



# Q3

Xplora Quarterly Report 2024  
Quarter 3 | July 1 - September 30





**Xplora's mission:**

To give children a safe onboarding to digital life and encouraging a better balance between screen time and physical activity.

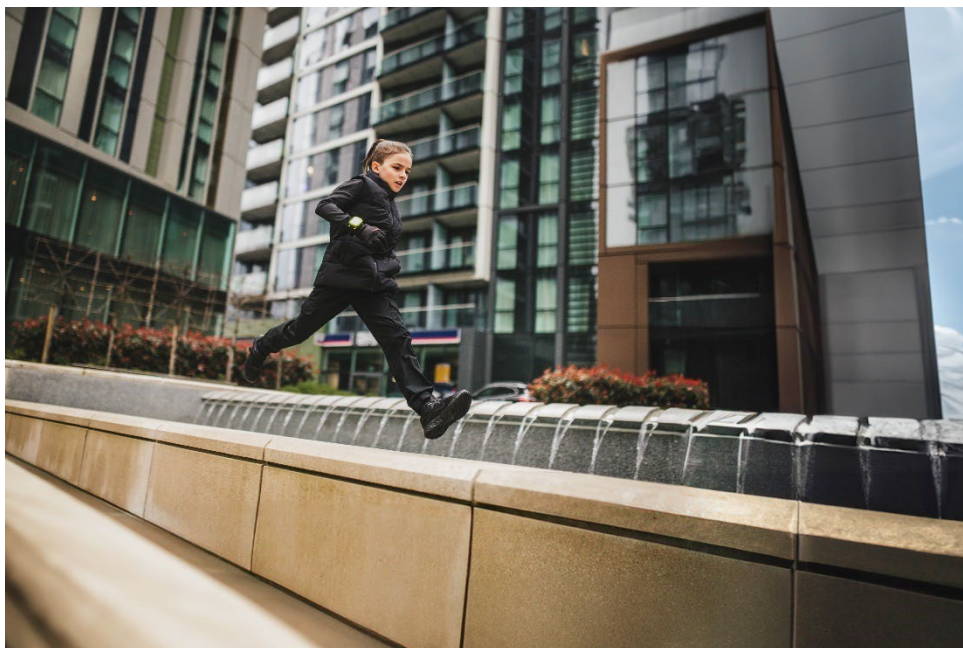
Experience our 2024 Brand Concept "Empowering the Next Generation" at [xplora.com/empower](https://xplora.com/empower)  
This quarter, we are cheering on the next generation of daredevils - the bold thinkers and doers helping to shape the future.

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# About Xplora



**Xplora was founded with the mission of giving children a safe onboarding to digital life and encouraging a better balance between screen time and physical activity.**

Our product portfolio includes smartwatches for children, connectivity (mobile subscriptions) and premium services that encourage physical activity through an online platform where children can convert steps into awards. Our broad portfolio of connected products and services allows families to connect with their loved ones and delay children's exposure to digital platforms, while increasing their everyday activity. Headquartered in Oslo, Xplora has offices in four Nordic countries, Germany, Spain, the US, and the UK, where our engineering team is based. Additionally, the Company has Mobile Virtual Network Operator (MVNO) operations in 9 markets.

Building on our success in the kids' market, Xplora is now expanding its reach into the senior segment. Complementing this expansion, our SaaS division is enhancing the company's offerings with SIM – and software services for both B2B and B2C markets, broadening our reach and diversifying our impact.

## Q3 FAST FACTS

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**Total revenue  
NOK 257m**

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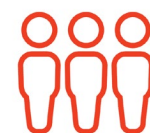
**Service revenue  
NOK 75m**

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**MVNO  
In 9 markets**

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**100 FTE**

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# The Quarter at a Glance

## MESSAGE FROM THE CEO

**This quarter stands out as our greatest to date, with record highs in both revenue and profitability. Our cash position is strong, giving us the flexibility to explore strategic opportunities. Leveraging this, in Q3 24, we made a public offer to acquire Doro AB, a move that strengthens our market presence and opens new opportunities for expansion. The quarter also saw our highest EBITDA in Xplora's history at NOK 30m, complimented by a positive EBIT at NOK 15m.**

Total revenue ended at NOK 257m, a growth of 35% y/y, with gross margin once again remaining at favourable levels. This underscores our ability to increase sales while also increasing prices, enhancing profitability without compromising growth. Service revenue continues to grow, up 36% year-over-year, with our subscription base now exceeding 300k subscriptions - translating to an ARR of NOK 301m. Our cash position at the end of the quarter is also one of the strongest in our history, ending at NOK 177m. We decreased operating costs as a percentage of revenue, adding to the overall strength of our financial performance this quarter.

