

YEAR-END REPORT

JANUARY – DECEMBER 2024

October – December 2024

- Net sales amounted to SEK 133.5 (162.5) million, a decrease of 17.8% year-on-year. In comparable currencies net sales decreased by 19.3%.
- Operating earnings amounted to SEK 5.2 (29.4) million, corresponding to an operating margin of 3.9% (18.1%). Excluding foreign exchange rate differences, operating earnings amounted to SEK 7.2 (30.3) million.
- Net income for the period was SEK 9.4 (22.6) million.
- Earnings per share diluted were SEK 0.03 (0.06).
- Total cash was SEK -7.9 (4.2) million. Excluding the cash impact from share-related transactions, the cash flow was SEK 4.1 (17.5) million.

January – December 2024

- Net sales amounted to SEK 608.0 (559.4) million, an increase of 8.7% year-on-year. In comparable currencies net sales increased by 9.1%.
- Operating earnings amounted to SEK 78.9 (70.9) million, corresponding to an operating margin of 13.0% (12.7%). Excluding foreign exchange rate differences, operating earnings amounted to SEK 79.7 (76.7) million.
- Net income for the period was SEK 71.0 (60.1) million.
- Earnings per share diluted were SEK 0.20 (0.17).
- Total cash was SEK -34.2 (-41.7) million. Excluding the cash impact from share-related transactions, the cash flow was SEK 13.9 (0.9) million.

Q4 in brief

- Solid sales growth for the full year with a weaker fourth quarter
- Significant new customers in IP media and cloud-based solutions
- First Time-as-a-Service (TaaS) order received for the Zyntai time synchronization product
- Strategically important Zyntai order from leading European telecom operator
- The Board of Directors proposes that no dividend be paid for the financial year 2024

FINANCIAL HIGHLIGHTS

SEK millions	Oct-Dec			Jan-Dec		
	2024	2023	Change	2024	2023	Change
Net sales	133.5	162.5	-17.8%	608.0	559.4	8.7%
Operating earnings	5.2	29.4	-82.4%	78.9	70.9	11.2%
Operating margin	3.9%	18.1%		13.0%	12.7%	
EBITDA	27.9	46.2	-39.6%	159.8	142.5	12.1%
EBITDA margin	20.9%	28.4%		26.3%	25.5%	
EBITDAC	2.3	21.7	-89.3%	61.4	49.1	24.9%
EBITDAC margin	1.7%	13.4%		10.1%	8.8%	
Net Income	9.4	22.6	-58.5%	71.0	60.1	18.2%
Net margin	7.0%	13.9%		11.7%	10.7%	
Total cash flow	-7.9	4.2		-34.2	-41.7	

For definitions and calculation of KPI's, see pages 15-19.

CEO statement

New customers strengthen our market position

We leave a successful year behind us with significant new customers, strong growth in our focus market Americas, and continued commercialization of Zyntai. For the full year 2024, net sales totaled SEK 608.0 million, representing an 8.7 percent year-on-year increase, despite a weaker final quarter. At the same time, 2024 operating earnings improved, driven by higher revenues and a growing share of software licenses. Our profitable core business continues to support investments in future growth, particularly in time synchronization.

A weaker quarter amid high comparative figures

As previously noted, the fourth quarter tends to be more volatile than other quarters. This year, we also face tougher comparisons due to a record-strong finish in 2023. In the fourth quarter of 2024, we recorded fewer orders related to customers' remaining budget capacity compared to 2023, while the timing of incoming orders was also less favorable. As a result, net sales declined by 17.8 percent compared to the same period in 2023. The operating margin for the quarter, at 3.9 percent, was negatively impacted by lower net sales and higher depreciation and amortization related to our investments in time synchronization and other product development.

New significant media customers

In recent years, we have invested in enhancing the functionality of our IP products and launching Cloud solutions. This has allowed us, in line with our strategy, to acquire new customers and expand the collaboration with existing ones. In the fourth quarter, we secured several major media deals, including one with a leading US media company operating one of the largest TV networks in the country. Additionally, we received a significant Nimbra Edge order for media transport over internet- and cloud-based (unmanaged) networks from a Luxembourg-based satellite communications company. I can also conclude that our long-term investments in the sales organization are delivering results, as we secured an order from a major telecom company in the Middle East towards the end of the quarter.

Our media business is strongly focused on live streaming, such as the growing sports segment. We are in a strong position with our competitive product portfolio and are gaining market share, driven by our high-quality products and global customer base.

Increased growth contribution from Zyntai in the quarter

We continue to see strong interest in our time synchronization solution, Zyntai, not least from leading telecom operators, with several now opting to initiate Proof of Concepts (PoC). At the same time, commercialization continues through new orders, deployment in active networks and new business partners. Among other things, we added a leading European operator to our growing customer

base during the quarter through our Turkish partner Sekom. We also secured our first sale of Zyntai to an operator offering Time-as-a-Service (TaaS), in South Africa. Media networks are often used to deliver TaaS, and in connection with this transaction, we also secured an additional media deal.

While revenues from time synchronization in 2023 were primarily driven by Non-Recurring Engineering (NRE) from Türk Telekom, we now have some ten commercial customers, generating SEK 14.3 million in revenue during the quarter. Our deliveries to Türk Telekom are ongoing, and the national 5G licenses are expected to be issued in 2025. Over the past year, the global telecom market has been somewhat sluggish, but we are now seeing an increased investment appetite from telecom operators, particularly in the US. We expect the growth contribution from time synchronization to increase in 2025, primarily in the latter part of the year.

Product development paves the way for an exciting 2025

2024 was a strong year for Net Insight, and I would like to take this opportunity to thank my colleagues for making the success possible. I am confident in the foundation and the market position Net Insight has established. Meanwhile, we see a somewhat cautious market in EMEA and APAC in the current quarter, while the Americas shows good development. We have an exciting year ahead. Our solutions for media transport over internet- and cloud-based (unmanaged) networks create new growth opportunities. Additionally, at the year-turn 2025/2026, an upgraded version of our platform for managed networks to 400Gb/s will be launched. Our long-term financial targets remain firm, and I am pleased to continue driving Net Insight's global growth journey.

Crister Fritzson, CEO
Solna, 19 February 2025



"Strong product portfolio with solid growth potential"

REVENUES

October-December

Net sales in the fourth quarter of 2024 were SEK 133.5 (162.5) million, a decrease of 17.8%. In comparable currencies, sales decreased by 19.3%. The fourth quarter is seasonally more volatile than other quarters and this year the fourth quarter was negatively impacted by the company receiving fewer orders related to customers' remaining budget space than in the corresponding period last year.

