



smart eye

Interim report Q3
January - September 2024

Bridging the gap between humans
and machines for a safer future



Continued ramp-up for Automotive, Lower sales for Behavioral Research outbalanced by lower costs

July - September 2024

- Net sales amounted to SEK 79.1 (77.7) million, an increase of 2% compared to the corresponding period the previous year. Automotive increased 35% while Behavioral Research decreased 13%.
- Gross profit amounted to SEK 70.5 million (70.2) and gross margin amounts to 89% (90%).
- EBITDA amounted to SEK -17.4 (-23.4) million.
- Operating loss amounted to SEK -61.5 (-63.1) million. Depreciation of the surplus value created in conjunction with the Affectiva and iMotions acquisitions amounts to SEK -28.8 (-29.8) million.
- Earnings after tax per share are -1.46 (-1.75), and after full dilution -1.46 (-1.75).
- Cash and cash equivalents totaled SEK 45.5 million at the end of September. The cash ending balance including credit facilities amounts to SEK 127,8 million. After the end of the quarter, an additional credit facility of SEK 150 million was procured.
- Smart Eye have during the quarter announced 37 new design wins with a total estimated order value of SEK 735 million.

January - September 2024

- Net sales amounted to SEK 254.8 (210.9) million, which corresponds to an increase of 21%.
- Gross profit amounted to SEK 228.8 (186.9) million, an improvement of SEK 41.9 million compared to last year.
- Operating loss amounted to SEK -187.2 (-215.8) million. Depreciation of the surplus value created in conjunction with the Affectiva and iMotions acquisitions amounts to SEK -86.5 (-86.7) million.
- Profit/loss after financial items amounted to SEK -187.5 (-215.4) million.
- Earnings after tax per share are -4.45 (-6.01), and after full dilution -4.45 (-6.01).

Financial summary

TSEK		Jul-Sep		Jan-Sep		Full Year
		2024	2023	2024	2023	2023
Net sales	TSEK	79,076	77,738	254,784	210,898	302,233
Gross profit	TSEK	70,490	70,174	228,822	186,913	267,099
Gross margin	%	89.1	90.3	89.8	88.6	88.4
EBITDA	TSEK	-17,447	-23,388	-63,663	-100,569	-127,667
Operating profit/loss	TSEK	-61,535	-63,130	-187,206	-215,765	-282,902
Operating margin	%	neg.	neg.	neg.	neg.	neg.
Profit/loss after tax	TSEK	-53,924	-61,770	-164,580	-211,921	-75,543
Profit per share*	SEK	-1.46	-1.75	-4.45	-6.01	-2.14
Return on total capital	%	-3.44	-4.12	-10.51	-14.12	-4.85
Equity per share*	SEK	42.33	42.64	42.33	42.55	44.20
Equity per share after full dilution*	SEK	41.30	42.64	41.30	41.23	42.82
Equity ratio	%	84.73	85.03	84.73	85.03	85.28
Number of shares		36,995,768	35,262,405	36,995,768	35,262,405	35,262,405
Number of shares after full dilution		37,923,525	36,396,805	37,923,525	36,396,805	36,396,805
Average number of shares before full dilution		36,995,768	35,262,405	36,528,829	33,574,014	33,999,581
Average number of shares after full dilution		37,923,525	36,396,805	37,456,587	34,708,414	35,133,981

* The subscription price in the directed share issue carried out in March 2024 was SEK 91 per share, corresponding to approximately 96 % of the share's fair value on the last day before the publication of the directed share issue. The comparison figures are recalculated, as a consequence of the directed share issue, with the calculated bonus factor of 1,002.

Comments from the CEO

The third quarter was characterized by continued ramp-up of production programs in automotive and a slowdown in the behavioral research market. This resulted in slower than expected overall growth but thanks to tight cost control we came out with an improved EBITDA. It is currently at SEK -17 million and is expected to continuously improve during Q4 and 2025.

As the car sales statistics for July came in it was clear that Q3 was going to be challenging for the whole automotive industry. We did not sit on our laurels but immediately started to work with our cost base in order to optimize it to our revenue yet ensure that we can meet our customers' expectations. Furthermore, we also procured a debt facility of SEK 150 million just to be sure that we have funding for all circumstances.

These two actions are the cornerstones going forward towards profitability, as we expect the license revenues from production cars to rise very fast in the near future, supported by ramp-up of the car models affected by the European safety regulation GSR for 2024.