Operationally, this quarter saw the completion of several initiatives aimed at enhancing our brand and product offerings. We entered into several new B2B partner agreements, launched a channel-specific smartwatch in Germany called the "Let's Go", and completed the upgrade of the XGo3 smartwatch. Additionally, we finalized the AT&T certification process and began implementing our ninth MVNO agreement, allowing us to leverage AT&T's reach and network infrastructure in the US market.

Building on these developments, we recognize the importance of strengthening our brand as we continue to expand our market reach. Earlier this year, our marketing team announced our first global brand marketing campaign called "Empowering the Next Generation". So far, the team has launched two episodes – "The Dreamer" and "The Explorer" – as part of this campaign. In addition, we have developed a new profile for the upgraded XGo3 smartwatch, centred around the theme "Welcome to the jungle", designed to highlight the product's adventurous spirit.

Reflecting on our strategic shift initiated in 2022, where we expanded our MVNO setup and made key investments, we can now fully appreciate how these efforts have come to fruition. The addition of an MVNO in the US market completes this strategic shift across all our core markets, allowing us to fully capitalize on a high-margin service model with added premium services. Today, we are reaping the benefits of the structure we put in place.

Remaining committed to the goals set at the beginning of the year and our (long-term) target of reaching one million subscriptions, we enter the final quarter of 2024 with a strong foundation and the momentum needed to achieve these ambitious milestones.

Sten Kirkbak



## Q3 24 HIGHLIGHTS

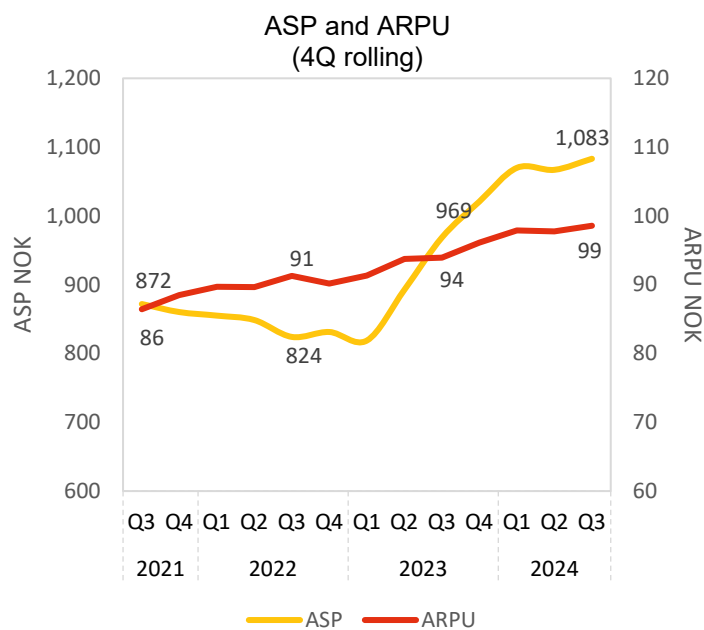
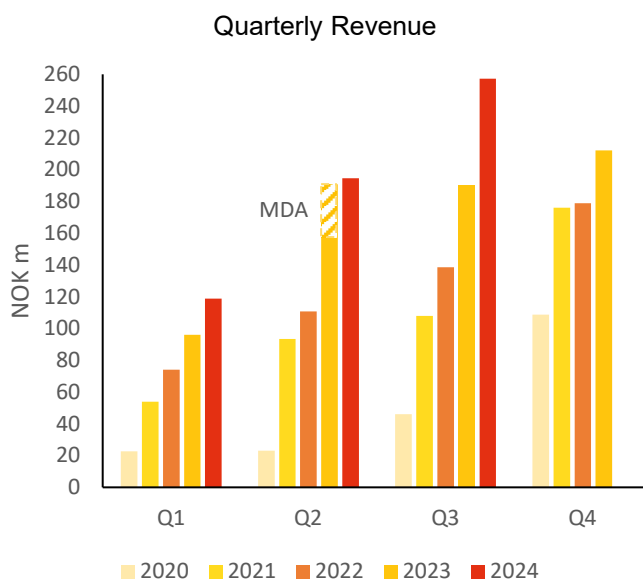
- Group revenues +35% y/y to NOK 257.1m
- Recurring service revenues +36% y/y to NOK 75.3m, translating to an ARR of NOK 301.2m
- 326k subscriptions, up 44% y/y, of which 243k are connectivity subscriptions, 19k are B2B subscriptions, 4k are service fee subscriptions and 60k are premium service subscriptions
- Gross profit +45% y/y to NOK 124.9m
- Positive EBITDA of NOK 30.2m
- CAPEX of NOK 6.8m, up from NOK 5.8m in Q3 23
- NOK 176.7m in cash and cash equivalents, up NOK 50.4m since the previous quarter end