Revenue from the product group time synchronization for 5G and critical networks amounted to SEK 14.3 (8.7) million for the quarter, corresponding to a growth of 64.4%. Deliveries attributable to the contract with Türk Telecom accounts for the majority of the increase. Our order book for time synchronization extends several years into the future and amounted to approximately SEK 172 million at the end of the quarter.

January-December

Net sales for 2024 amounted to SEK 608.0 (559.4) million, an increase of 8.7% after strong growth during the first nine months of the year, followed by a more moderate fourth quarter. In comparable currencies, sales increased by 9.1%. The growth derives from region Americas and is a result of previous years' investments in the sales organization and product development. This has strengthened our offer and has meant new clients, deepened collaborations as well as expanded business with existing customers.

Revenue for the period from the product group time synchronization for 5G and critical networks amounted to SEK 43.6 (34.8) million. The company has today about ten commercial customers and the revenue for 2024 is primarily from the time synchronization product Zyntai. Last year's revenue was primarily from the NRE-fee (Non-Recurring Engineering), connected to the development of Zyntai. Excluding the NRE-fee of SEK 0.0 (23.4) million, this year's growth amounted to 282.3% compared to last year.

The company is not affected by clear seasonal variations, however, the third quarter tends to be somewhat stronger as a result of the start of the sports leagues, while the fourth quarter is often more volatile depending on customers' remaining budget space. Otherwise, the largest variations are driven by timing in larger deals and different product mixes.

EARNINGS

October-December

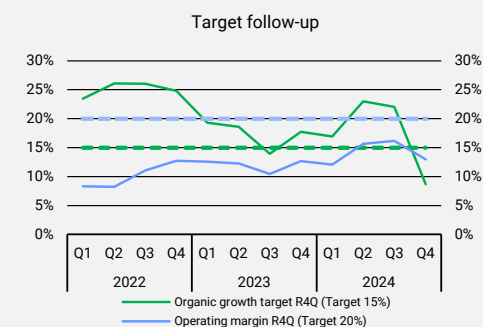
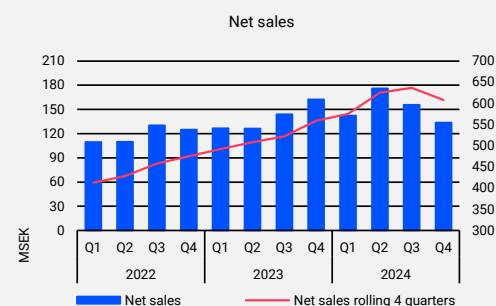
Gross profit for the fourth quarter was SEK 81.5 (102.6) million, a decrease of 20.5%. Gross profit included amortization of capitalized development expenditure of SEK -18.3 (-12.9) million. Gross margin excluding and including amortization of capitalized development expenditure was 74.7% (71.1%) and 61.0% (63.1%) respectively. The lower gross profit is primarily driven by the lower revenue. The higher gross margin excluding amortization of capitalized development expenditures, is driven by a temporarily larger proportion of support revenue due to lower total sales.

Sales and marketing expenses were SEK -42.4 (-40.3) million. The increase is primarily driven by the build-up of the time synchronization organization and investments in Cloud- and IP-expertise. Administration expenses increased to SEK -18.6 (-16.6) million where the increase is primarily due to strengthening of the organization and variable remuneration. Development capitalization was SEK -38.9 (-39.9) million. The decrease in total development expenditures is due to lower expenses after the development in Camarillo, California, has been moved to Stockholm, Sweden.

In total, the operating expenses in the fourth quarter amounted to SEK -74.3 (-72.3) million, an increase of 2.7% year-on-year. Other operating earnings amounted to SEK -2.1 (-0.8) million, of which SEK -2.0 (-0.9) million relates to exchange rate difference.

Operating earnings amounted to SEK 5.2 (29.4) million, corresponding to an operating margin of 3.9% (18.1%). Prior year earnings included revenue for Non-Recurring Engineering (NRE) of SEK 2.2 million. Excluding NRE of SEK 0.0 (2.2) million and exchange rate difference of SEK -2.0 (-0.1) million, operating earnings amounted to SEK 7.2 (28.1) million which corresponds to an operating margin of 5.4% (17.3%). The lower profit is attributable to lower revenue. See also table Material profit and loss items on page 19.

EBITDA and EBITDAC (including reversal of capitalization of development expenditures) amounted to SEK 27.9 (46.2) million and SEK 2.3 (21.7) million respectively, which corresponded to an EBITDA margin of 20.9% (28.4%) and an EBITDAC margin of 1.7% (13.4%).



Financial targets 2023-2027:

- * an organic average annual growth of at least 15%
- * an operating margin (EBIT%) that within the period will reach 20%

The lower EBITDA and EBITDAC margins in the quarter are primarily due to lower turnover in the quarter.

In the fourth quarter, net financial items amounted to SEK 6.1 (-0.5) million, of which exchange rate differences of SEK 4.6 (-2.5) million, change in value of endowment insurance of SEK 0.2 (0.0) million and net interest income and expense of SEK 1.3 (2.0) million.

Profit before tax was SEK 11.2 (29.0) million, and net income was SEK 9.4 (22.6) million, corresponding to a net margin of 7.0% (13.9%).

January-December

Gross profit 2024 was SEK 372.8 (341.8) million, an increase of 9.1%, primarily driven by increased revenue. Gross profit included amortization of capitalized development expenditure of SEK -64.2 (-55.1) million. Gross margin excluding and including amortization of capitalized development expenditure was 71.9% (71.0%) and 61.3% (61.1%) respectively. Gross margin is affected by product mix and economy of scale as a part of the expenses are fixed. Historically, the company has primarily sold solutions for managed networks with a relatively stable product mix of hardware and software. As sales expand to also include solutions for internet and cloud-based (non-managed) networks, the share of software will eventually increase. This will lead to a marginally higher gross margin long term. The year's improved gross margin is mainly due to a larger share of software, a consequence of the unique software order of SEK 30 million in the second quarter. Please see a description of the business model in the 2023 Annual Report, page 21.