Automotive

The general automotive market faced headwinds during the third quarter. The sales of new cars went down significantly in July, with some recovery seen in the later part of the quarter. Nevertheless, we announced no less than 37 new design wins in Q3, bumping the total number up to 359. These design wins are the foundation for the profitable growth of the company in the years to come.

The overall growth for Automotive was 35% but the licenses grew with more than 100% year on year (with non-BMW volume growing even faster). We expect the license growth rate to increase in Q4, followed by even higher growth in 2025. The non-license



revenue declined due to some engineering projects (NRE) getting close to final delivery, for production programs that will ramp up next year.

More than 67 car models had reached production by the end of Q3 with an expected 80 before year's end. Next year we expect an increased rate of ramp up of car models affected by GSR. The legislation also mandates bus manufacturers to install the new generation safety systems, and for that purpose the fleet and aftermarket product AIS have recently been sourced to numerous bus manufacturers. At present we are selected by 14 brands, Solaris being one of them (in addition to the 22 brands for cars and trucks). The production volumes are expected to start picking up in this year's fourth quarter.

We are in the best position for nominations that we have ever been in. It looks extremely good for DMS, CMS, software T-1 as well as for our fleet business.

Behavioral Research

The Behavioral Research business area had an unusually weak third quarter and fell by

13%. All three business units came in lower than expected. The whole market shrunk and was characterized by slowdown of the procurement cycles and price pressure, with some competitors using aggressive discount tactics. We, however, kept our gross margin intact.

The normal seasonal effect is that Q4 is the strongest quarter, due to research budgets being spent on calendar year basis. We expect the same market behavior this year. It is very likely that Q4 will bounce back and become the strongest quarter of the year for us.

Final Words

The measures that we have taken and continue to take enable us to retain our goal of being EBITDA positive in early 2025 with positive cash flow following 2-3 quarters thereafter. This is our primary focus.

At the same time, we see the rate of industry consolidation picking up pace since the summer. However, for the time being and all things equal, short-term profitability is more important than pursuing M&A opportunities for Smart Eye, given the current market climate.

Martin Krantz
CEO Smart Eye

Estimated value of obtained design wins

As of the report for the third quarter of 2018, the company provides information on the estimated market value of obtained design wins at the time of publication of the report. The figures in brackets show the levels at the time of the publication of the preceding report, which in this case was August 21st, 2024.

The total estimated value of the company's 359 (357) design wins announced to date amounts to SEK 8,235 (8,200) million over a product life cycle.

If the company's system had been used in all car models on existing platforms by the 22 (22) car manufacturers with whom design wins have been communicated, the estimated value would amount to at least SEK 11,450 (11,450) million over a product life cycle.

The calculations have been made by the company based on OEMs estimated production volumes of car models. The production volumes may change due to changed conditions for life cycle estimates of the car platforms.

One of the main reasons for the large number of Driver Monitoring System (DMS) design wins that has been awarded during the last years is due to the legislation that is about to take effect in Europe. Advanced Driver Distraction Warning will be required for new type approvals starting July 2024 and as of July 2026 all new vehicle registrations will require the same technology. Given the length of an automotive development project most of the OEMs have been making their decisions during 2021 and 2022 to fulfill the legislation once it becomes effective.

Design Win development / (Lifetime balance MSEK)	2022	2023	2024
Estimated revenue over the product life cycle from current design wins	3,835	6,715	8,235
Estimated revenue over the product life cycle from possible additional design wins with existing car manufacturers on existing platforms	4,075	3,000	3,215
Estimated revenue over the product life cycle including current and possible additional design wins with existing car manufacturers on existing platforms	7,910	9,715	11,450

The Group

Revenue

Third quarter 2024

Net sales for the period July to September 2024 amounted to SEK 79.1 (77.7) million, which is an increase of 2%. The growth is driven by Automotive, 35%, offset Behavioral Research shows a negative growth of -13%.

Net sales for the **Automotive** business area (Automotive Solutions and Fleet & Aftermarket) during the third quarter was SEK 32.4 million, compared with SEK 24.0 million in the third quarter of the previous year. The revenue increase is driven by license revenue related to ramp up of car volumes and high activity in customer development projects (NRE).

For the **Behavioral Research** business area (Research Instruments, Media Analytics and iMotions) net sales during the third quarter amounted to SEK 46.6 (53.7) million. The company experiences that customers are holding on to their investments, but the market share is preserved.