## KEY FIGURES

Amount in NOK millions	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Device revenue	182	134	367	325
Service revenue	75	56	204	150
Total revenue	257	190	570	477
Growth y/y	35%	37%	20%	48%
Gross profit	125	86	290	233
Gross margin	49%	45%	51%	49%
EBITDA	30	8	49	22
CAPEX	-7	-6	-15	-17
Device unit sale (k)	163	125	334	322
Subscriptions (k)	326	226	326	226
Shares outstanding (million)	44	42	44	42

Quarterly figures are unaudited.

## FINANCIAL GRAPHS







**In Q3 24 group revenues grew 35% y/y, reaching NOK 257.1m. Xplora achieved a positive EBITDA of NOK 30.2m, complemented by a positive EBIT of NOK 15.2m.**

# Xplora Technologies Group Financials

Q3 24 stands out as Xplora's strongest quarter to date, with record highs in both revenue and profitability. Group revenue was up 35% from the same quarter last year, reaching NOK 257.1m. Service revenue grew by 36% y/y to NOK 75.3m, with the share of service revenue outside the Nordics now accounting for 15% of the total service revenue. Device revenue ended at NOK 181.8m, up 36% y/y. This quarter also saw Xplora's highest EBITDA in the company's history, reaching NOK 30.2m. This achievement was further complimented by a positive EBIT of NOK 15.2m and a robust cash position, exiting the quarter with NOK 176.7m in cash and cash equivalents, which is up NOK 50.4m in a single quarter.

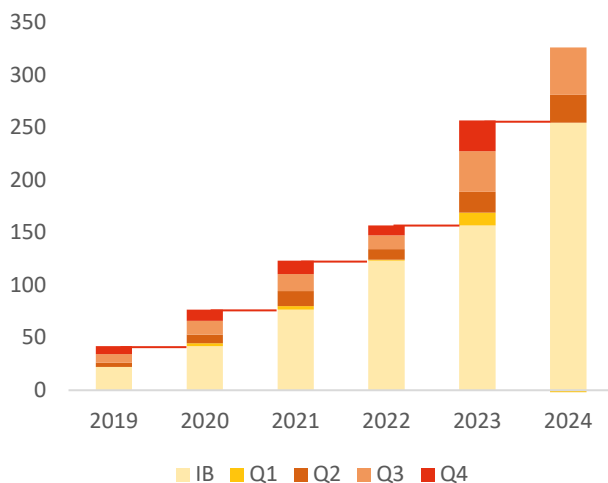
## Q3 24 PROFIT & LOSS

In Q3 24 group revenue grew 35% y/y from NOK 190.2m in Q3 23, to a record high single-quarter revenue of NOK 257.1m in Q3 24. Xplora's total subscription base also saw record high single-quarter net growth, ending at 326k in Q3 24, an increase of 100k y/y from 226k in Q3 23, equivalent to a 44% increase. This resulted in a recurring service revenue of NOK 75.3m in Q3 24, up 36% from NOK 55.6m in Q3 23. As such, Xplora exited the quarter with an ARR of NOK 301.2m, up from NOK 222.2m in Q3 23. The trailing 12-month (TTM) ARPU continues at the same favorable levels as in Q2 24, at NOK 99.

To better illustrate the geographical sales performance, the company has chosen to report on both smartwatch sales and end-user activations. End-user activation is the number of watches that are activated for the first time by an end-user. This metric only accounts for initial watch activations and does not consider subscriptions.