Sales and marketing expenses were SEK -172.0 (-152.1) million. The increase is primarily attributable to building the time synchronization organization as well as investments in Cloud and IP expertise. The high turnover has also resulted in increased variable remuneration, while customer and marketing activities have been higher in 2024 compared to previous year. Administration expenses were SEK -71.5 (-62.4) million. The increase is mainly driven by personnel-related factors, such as strengthening of the organization and variable remuneration. Development expenses were SEK -49.6 (-51.8) million. The first quarter of 2024 was impacted by restructuring costs of SEK -2.5 million affecting comparability after the development in Camarillo, California, has been moved to Stockholm, Sweden, which has contributed to increased efficiency in product development. The total development expenditure, i.e., before capitalization, was SEK -148.0 (-145.2) million, where the increase relates to component purchases in the first quarter. Total development expenditure in relation to net sales was 24.3% (26.0%).

In total, operating expenses for the full year amounted to SEK -293.9 (-266.4) million, an increase of 10.0% year-on-year. Operating expenses in relation to net sales increased from 47.6% last year to 48.2% this year. The increase is primarily driven by the build-up of the time synchronization organization and investments in Cloud- and IP-expertise.

Other operating income and expenses were SEK -0.8 (-4.5) million, of which foreign exchange rate differences of SEK -0.8 (-5.8) million.

Operating earnings amounted to SEK 78.9 (70.9) million, corresponding to an operating margin of 13.0% (12.7%). The previous year's result included revenue for Non-Recurring Engineering (NRE) of SEK 23.4 million. Excluding NRE of SEK 0.0 (23.4) million, items affecting comparability of SEK -2.5 (0.6) million and foreign exchange rate differences of SEK -0.8 (-5.8) million, operation earnings amounted to SEK 82.2 (52.7) million, which correspond to an operating margin of 13.5% (9.4%). See also table Material profit and loss items on page 19.

EBITDA and EBITDAC (including reversal of capitalization of development expenditures) amounted to SEK 159.8 (142.5) million and SEK 61.4 (49.1) million, respectively, which corresponded to an EBITDA margin of 26.3% (25.5%) and an EBITDAC margin of 10.1% (8.8%). The improvements in EBITDA and EBITDAC margins are attributable to the increased sales, including a larger share of software in the second quarter as a result of the large order of SEK 30 million.

Net financial items for the year amounted to SEK 10.6 (6.5) million, of which foreign exchange rate differences of SEK -1.8 (-0.8) million, changes in the value of endowment insurance SEK 1.4 (0.0) million and net interest income of SEK 7.5 (7.2) million.

Profit before tax was SEK 89.5 (77.4) million, and net income was SEK 71.0 (60.1) million, corresponding to a net margin of 11.7% (10.7%).

Key Ratios	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Net sales, SEK millions	133.5	162.5	608.0	559.4
Net sales YoY, change in %	-17.8%	30.0%	8.7%	17.7%
Gross earnings	81.5	102.6	372.8	341.8
Gross margin	61.0%	63.1%	61.3%	61.1%
Operating earnings	5.2	29.4	78.9	70.9
Operating margin	3.9%	18.1%	13.0%	12.7%
EBITDA	27.9	46.2	159.8	142.5
EBITDA margin	20.9%	28.4%	26.3%	25.5%
EBITDAC	2.3	21.7	61.4	49.1
EBITDAC margin	1.7%	13.4%	10.1%	8.8%

INVESTMENTS

The investments in the fourth quarter were SEK 28.7 (25.1) million, of which SEK 25.6 (24.5) million related to capitalization of expenditure for development. The investments in 2024 were SEK 103.3 (96.3) million, of which SEK 98.4 (93.4) million related to capitalization of expenditure for development.

Depreciation and amortization in the fourth quarter totaled SEK -22.7 (-16.8) million, of which SEK -18.3 (-12.9) million related to amortization of capitalized expenditure for development. Depreciation and amortization in 2024 totaled SEK -80.9 (-71.6) million, of which SEK -64.2 (-55.1) million related to amortization of capitalized expenditure for development.

Changes in capitalized development expenses and depreciation are driven by the activity rate in development projects in combination with the timing of launches of fully developed products.

Net value of capitalized expenditure for development was SEK 270.7 million at end of the year, compared to SEK 236.5 million as of December 31, 2023.

CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities in the fourth quarter amounted to SEK 35.6 (45.2) million. The lower cash flow from operating activities is attributable to the lower profit, which is partly offset by a reduced tied-up working capital.

The total cash flow for the fourth quarter amounted to SEK -7.9 (4.2) million. Excluding the cash impact from share-related transactions, cash flow for the fourth quarter was SEK 4.1 (17.5) million. More information can be found on pages 9 and 19.

Cash flow from operating activities in 2024 amounted to SEK 128.2 (107.3) million. The increase in cash flow from operating activities is attributable to improved earnings as well as the impact of reduced tied-up working capital.

The total cash flow in 2024 amounted to SEK -34.2 (-41.7) million. Excluding the cash impact from share-related transactions, cash flow for 2024 was SEK 13.9 (0.9) million. More information can be found on pages 9 and 19.

Cash and cash equivalents were SEK 232.9 million at year-end, against SEK 266.4 million as of 31 December 2023.

Equity was SEK 646.4 million at year-end, compared to SEK 622.2 million as of 31 December 2023. The equity/assets ratio was 77.4%, compared to 74.2% as of 31 December 2023. That equity did not increase in line with the earnings during the year is due to the repurchase of own shares. For information about warrants, share repurchases and share structure, see the section Contributed equity on page 12.

To secure component supply for years to come of programmable circuits (FPGAs), whose product life cycle has been shortened, the inventory levels of these circuits will temporarily increase. The purchase cost is estimated at USD 7-9 million. The purchases are financed using cash reserves and are expected to commence in the second half of 2025 with an estimated final delivery at the end of 2025.

EMPLOYEES

The average number of employees and consultants at Net Insight during the fourth quarter and for the year was 205 (196) and 200 (191), respectively, of which 176 (160) and 169 (158), respectively, in the parent company Net Insight AB (publ.). The increase is primarily attributable to the investment in time synchronization.

Andreas Eriksson was appointed Chief Commercial Officer (CCO) and member of the management team on 18 December 2024. He was acting in this role from November 15 to December 18, 2024.