January - September 2024

Net sales amounted to SEK 254.8 (210.9) million, which is an increase of 21%.

Net sales for the **Automotive** business area (Automotive Solutions and Fleet & Aftermarket) was SEK 98.0 million, compared with SEK 57.4 million for the same period the previous year, corresponding to an increase of 70%. The growth is mainly driven by higher project revenue (NRE) and license revenue.

Behavioral Research business area (Research Instruments, Media Analytics and iMotions) net sales during the period amounted to SEK 156.8 (153.5) million, which is an increase of 2% compared to the corresponding period the previous year. Research Instruments drive the growth and

iMotions reports a minor growth year to date.

Results

Third quarter 2024

EBITDA amounted to SEK -17.4 (-23.4) million. The improved result is driven by lower expenses, amounting to SEK 5.6 million, which is driven by higher capitalization, exchange rate gains and slightly lower personnel expenses.

The operating result for the third quarter totaled SEK -61.5 (-63.1) million. The depreciation of capitalized expenditures has increased over the years. Depreciation of the surplus value created in conjunction with the Affectiva and iMotions acquisitions amounts to SEK -28.8 million in the quarter. The depreciation of financial leasing affected the result with SEK -4.2 million mainly due to significant investments in IT during the period.

January - September 2024

EBITDA amounted to SEK -63.7 (-100.6) million. The improved result is driven by higher sales, SEK 41.9 million, offset by higher expenses, SEK -5.0 million, driven by one-time expenses in the first quarter, yearly salary review and less grants.

Operating loss amounted to SEK -187.2 (-215.8) million. Depreciation of the surplus value created in conjunction with the Affectiva and iMotions acquisition amounts to SEK -86.5 million.

Financial position

In addition to cash and cash equivalents of 45.5 SEK million, the Group has two unutilized bank overdrafts facilities of SEK 20.0 million and DKK 8.0 million and a credit facility of SEK 50.0 million. The total cash ending balance including credit facilities is SEK 127.8 million.

Early October the company acquired an additional credit facility of SEK 150.0 million.

Cash flow during the quarter amounts SEK -63.8 million. Change in working capital amounts SEK -21.1 million and is driven by high value of accrued revenue and increase in stock.

Important events during the period

Smart Eye announced on 14th of August a SEK 700 million deal with Volvo Cars, Audi, Porsche, GM and one more European OEM. A new battery of 35 design wins is with a total of five different car manufacturers, including a European customer which will be sourcing Smart Eye's technology for the first time. Later in the quarter Smart Eye announced two more design wins from existing OEMs with a total estimated order value of SEK 35 million.

Events after the end of the period

At the beginning of October Smart Eye entered into an agreement on market terms with an independent credit market actor group, enabling the company to secure a total credit facility of SEK 150.0 million. The additional credit facility increased the company's total unused credit facilities to a total of SEK 232.3 million.

Parent company

Revenue

Third quarter 2024

Net sales for the period July to September 2024 amounted to SEK 44.7 (40.6) million, which amounts to an increase of 10% compared with the same period last year. The growth is driven by Automotive, offset Research Instrument show a negative growth in the quarter.

January – September 2024

Net sales for the period January to September 2024 amounted to SEK 143.7 (99.2) million. Growth in the period amounts to 45% and is driven by both Automotive and Research Instruments.

Results

Third quarter 2024

The operating result for the third quarter totaled SEK -36.9 (-40.4) million. The improved result is driven by higher sales, SEK 3.7 million. Expenses are in line with the same period last year.

January – September 2024

The operating result for the period totaled SEK -109.1 (-151.0) million. The improved result is an effect of higher sales and stable operational expenses.

Significant risks and uncertainties in summary

Operational risks

The business operations are subject to risk factors that could impact on the company's commercial and financial position. The risks relate in part to development operations proceeding as planned and in part to the company's success in recruiting qualified personnel to the necessary extent.

Financial risks

A positive cash flow is essential for long-term investment in the competitiveness of the Group. Demand and production of car models related to the Group's design wins significantly impact the company's license revenues and ultimately when the company reaches profitability and a positive cash flow. The company is currently financed through share capital and credit pending a positive cash flow.

As sales increase, the company will face an increased currency exposure since most of the company's sales will be denominated in a currency other than Swedish kronor.

