentage of average shareholders' equity, rolling four quarters (R4Q).	Return on equity shows the total return on shareholders' capital and reflects the effect of the company's profitability as well as the financial leverage. The measure is primarily used to analyze owner profitability over time.
<b>Investments</b>	Investments in intangible and tangible assets.	Definitions to rows in the cash flow statement.
<b>Total cash flow/cash flow</b>	Change in cash and cash equivalents during the period, excluding exchange differences in cash and cash equivalents.	

Shareholders' information	Measures related to the share	
Non-IFRS performance measure	Description	Reason for the use of the measure
<b>Average number of outstanding shares</b>	Total number of shares in the Parent company, less the number of group companies' holdings of shares in the Parent company (own/treasury shares).	Definitions of IFRS performance measures. Measures showing the return of the business to the owners, per share.
<b>Dividend per share</b>	Dividend divided by the average number of outstanding shares during the period.	



# Financial definitions

Shareholders' information		Measures related to the share
Non-IFRS performance measure	Description	Reason for the use of the measure
<b>Earnings per share (EPS)</b>	Net income divided by the average number of outstanding shares during the period.	
<b>Cash flow per share</b>	Total cash flow, divided by average number of outstanding shares during the period.	Measures showing the return of the business to the owners, per share.
<b>Equity per share</b>	Shareholders' equity divided by number of outstanding shares at the end of the period.	

Employees		Measures related to employees
Non-IFRS performance measure	Description	Reason for the use of the measure
<b>Average number of employees and consultants/co-workers</b>	The average number of employees and consultants for non-temporary positions (longer than nine months) and who do not replace absent employees, in FTE (Full-time equivalent).	To supplement the number of employees with consultants gives a better measure of the Company's cost.

# Financial calendar

Annual Report 2025	22 April 2026
Interim report Q1 2026	29 April 2026
Annual general meeting	12 May 2026
Interim report Q2 2026	15 July 2026
Interim report Q3 2026	29 October 2026

## Invitation to presentation

On 11 February 2026 at 09:00 CET, CEO Andreas Eriksson together with CFO Cecilia Höjgård Höök will present the quarterly report in a live-streamed web conference.

Link to the live presentation, which will also be available for replay: [Net Insight Q4 2025](#)

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