PARENT COMPANY

Net sales for the parent company were SEK 133.5 (162.5) million in the fourth quarter, and net income was SEK 8.5 (21.9) million. In the fourth quarter, intra-group sales totaled SEK 0.0 (0.0) million, and intra-group purchases SEK -19.5 (-23.5) million.

Net sales for the parent company were SEK 608.0 (559.4) million in 2024, and net income was SEK 67.6 (57.0) million. In 2024, intra-group sales totaled SEK 0.0 (0.0) million, and intra-group purchases SEK -85.5 (-86.0) million.

Progress in the parent company during the year and its financial position was essentially in line with group progress as indicated above (except for intra-group transactions).

RISK AND SENSITIVITY ANALYSIS

Net Insight's operations and results of operations are affected by a number of external and internal factors. The company conducts a continuous process to identify all risks present, and to assess how each risk should be managed.

Primarily, the risks the company is exposed to are market-related risks (including competition, technological progress, and political risks), operational risks (including product liability, intellectual property, disputes, customer dependency and contract risks) as well as financial and sustainability-related risks.

With the rapid rise of AI, we note that our suppliers' product lifecycles regarding programmable circuits (FPGAs) have been shortened. To mitigate this and ensure the delivery of our volume products, we are working proactively to secure the necessary access to FPGA circuits. One consequence of this is that the tied-up capital in the inventory of these high-value components will increase in the coming years.

The component shortage that arose in connection with the pandemic was mitigated to some extent in 2023. However, the war in Ukraine and the ongoing Israel-Palestine conflict have led to longer lead times, increased freight costs and generally increased uncertainty. The company's exposure to these markets is extremely limited and the decision to comply with the sanctions in force at the time of reporting is therefore not considered to have any material impact on the company's operations, assets, or earnings. However, it is difficult at present to assess the possible future impact of the conflicts on supply and prices of components.

Except for this, no additional critical risks and uncertainty factors have changed in comparison with those described in the Annual Report for 2023.

The risks and uncertainty factors 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 54-56, 58-60 and 76-77 of the Annual Report for 2023.

ANNUAL GENERAL MEETING 2025

The Annual General Meeting will be held on May 14, 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, 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.

DIVIDEND

The Board of Directors proposes that no dividend be paid for the financial year 2024.

CONSOLIDATED INCOME STATEMENT, IN SUMMARY

SEK thousands	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Net sales	133,543	162,474	608,011	559,368
Cost of sales	-52,057	-59,921	-235,226	-217,579
Gross earnings	81,486	102,552	372,785	341,789
Sales and marketing expenses	-42,408	-40,311	-171,994	-152,106
Administration expenses	-18,553	-16,619	-71,540	-62,431
Development expenses	-13,291	-15,382	-49,566	-51,815
Other operating income and expenses	-2,057	-808	-824	-4,545
Operating earnings	5,177	29,433	78,861	70,892
Net financial items	6,066	-452	10,636	6,486
Profit before tax	11,243	28,981	89,497	77,378
Tax	-1,857	-6,374	-18,451	-17,276
Net Income	9,386	22,607	71,046	60,102
Net income for the period attributable to the shareholders of the parent company	9,386	22,607	71,046	60,102

Earnings per share, based on net income attributable to the parent company's shareholders during the period	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Earnings per share				
-Basic, SEK	0.03	0.06	0.21	0.17
-Diluted, SEK	0.03	0.06	0.20	0.17
Average number of outstanding shares in thousands				
-Basic	343,236	350,964	346,480	354,266
-Diluted	345,041	352,289	348,255	357,309

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK thousands	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Net income	9,386	22,607	71,046	60,102
Other comprehensive income				
Translation differences	2,161	-916	2,266	-494
Total other comprehensive income, after tax	2,161	-916	2,266	-494
Total other comprehensive income for the period	11,547	21,691	73,312	59,608
Total comprehensive income for the period attributable to the shareholders of the parent company	11,547	21,691	73,312	59,608

CONSOLIDATED BALANCE SHEET, IN SUMMARY

SEK thousands	31 Dec 2024	30 Sep 2024	31 Dec 2023
ASSETS			
Non-current assets			
Capitalized expenditure for development	270,700	263,385	236,461
Goodwill	38,751	38,751	38,751
Other intangible assets	473	619	1,057
Right-of-use assets	14,466	17,028	24,844
Equipment	11,922	10,460	12,687
Deferred tax asset	3,653	2,754	2,576
Deposits	5,142	5,131	5,123
Total non-current assets	345,107	338,128	321,499
Current assets			
Inventories	87,986	66,763	88,638
Accounts receivable	137,520	166,244	139,707
Other receivables	31,225	31,598	22,150
Cash and cash equivalents	232,941	240,204	266,404
Total current assets	489,672	504,809	516,899
TOTAL ASSETS	834,779	842,937	838,398
EQUITY AND LIABILITIES			
Equity attributable to parent company's shareholders			
Share capital	13,930	13,930	14,362
Other paid-in capital	1,200,443	1,200,443	1,200,443
Translation reserve	2,266	1,115	1,010
Accumulated deficit	-570,274	-567,649	-593,656
Total shareholders' equity	646,365	647,839	622,159
Non-current liabilities			
Lease liabilities	1,555	4,150	12,185
Other liabilities	16,146	33,964	51,582
Total non-current liabilities	17,701	38,114	63,767
Current liabilities			
Lease liabilities	11,738	11,892	12,105
Accounts payable	35,496	30,874	38,130
Other liabilities	123,479	114,218	102,237
Total current liabilities	170,713	156,984	152,472
TOTAL EQUITY AND LIABILITIES	834,779	842,937	838,398

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
January 1, 2023	14,750	1,192,727	1,504	-603,892	605,089
Transfer of quota value upon cancellation of repurchased shares	-511	-	-	511	-
Exercised warrants	122	7,716	-	-	7,838
Repurchase of own shares	-	-	-	-50,376	-50,376
Total comprehensive income	-	-	-494	60,102	59,608
December 31, 2023	14,361	1,200,443	1,010	-593,655	622,159
January 1, 2024	14,362	1,200,443	1,010	-593,656	622,159
Transfer of quota value upon cancellation of repurchased shares	-432	-	-	432	-
Repurchase of own shares	-	-	-	-48,096	-48,096
Total comprehensive income	-	-	1,256	71,046	72,302
December 31, 2024	13,930	1,200,443	2,266	-570,274	646,365