Market risks

Eye tracking is an emerging technology, whereby the company's products are currently used in behavioral research and as integrated products in the automotive industry. Regarding the Automotive business segment, a delay or the non-materialization of a launch of eye tracking in the automotive industry could entail a risk of a lower-than-expected growth rate. The future growth rate is strongly connected to the introduction of legislation in the European Union.

In the Research business area, the biggest market risk is the availability of funding in the academic field. A general decline in funding could be partly offset by an increased penetration of the market as the presence of the group's technology is still emerging.

Otherwise, regarding risks and uncertainties, refer to the 2023 Annual Report, page 43-44.

Transactions with related parties

Except for shared-based incentive programs and intercompany transactions there were no transactions with related parties during the period.

Share Information

The Company is listed on Nasdaq First North Growth Market. Certified Advisor is Carnegie Investment Bank AB (publ).

Number of shares

The number of shares as of September 30th totals 36,995,768.

Share-based incentive scheme

At the AGM 17th May 2024 it was resolved on the adoption of a long-term incentive program in the form of performance-based share options directed at employees within the Smart Eye group. The maximum number of performance shares will amount to 636,400.

The company has since before three current incentive programs adopted by the EGM 8th October 2021, the EGM 29th June 2022, and the AGM 2nd May 2023.

Dividend policy

The Company is in a development phase and any surpluses are scheduled for reinvestment in the Company's development. The Board is not intending to submit a dividend proposal.

Accounting policies

The interim report has been prepared in accordance with the Annual Accounts Act and the general advice and guidelines of the Swedish Accounting Standards Board, BFNAR 2012:1, Annual Reports and Consolidated Financial Statements (K3).

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

Signing of the report

The Board of Directors and the CEO assure that the interim report provides a fair overview of the Parent Company's and the Group's operations, position and results and describes the significant risks and uncertainties in the Parent Company and the companies included in the Group.

Gothenburg, November 14th, 2024

Anders Jöfelt
Chairman of the board

Lars Olofsson
Board member

Mats Krantz
Board member

Magnus Jonsson
Board member

Eva Elmstedt
Board member

Cecilia Wachtmeister
Board member

Tobias Sjögren
Board member

Martin Krantz
CEO

Smart Eye Aktiebolag (publ)

Condensed Consolidated Statement of Income

TSEK	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Full Year 2023
Net sales	79,076	77,738	254,784	210,898	302,233
Cost of goods sold	-8,586	-7,564	-25,962	-23,985	-35,134
Gross Profit	70,490	70,174	228,822	186,913	267,099
Sales expenses	-39,804	-41,743	-125,968	-126,222	-174,770
Administrative expenses	-36,082	-33,514	-124,375	-109,787	-146,974
Research and development expenses	-58,355	-57,091	-169,154	-171,446	-232,880
Other operating income	3,539	1,590	7,987	9,041	13,423
Other operating expenses	-1,323	-2,546	-4,518	-4,264	-8,800
Operating profit/loss	-61,535	-63,130	-187,206	-215,765	-282,902
Financial income and expenses					
Interest income and similar profit items	496	556	1,748	1,319	1,912
Interest expenses and similar loss items	-1,516	-145	-2,033	-908	-2,254
Total financial income and expenses	-1,020	411	-285	411	-342
Profit/loss after financial items	-62,555	-62,719	-187,491	-215,354	-283,244
Tax on the result for the period	8,631	949	22,911	3,433	207,701
Result for the period	-53,924	-61,770	-164,580	-211,921	-75,543

Condensed Consolidated Balance Sheet

TSEK	2024-09-30	2023-09-30	2023-12-31
ASSETS			
Intangible assets	1,360,356	1,506,608	1,395,258
Tangible assets	35,177	10,664	14,829
Deferred tax asset	225,501	0	204,592
Total fixed assets	1,621,034	1,517,272	1,614,679
Inventories	29,116	20,342	21,708
Trade receivables	45,437	42,052	54,300
Current tax receivables	8,068	5,347	5,994
Other current receivables	6,920	7,620	5,282
Prepaid expenses and accrued income	92,397	43,525	45,854
Current receivables	152,822	98,544	111,430
Cash and cash equivalents	45,455	128,523	79,733
Total current assets	227,392	247,409	212,871
TOTAL ASSETS	1,848,426	1,764,681	1,827,550