CONSOLIDATED STATEMENT OF CASH FLOWS

SEK thousands	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Operating activities				
Operating earnings	5,177	29,433	78,861	70,892
Depreciation, amortization & impairment	22,738	16,770	80,916	71,625
Other items not affecting liquidity	-1,330	4,327	688	10,883
Sub-total	26,585	50,530	160,465	153,400
Interest received	1,431	2,230	8,243	8,208
Interest paid	-155	-226	-763	-960
Other financial income and expenses	4,789	-2,456	3,155	-762
Income tax paid	-4,356	-4,838	-23,209	-9,708
Cash flow from operating activities before changes in working capital	28,294	45,240	147,891	150,178
Changes in working capital				
Increase-/decrease+ in inventories	-20,569	2,352	-1,659	-13,684
Increase-/decrease+ in receivables	29,175	7,590	-6,293	-4,990
Increase+/decrease- in liabilities	-1,321	-9,960	-11,700	-24,184
Total changes in working capital	7,285	-18	-19,652	-42,858
Cash flow from operating activities	35,579	45,222	128,239	107,320
Investment activities				
Capitalized expenditure	-25,595	-24,507	-98,425	-93,402
Investment in intangible assets	-	-65	-3	-65
Investment in tangible assets	-3,139	-525	-4,881	-2,597
Increase-/decrease+ in financial assets, net	-	-	-	-227
Cash flow from investment activities	-28,734	-25,097	-103,309	-96,291
Financing activities				
Amortization leasing	-2,749	-2,576	-11,030	-10,177
Exercised warrants	-	1,789	-	7,838
Repurchase of own shares	-12,011	-15,141	-48,096	-50,376
Cash flow from financing activities	-14,760	-15,928	-59,126	-52,715
Net change in cash and cash equivalents	-7,915	4,197	-34,196	-41,686
Exchange differences in cash and cash equivalents	652	-462	733	-257
Cash and cash equivalents at the beginning of the period	240,204	262,669	266,404	308,347
Cash and cash equivalents at the end of the period	232,941	266,404	232,941	266,404

DISAGGREGATION OF REVENUE

SEK thousands	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Net sales by product group				
Hardware	52,905	59,546	224,577	233,449
Software licenses	38,234	68,192	227,393	166,306
Support and Services*	42,404	34,736	156,041	159,613
Total	133,543	162,474	608,011	559,368
Net sales by region				
EMEA	92,503	96,204	301,888	313,963
AM	29,475	49,430	227,958	158,514
APAC	11,565	16,840	78,165	86,890
Total	133,543	162,474	608,011	559,368
Timing of revenue recognition				
Products and services transferred at a point in time	86,867	122,220	441,195	384,793
Products and services transferred over time*	46,676	40,254	166,816	174,575
Total	133,543	162,474	608,011	559,368

*) Of which NRE fee; SEK 0 (2.2) million Oct-Dec, SEK 0 (23.4) million. Jan-Dec.

FINANCIAL ASSETS AND LIABILITIES

Group's financial instruments by category - Assets	Dec 31, 2024			31 Dec 2023		
	Value-tier	Measured at amortized cost	Measured at fair value through profit or loss	Value-tier	Measured at amortized cost	Measured at fair value through profit or loss
SEK thousands						
Assets in Balance Sheet						
Derivative instruments	2	-	-	2	-	682
Accounts receivable and other receivables, excluding non-financial assets		144,439			148,828	
Cash and cash equivalents		232,941			266,404	
Total		377,380	-		415,232	682

Group's financial instruments by category - Liabilities	Dec 31, 2024			31 Dec 2023		
	Value-tier	Measured at amortized cost	Measured at fair value through profit or loss	Value-tier	Measured at amortized cost	Measured at fair value through profit or loss
SEK thousands						
Liabilities in Balance Sheet						
Derivative instruments	2		3,790	2		-
Accounts payable and other liabilities, excluding non-financial liabilities		44,354			45,974	
Lease liabilities		13,293			24,290	
Total		57,647	3,790		70,264	-

Carrying value of account receivables, other receivables, cash and cash equivalents, account payables and other liabilities makes a reasonable approximation of fair value.

Financial instruments in tier 2

The fair value of derivative instruments is measured using exchange rates of currency forwards on the reporting date.

PARENT COMPANY INCOME STATEMENT, IN SUMMARY

SEK thousands	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Net sales	133,543	162,474	608,011	559,368
Cost of sales	-51,966	-59,881	-233,064	-217,319
Gross earnings	81,577	102,593	374,947	342,049
Sales and marketing expenses	-42,596	-41,790	-174,868	-156,167
Administration expenses	-18,363	-16,501	-73,611	-62,136
Development expenses	-13,198	-15,794	-50,332	-53,351
Other income expenses	-3,507	-457	-2,375	-4,763
Operating earnings	3,913	28,051	73,761	65,632
Net financial items	6,202	-244	11,318	7,434
Profit before tax	10,115	27,808	85,079	73,066
Tax	-1,594	-5,936	-17,461	-16,116
Net income	8,521	21,871	67,618	56,950

PARENT COMPANY BALANCE SHEET, IN SUMMARY

SEK thousands	31 Dec 2024	31 Dec 2023
ASSETS		
Non-current assets		
Capitalized expenditure for development	270,700	236,461
Other intangible assets	473	1,057
Equipment	11,397	11,438
Participations in group companies	3,198	3,173
Deferred tax asset	1,705	1,044
Deposits	4,855	4,855
Total non-current assets	292,328	258,028
Current assets		
Inventories	87,986	88,638
Accounts receivable	138,318	140,467
Receivables from group companies	346	346
Other receivables	33,767	24,541
Cash and cash equivalents	221,894	258,014
Total current assets	482,311	512,006
TOTAL ASSETS	774,639	770,034
EQUITY AND LIABILITIES		
Equity		
Restricted equity	361,282	327,488
Non-restricted equity	235,213	249,485
Total equity	596,495	576,973
Non-current liabilities		
Other liabilities	14,271	50,269
Total non-current liabilities	14,271	50,269
Current liabilities		
Accounts payable	35,372	38,066
Liabilities to group companies	13,279	8,763
Other liabilities	115,222	95,963
Total current liabilities	163,873	142,792
TOTAL EQUITY AND LIABILITIES	774,639	770,034

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 2024 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 2023.

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 2023.

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.