Condensed Consolidated Balance Sheet

TSEK	2024-09-30	2023-09-30	2023-12-31
Shareholders' equity			
Share Capital	3,700	3,519	3,519
Other contributed Equity	2,406,106	2,244,258	2,250,275
Other Equity	-843,611	-747,296	-695,238
Total shareholders' equity	1,566,195	1,500,481	1,558,555
Deferred tax liabilities	118,058	134,286	121,666
Provisions	118,058	134,286	121,666
Other long-term debt	1,288	0	3,974
Other debt to credit institutions	12,848	1,188	1,511
Non-current liabilities	14,136	1,188	5,485
Other debt to credit institutions	9,047	1,018	3,499
Advance payments from customer	917	848	3,706
Trade payables	27,953	17,549	20,740
Other current debt	7,816	18,441	18,495
Accrued expenses and prepaid income	104,305	90,870	95,404
Current liabilities	150,038	128,726	141,844
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,848,426	1,764,681	1,827,550

Condensed Consolidated change in Shareholders' Equity

TSEK	Share capital	Other contributed Equity	Other Equity	Total equity
Opening balance 2023-01-01	2,223	1,887,874	-587,325	1,302,772
New issue	1,270	322,695		323,966
Set-off issue	25	62,896		62,921
Issue costs		-29,207		-29,207
<i>Deferred tax referring to issue costs</i>		6,017		6,017
Option program 2021			2,317	2,317
Incentive program 2022			4,509	4,509
Incentive program 2023			2,178	2,178
Translation difference			-41,374	-41,374
Profit/loss for the year			-75,543	-75,543
Shareholders' equity 2023-12-31	3,519	2,250,275	-695,238	1,558,555
Opening balance 2024-01-01	3,519	2,250,275	-695,238	1,558,555
Set-off issue*	15	12,266		12,281
New issue**	165	149,985		150,150
Issue costs		-8,085		-8,085
<i>Deferred tax referring to issue costs</i>		1,665		1,665
Option program 2021			1,185	1,185
Incentive program 2022			3,426	3,426
Incentive program 2023			2,207	2,207
Incentive program 2024			895	895
Translation difference			8,494	8,494
Profit/loss for the year			-164,580	-164,580
Shareholders' equity 2024-09-30	3,700	2,406,106	-843,611	1,566,195

The share capital consists of 36,995,768 shares with a quota value of SEK 0.1.

*During the period ongoing a set-off issue was registered and the share capital increased by SEK 15,353.60.

**During the period ongoing a new issue was registered and the share capital increased by SEK 165,000.00.

Condensed Consolidated Cash Flow Analysis

TSEK	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Full Year 2023
Operating activities					
Operating profit/loss after depreciation	-61,535	-63,130	-187,206	-215,765	-282,902
Reversal of depreciation	44,088	39,742	123,543	115,196	155,235
Reversal of non-cash items	2,260	2,881	8,083	8,512	17,708
Financial payments received	-256	556	996	1,319	1,912
Financial disbursements	-599	-145	-1,116	-908	-2,254
Tax	0	0	0	0	-1,945
<i>Cash flow from operating activities before changes in working capital</i>	-16,041	-20,095	-55,700	-91,646	-112,246
Change in working capital					
Change in inventories	-3,603	-4,161	-7,408	-9,945	-11,311
Change in trade receivables	6,947	8,302	8,863	8,916	-3,332
Change in other current receivables	-24,924	-12,746	-52,502	-11,071	-10,446
Change in trade payables	1,503	835	7,213	-10,865	-7,674
Changes in other current liabilities	-1,059	-2,413	2,713	17,655	23,475
<i>Changes in working capital</i>	-21,136	-10,183	-41,121	-5,310	-9,288
Cash flow from operating activities	-37,177	-30,279	-96,821	-96,956	-121,534
Investment activities					
Acquisition of intangible assets	-25,970	-19,031	-74,361	-64,175	-87,594
Acquisition of tangible assets	-631	-1,872	-1,663	-6,842	-7,968
<i>Cash flow from investment activities</i>	-26,600	-20,903	-76,023	-71,017	-95,562
Financing activities					
New issue	-3	0	142,119	294,862	294,862
Amortization of current liabilities	0	0	0	-60,000	-60,000
Non-current liabilities	0	-239	-2,841	-553	-789
<i>Cash flow from financing activities</i>	-3	-239	139,278	234,309	234,073
<i>Translation difference</i>	-849	-425	-712	-471	98
Cash flow	-64,629	-51,846	-34,278	65,865	17,075
Opening cash and cash equivalents	110,084	180,369	79,733	62,658	62,658
Closing cash and cash equivalents	45,455	128,523	45,455	128,523	79,733

Condensed Parent Company's Statement of Income

TSEK	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Full Year 2023
Net sales	44,748	40,601	143,721	99,220	148,573
Cost of goods sold	-4,882	-4,475	-13,703	-12,399	-18,415
Total operating revenue	39,866	36,126	130,018	86,821	130,158
Sales expenses	-22,258	-23,285	-71,022	-71,910	-100,745
Administrative expenses	-24,332	-16,610	-80,041	-60,401	-81,575
Research and development expenses	-31,688	-35,465	-90,682	-109,822	-147,961
Other operating income	2,678	1,213	6,675	8,059	11,438
Other operating expenses	-1,142	-2,385	-4,060	-3,742	-6,699
Operating profit/loss	-36,876	-40,406	-109,112	-150,995	-195,384
Financial income and expenses					
Interest income and similar profit items	563	694	1,906	1,684	2,361
Interest expenses and similar loss items	-925	-5	-1,048	-543	-1,597
Total financial income and expenses	-362	689	858	1,141	764
Profit/loss after financial items	-37,238	-39,717	-108,254	-149,854	-194,620
Tax on the result for the period	7,671	0	20,635	0	168,453
Result for the period	-29,567	-39,717	-87,619	-149,854	-26,167

Condensed Parent Company's Balance Sheet

TSEK	2024-09-30	2023-09-30	2023-12-31
ASSETS			
Intangible assets	238,764	199,448	207,365
Tangible assets	8,696	9,310	9,344
Financial assets	1,423,511	1,221,154	1,398,093
Total fixed assets	1,670,971	1,429,912	1,614,802
Inventories	28,118	20,342	21,708
Trade receivables	19,074	17,852	32,275
Receivables from Group companies	5,481	7,614	6,953
Current tax receivables	8,010	5,347	5,994
Other current receivables	4,792	4,834	2,045
Prepaid expenses and accrued income	86,493	33,879	37,939
Current receivables	123,850	69,526	85,206
Cash and cash equivalents	35,194	101,020	61,063
Total current assets	187,161	190,888	167,977
TOTAL ASSETS	1,858,132	1,620,800	1,782,779

Condensed Parent Company's Balance Sheet

TSEK	2024-09-30	2023-09-30	2023-12-31
Shareholders' equity			
Restricted equity			
Share capital	3,700	3,519	3,519
Share premium fund	21,914	21,914	21,914
Fund for development costs	234,424	197,554	205,377
	260,038	222,987	230,810
Unrestricted equity			
Share premium fund	2,384,191	2,222,343	2,228,360
Retained profit	-809,258	-756,431	-761,757
Profit/loss for the year	-87,619	-149,854	-26,167
	1,487,314	1,316,059	1,440,436
Total shareholders' equity	1,747,352	1,539,046	1,671,246
Other long term-debt	3,570	0	3,570
Non-current liabilities	3,570	0	3,570
Advance payments from customer	917	848	3,706
Trade payables	21,744	12,177	14,833
Debt to Group companies	28,842	12,465	26,808
Other current debt	4,471	18,054	17,842
Accrued expenses and prepaid income	51,236	38,210	44,774
Current liabilities	107,210	81,754	107,963
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,858,132	1,620,800	1,782,779

Condensed Parent Company's Change in Shareholders' Equity

TSEK	Share capital	Share premium fund (restricted)	Fund for development costs (restricted)	Share premium fund (un-restricted)	Other un-restricted equity	Profit/loss for the year	Total equity
Opening balance 2023-01-01	2,223	21,914	170,528	1,865,959	-577,297	-158,616	1,324,712
Appropriation of profit					-158,616	158,616	
New issue	1,270			322,695			323,966
Set-off issue	25			62,896			62,921
Issue costs				-29,207			-29,207
<i>Deferred tax referring to issue costs</i>				6,017			6,017
Option program 2021					2,317		2,317
Incentive program 2022					4,509		4,509
Incentive program 2023					2,178		2,178
Fund for development costs			62,102		-62,102		
Reversal of fund for development costs			-27,253		27,253		
Profit/loss for the year						-26,167	-26,167
Shareholders' equity 2023-12-31	3,519	21,914	205,377	2,228,360	-761,757	-26,167	1,671,246
Opening balance 2023-01-01	3,519	21,914	205,377	2,228,360	-761,757	-26,167	1,671,246
Appropriation of profit					-26,167	26,167	
Set-off issue*	15			12,266			12,281
New issue**	165			149,985			150,150
Issue costs				-8,085			-8,085
<i>Deferred tax referring to issue costs</i>				1,665			1,665
Option program 2021					1,185		1,185
Incentive program 2022					3,426		3,426
Incentive program 2023					2,207		2,207
Incentive program 2024					895		895
Fund for development costs			54,416		-54,416		
Reversal of fund for development costs			-25,369		25,369		
Profit/loss for the year						-87,619	-87,619
Shareholders' equity 2024-09-30	3,700	21,914	234,424	2,384,191	-809,258	-87,619	1,747,352