Tax

The group reported tax of total SEK -1.9 (-6.4) million for the period October–December 2024, corresponds to an effective tax rate of -16.5 (-22.0) percent. The group reported tax of total SEK -18.5 (-17.3) million for the period January–December 2024, corresponds to an effective tax rate of -20.6 (-22.3) percent. The effective tax rate is affected by tax adjustments and the relative effects of foreign tax rates.

Contributed equity

The repurchase program, which was decided by the board with the support of a mandate from the 2023 AGM, ran during the

period July 2023 to February 2024. Within the program, the parent company repurchased a total of 10.693.000 own B shares on Nasdaq Stockholm for SEK 50.1 million, including transaction costs, of which 1.425.000 more shares for SEK 8.2 million during the period January-February 2024.

The 2024 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.

At the Board meeting in May 2024, the board of Directors of Net Insight AB decided to utilize the repurchase mandate given at the AGM in 2024. The repurchase program commenced on June 3, 2024, and will last until the next AGM and will amount to maximum SEK 50 million.

During June-December 2024, the parent company repurchased 6,010,000 of its own B shares on Nasdaq Stockholm for SEK 39.9 million, including transaction costs.

The 2024 AGM resolved that the company's share capital shall be reduced by SEK 431,800 for allocation to unrestricted equity through cancellation of 10,795,000 own B shares held by the company. The cancellation was completed on August 6.

At the end of the period, the parent company had a total of 6,010,000 of its own class B shares, at an average cost of SEK 6.63 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.

In total, the Company has two additional ongoing warrant programs (LTI 2022 in series 1 and 2) with a total of 1,805,000 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 84-85 in the 2023 Annual Report.

All shares issued by the parent company were fully paid.

The division of shares	31 Dec, 2024			31 Dec, 2023		
	A-shares	B-shares	Total	A-shares	B-shares	Total
Outstanding shares	1,000,000	341,233,009	342,233,009	1,000,000	348,668,009	349,668,009
Repurchased own shares	-	6,010,000	6,010,000	-	9,370,000	9,370,000
Issued shares	1,000,000	347,243,009	348,243,009	1,000,000	358,038,009	359,038,009

TRANSACTIONS WITH RELATED PARTIES

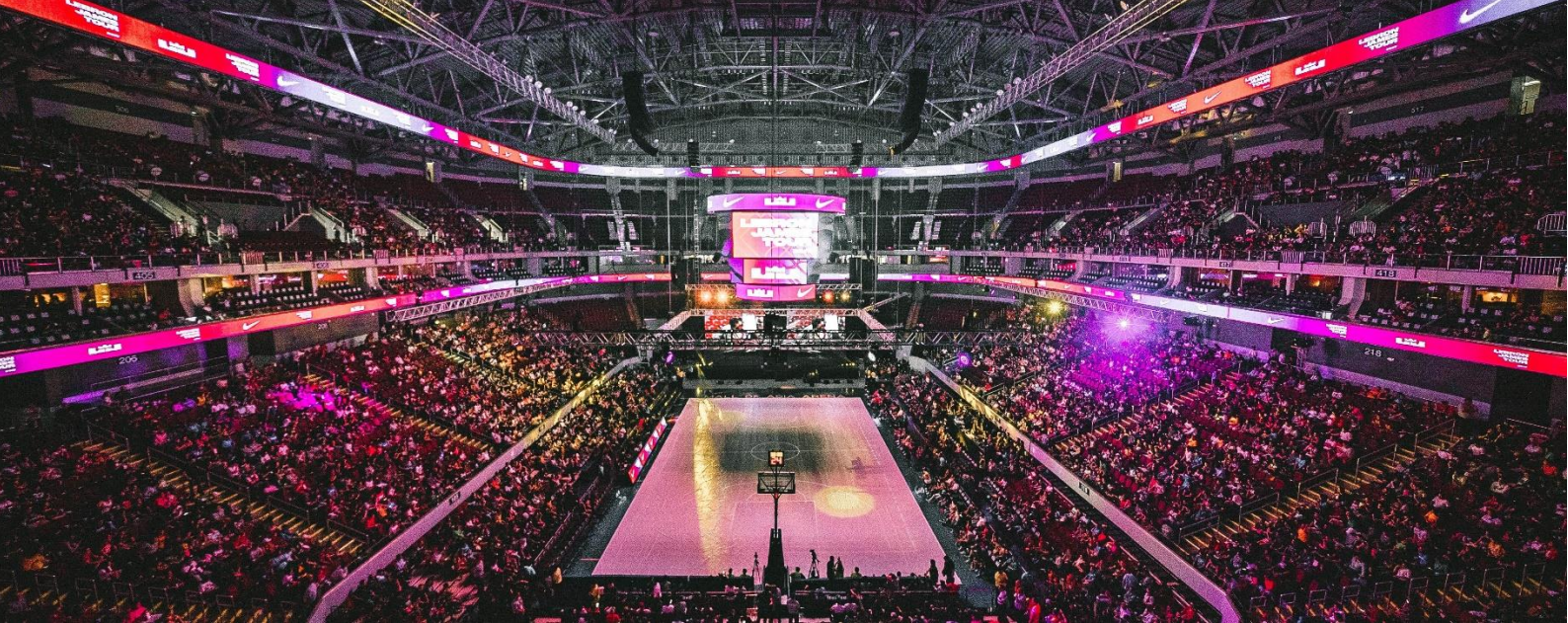
In 2024, the parent company hired a member of the management team's related party company for consulting services. Charged fees during the year amounted to SEK 0.1 (0.8) million.

AUDITORS' REVIEW

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

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No significant events occurred after the end of the reporting period.



THIS IS NET INSIGHT

For more than 25 years, Net Insight has provided innovative solutions for reliable and efficient real-time media content transmission. The company develops and sells solutions for live sports, entertainment, and news reporting. With its GNSS/GPS-independent time synchronization solution, Net Insight has also begun establishing itself as a provider of time synchronization for 5G and other critical networks.

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 the media sector, 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.

Reporting dates

Interim report January – March 2025	April 29, 2025
Interim report January – June 2025	July 18, 2025
Interim report January – September 2025	November 6, 2025

Solna, Sweden, February 19, 2025

Crister Fritzon
CEO

For more information, please contact

Crister Fritzon, CEO, Net Insight AB (publ)
Phone: +46 (0)8-685 04 00
Email: crister.fritzon@netinsight.net

Linda Lyth, Investor Relations Manager, Net Insight AB (publ)
Phone: +46 (0)8-685 04 00
Email: investor.relations@netinsight.net

Net Insight AB (publ), corp.id.no. 556533-4397
Box 1200, 171 23 Solna, Sweden
Phone: +46 (0)8 – 685 04 00
www.netinsight.net

This information is information that Net Insight AB is obliged to make public pursuant to the EU Market Abuse Regulation. 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 am CET on February 19, 2025.

FINANCIAL INFORMATION

SEK millions (if not defined differently)	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Earnings				
Net sales	133.5	162.5	608.0	559.4
Gross earnings	81.5	102.6	372.8	341.8
Operating expenses	74.3	72.3	293.1	266.4
Total development expenditure	38.9	39.9	148.0	145.2
EBITDA	27.9	46.2	159.8	142.5
EBITDAC	2.3	21.7	61.4	49.1
Operating earnings	5.2	29.4	78.9	70.9
Profit before tax	11.2	29.0	89.5	77.4
Net income	9.4	22.6	71.0	60.1
Balance sheet and cash flow				
Cash and cash equivalents	232.9	266.4	232.9	266.4
Working capital	109.5	117.0	118.1	113.6
Total cash flow	-7.9	4.2	-34.2	-41.7
The share				
Dividend per share, SEK	-	-	-	-
Earnings per share, basic, SEK	0.03	0.06	0.21	0.17
Earnings per share, diluted, SEK	0.03	0.06	0.20	0.17
Cash flow per share, basic, SEK	-0.02	0.01	-0.10	-0.12
Cash flow per share, diluted, SEK	-0.02	0.01	-0.10	-0.12
Equity per share basic, SEK	1.88	1.77	1.87	1.76
Equity per share diluted, SEK	1.87	1.77	1.86	1.74
Average number of outstanding shares basic, thousands	343,236	350,964	346,480	354,266
Average number of outstanding shares diluted, thousands	345,041	352,289	348,255	357,309
Number of outstanding shares at the end of the period, basic, thousands	342,233	349,668	342,233	349,668
Number of outstanding shares at the end of the period, diluted, thousands	344,038	351,423	344,038	351,423
Share price at end of period, SEK	7.53	5.20	7.53	5.20
Employees and consultants				
Average number of employees and consultants	205	196	200	191
KPI				
Net sales YoY, change in %	-17.8%	30.0%	8.7%	17.7%
Gross margin	61.0%	63.1%	61.3%	61.1%
Total development expenditure/Net sales	29.1%	24.5%	24.3%	26.0%
Operating margin	3.9%	18.1%	13.0%	12.7%
EBITDA margin	20.9%	28.4%	26.3%	25.5%
EBITDAC margin	1.7%	13.4%	10.1%	8.8%
Net margin	7.0%	13.9%	11.7%	10.7%
Return on capital employed	8.6%	8.0%	8.6%	8.0%
Equity/asset ratio	77.4%	74.2%	77.4%	74.2%
Return on equity	11.1%	9.8%	11.1%	9.8%

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 annual report for 2023.

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

Performance measures	Various types of performance measures and margin measures as a percentage of sales.	
Non-IFRS performance measures	Description	Reason for use of the measure
Gross margin	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.
Gross margin excl. amortization of capitalized development	Gross earnings excl. amortization of capitalized development as a percentage of net sales.	
Operating expenses	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.
Operating expenses/net sales	Operating expenses as a percentage of net sales.	
Operating earnings (EBIT)	Calculated as operating earnings before financial items and tax.	Operating earnings provides an overall picture of earnings generated in the operating activities.
Operating margin (EBIT%)	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.
Net sales YoY, change in %	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.
Change in Net sales in comparable currencies	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 underlying sales growth driven by changes in volume, price and product mix for comparable exchange rates between different periods.
Net margin	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.
Total development (R&D) expenditure	Development expenses and capitalized expenditures for development.	The measure is a good complement to development expenses, as it shows the company's total development expenditure. The development expenditures effect on income, financial position, and presentation in the statement of cashflow is affected by the periods level of capitalized development expenditures.
Capitalization rate	Capitalized development expenditures as a percentage of total development expenditures.	
Total development (R&D) expenditure/net sales	Total development expenditure as percentage of net sales.	
EBITDA	Operating earnings before depreciation and amortization.	Complementing EBITDA with EBITDAC, where capitalized development expenditures are reversed, provides a good complement to operating earnings and margin as it, simplified, shows the earnings-generated cash flow in the operation and it shows operating earnings without influence of variations in the level of capitalized development expenditures in the company's development projects.
EBITDAC	Operating earnings before depreciation and amortization and capitalization of development expenditure. The performance measure EBITDA-2 has, in 2023, changed its conceptual name to EBITDAC, the definition is unchanged.	
EBITDA & EBITAC margin	EBITDA & EBITDAC as a percentage of net sales.	
Regions	Definition of regions for designation of revenue: <ul style="list-style-type: none"> • EMEA – Europe, the Middle East and Africa. • Americas (AM) - North and South America. • APAC – Asia and Pacific. 	Definition of regions for designation of revenue.

Change in net sales in comparable currencies SEK millions (if not defined differently)	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Net sales	133.5	162.5	608.0	559.4
Net currency effect of comparable currencies	-2.4	-3.4	2.0	-23.9
Net sales in comparable currencies	131.2	159.1	610.1	535.5
Change in net sales in comparable currencies	-19.3%	27.2%	9.1%	12.7%

KPI Income Statement SEK millions (if not defined differently)	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Net sales	133.5	162.5	608.0	559.4
Net sales YoY, change in %	-17.8%	30.0%	8.7%	17.7%
Cost of sales ex. amortization of capitalized development	-33.8	-47.0	-171.0	-162.4
Gross earnings ex. amortization of capitalized development	99.8	115.5	437.0	396.9
Gross margin ex. amortization of capitalized development	74.7%	71.1%	71.9%	71.0%
Cost of sales amortization of capitalized development	-18.3	-12.9	-64.2	-55.1
Gross earnings	81.5	102.6	372.8	341.8
Gross margin	61.0%	63.1%	61.3%	61.1%
Sales and marketing expenses	-42.4	-40.3	-172.0	-152.1
Administration expenses	-18.6	-16.6	-71.5	-62.4
Development expenses	-13.3	-15.4	-49.6	-51.8
Operating expenses	-74.3	-72.3	-293.1	-266.4
Operating expenses/net sales	55.6%	44.5%	48.2%	47.6%
Other operating income and expenses	-2.1	-0.8	-0.8	-4.5
Operating earnings	5.2	29.4	78.9	70.9
Operating margin	3.9%	18.1%	13.0%	12.7%
Net financial items	6.1	-0.5	10.6	6.5
Profit before tax	11.2	29.0	89.5	77.4
Tax	-1.9	-6.4	-18.5	-17.3
Net Income	9.4	22.6	71.0	60.1
Net margin	7.0%	13.9%	11.7%	10.7%