The share capital consists of 36,995,768 shares with a quota value of SEK 0.1.

*During the period ongoing a set-off issue was registered and the share capital increased by SEK 15,353.60.

**During the period ongoing a new issue was registered and the share capital increased by SEK 165,000.00.

Condensed Parent Company's Cash Flow Analysis

TSEK	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Full Year 2023
Operating activities					
Operating profit after depreciation	-36,876	-40,406	-109,112	-150,995	-195,384
Reversal of depreciation	8,649	7,978	25,321	22,793	31,041
Reversal of non-cash items	1,692	1,522	4,595	3,868	9,081
Financial payments received	-189	694	1,154	1,684	2,361
Financial disbursements	-8	-5	-131	-543	-1,597
Tax	0	0	0	0	-1,945
<i>Cash flow from operating activities before changes of working capital</i>	-26,732	-30,217	-78,173	-123,193	-156,443
Change in working capital					
Change in inventories	-3,357	-4,161	-6,410	-9,945	-11,311
Change in trade receivables	12,039	3,147	13,201	14,238	-185
Change in other current receivables	-31,427	-6,651	-52,010	-2,492	-1,804
Change in trade payables	1,797	9,918	6,911	-1,288	-6,526
Change in other current liabilities	3,162	-1,812	4,549	2,471	32,304
<i>Changes in working capital</i>	-17,787	441	-33,759	2,983	12,477
Cash flow from operating activities	-44,519	-29,777	-111,932	-120,210	-143,966
Investment activities					
Acquisition of intangible assets	-16,409	-15,014	-54,416	-46,678	-62,103
Acquisition of tangible assets	-610	-1,966	-1,641	-6,723	-7,498
Issued loan Group company	0	-6,386	0	-6,386	-6,386
<i>Cash flow, investment activities</i>	-17,019	-23,366	-56,057	-59,787	-75,987
Financing activities					
New issue	-3	0	142,119	294,862	294,862
Amortization of current liabilities	0	0	0	-60,000	-60,000
<i>Cash flow from financing activities</i>	-3	0	142,119	234,862	234,862
Cash flow	-61,541	-53,142	-25,869	54,865	14,909
Opening cash and cash equivalents	96,734	154,162	61,063	46,154	46,154
Closing cash and cash equivalents	35,194	101,020	35,194	101,020	61,063

Definition of key ratios

Equity ratio

Equity and untaxed reserves (less deferred tax) as a ratio of total assets.

Operating profit/loss

Profit/loss before financial items, costs and tax.

Operating margin

Operating profit as a ratio of net operating revenue.

EBITDA

Operating profit before depreciation and amortization.

Return on total capital

Profit after tax as a ratio of average total capital during the period.

Earnings per share

Profit for the period divided by the number of outstanding shares at the end of the period.

Earnings per share after full dilution

Profit for the period divided by the number of outstanding shares after full dilution at the end of the period.

Equity per share

Equity divided by the number of shares at the end of the period.

Equity per share after full dilution

Equity divided by the number of shares after full dilution at the end of the period.

Calendar

Year-end report Oct-Dec 2024, February 18th, 2025

Interim report Jan-Mar, May 13th, 2025

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Smart Eye is the global leader in Human Insight AI, technology that understands, supports and predicts human behavior in complex environments. Bridging the gap between humans and machines for a safe and sustainable future.

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Our subsidiary Affectiva is humanizing technology by pioneering Emotion AI, helping companies gain a deeper understanding of how consumers engage with their content, products and services, in automotive, media & entertainment, market research and beyond.

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