EBITDA margin SEK millions (if not defined differently)	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Net sales	133.5	162.5	608.0	559.4
Operating earnings	5.2	29.4	78.9	70.9
Amortization of capitalized development expenditure	18.3	12.9	64.2	55.1
Other depreciation & amortization	4.5	3.9	16.7	16.5
EBITDA	27.9	46.2	159.8	142.5
EBITDA margin	20.9%	28.4%	26.3%	25.5%
Capitalization of development expenditure	-25.6	-24.5	-98.4	-93.4
EBITDAC	2.3	21.7	61.4	49.1
EBITDAC margin	1.7%	13.4%	10.1%	8.8%

Development expenditure SEK millions (if not defined differently)	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Development expenses	13.3	15.4	49.6	51.8
Capitalization of development expenditure	25.6	24.5	98.4	93.4
Total development expenditure	38.9	39.9	148.0	145.2
Capitalization rate	65.8%	61.4%	66.5%	64.3%
Net Sales	133.5	162.5	608.0	559.4
Total development expenditure/net sales	29.1%	24.5%	24.3%	26.0%

CAPITAL AND RETURN MEASURES

SHOWS HOW CAPITAL IS UTILIZED AND THE COMPANY'S FINANCIAL STRENGTH. RETURN IS A FINANCIAL TERM THAT DESCRIBES HOW MUCH THE VALUE OF AN ASSET CHANGES FROM AN EARLIER POINT IN TIME.

Non-IFRS performance measure

Non-IFRS performance measure	Description	Reason for use of the measure
Working capital	Current assets less 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 that is tied up in the operations and can be put in relation to sales to understand how effectively tied up working capital is used.
Capital employed	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.
Return on capital employed	Operating earnings plus interest income, in relation to average capital employed, rolling four quarters.	
Equity/asset ratio	Shareholders' equity divided by the balance sheet total.	A traditional measure for showing financial risk, expressing the ratio of the assets that is financed by the owners.
Return on equity	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.
Investments	Investments in intangible and tangible assets.	Definitions to rows in the cash flow statement.
Total cash flow	Change in cash and cash equivalents during the period, excluding exchange differences in cash and cash equivalents.	

Working capital

SEK millions

	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Current assets	498.1	522.1	515.2	533.5
Cash and cash equivalents	-236.6	-264.5	-245.4	-276.4
No interest-bearing short term liabilities	-152.0	-140.5	-151.7	-143.5
Working capital	109.5	117.0	118.1	113.6

Return on capital employed

SEK millions (if not defined differently)

	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Capital employed				
Total balance	838.9	838.8	850.8	841.6
No interest-bearing liabilities	-177.1	-195.9	-192.2	-201.0
Capital employed	661.8	642.9	658.6	640.6
Operating earnings less interest income R4Q				
Operating earnings R4Q	78.9	70.9	78.9	70.9
Interest income R4Q	21.9	19.6	21.9	19.6
Operating earnings less interest income R4Q	56.9	51.3	56.9	51.3
Return on capital employed	8.6%	8.0%	8.6%	8.0%

Equity/asset ratio

SEK millions (if not defined differently)

	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Equity	646.4	622.2	646.4	622.2
Total equity and liabilities	834.8	838.4	834.8	838.4
Equity/asset ratio	77.4%	74.2%	77.4%	74.2%

Return on equity SEK millions (if not defined differently)	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Net income - R4Q	71.0	60.1	71.0	60.1
Average equity - R4Q	639.9	612.4	639.9	612.4
Return on equity	11.1%	9.8%	11.1%	9.8%

SHAREHOLDERS' INFORMATION		
MEASURES RELATED TO THE SHARE.		
Non-IFRS performance measure	Description	Reason for use of the measure
Average number of outstanding shares	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.
Dividend per share	Dividend divided by the average number of outstanding shares during the period.	
Earnings per share (EPS)	Net income divided by the average number of outstanding shares during the period.	
Cash flow per share	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.
Equity per share	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 use of the measure
Average number of employees and consultants/co-workers	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.

Average number of employees and consultants	Oct-Dec		Jan-Dec	
	2024	2023	2024	2023
Average number of employees	159	153	154	146
Average number of consultants	46	43	46	45
Total average number of employees and consultants	205	196	200	191

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	2024	2023	2024	2023
Exchange rate differences					
Part of Other operating income & expenses		-2.0	-0.9	-0.8	-5.8
Part of Net Financial Items		4.6	-2.3	1.8	-0.8
Total Exchange rate differences		2.6	-3.2	0.9	-6.5
Items affecting comparability					
Restructuring	(a)	-	-	-2.5	-
Government grants electricity support, other operating income		-	-	-	0.6
Total		-	-	-2.5	0.6
Operating earnings excluding items affecting comparability					
Operating earnings		5.2	29.4	78.9	70.9
Items affecting comparability, as per above		-	-	2.5	-0.6
Total		5.2	29.4	81.3	70.3
Operating earnings excluding exchange rate differences					
Operating earnings		5.2	29.4	78.9	70.9
Exchange rate differences, as per above		2.0	0.9	0.8	5.8
Total		7.2	30.3	79.7	76.7
Operating earnings excluding exchange rate differences & items affecting comparability					
Operating earnings		5.2	29.4	78.9	70.9
Exchange rate differences, as per above		2.0	0.9	0.8	5.8
Items affecting comparability, as per above		-	-	2.5	-0.6
Total		7.2	30.3	82.2	76.1
Cash flow excluding share-base transactions					
Net change in cash and cash equivalents	(b)	-7.9	4.2	-34.2	-41.7
Repurchase of own shares		12.0	15.1	48.1	50.4
Exercised warrants		-	-1.8	-	-7.8
Total		4.1	17.5	13.9	0.9

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.



Net Insight AB (publ), corp.id.no. 556533-4397
Telephone: +46 (0)8 685 04 00, info@netinsight.net, www.netinsight.net



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