Xplora had a total of 144k new end-user activations during Q3 24, compared to 134k activations in Q3 23. The highest number of activations was seen in Germany, with 90k activations. Norway ended the quarter with 16k activations, followed by Finland with 12k activations. The fourth largest contributor with 11k activations was Sweden. For the first time in 2024 US is top five with 5k activations in Q3 24.

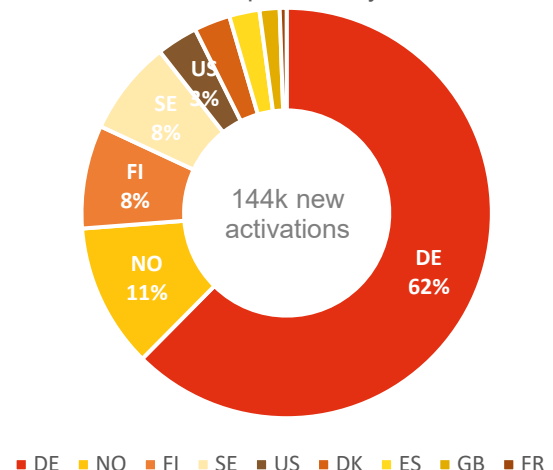
Subscription Base (k)



Xplora sold 163k smartwatches in Q3 24 compared to 125k in Q3 23. This resulted in a device revenue of NOK 181.8m in Q3 24, up 36% y/y compared to NOK 134.1m in Q3 23. TTM ASP ended at NOK 1,083 in Q3 24, up from NOK 1,067 in Q2 24.

Given how Xplora's sales and distribution network is organized, revenue is based on a few legal entities where we use distributors to supply several countries.

Watch activations per country in Q3 2024



Service revenue for the Nordics were NOK 32.9m in Norway, NOK 16.9m in Sweden, NOK 7.8m in Finland and NOK 6.5m in Denmark.

Xplora continues to deliver on its strategy to increase the connectivity operations outside of the Nordics. As a result, the Nordics constituted 85% of total service revenue in Q3 24. This compares to 95% in Q3 23 and 91% in Q4 23.



Gross profit grew 45% y/y ending at NOK 124.9m in Q3 24, yielding a gross margin of 49%. This is compared to NOK 86.3m and a gross margin of 45% in Q3 23. Gross margin per revenue line in Q3 24 was 34% for device revenue and 83% for service revenue. The gross margin reported excludes marketing, selling and distribution costs. Gross margin from device sales is exposed to the EUR/USD exchange rate and reflects the current levels.

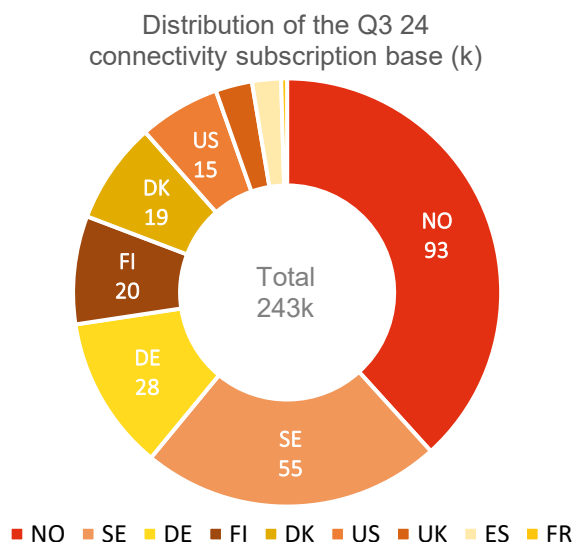
Total operating costs were NOK 94.6m in Q3 24, equivalent to 37% of revenue. This compares to NOK 78.4m and 41% of revenue in Q3 23. Employee expenses were NOK 38.3m in Q3 24, including NOK 4.5m in sales commission and bonus accruals, and NOK 3.8m in share-based compensation. This is compared to Employee expenses of NOK 34.2m in Q3 23, which included NOK 3.7m in sales commission and bonus accruals, and NOK 4.3m in share-based compensation. Marketing expenses ended at NOK 23.6m in Q3 24, an increase from NOK 16.6m in Q3 23. Despite the increase, marketing as a percentage of revenue is equal to last year at 9%. Other operating costs were NOK 32.7m in Q3 24, up from NOK 27.6m in Q3 23. At the end of Q3 24, Xplora had 100 full-time equivalents (FTE), down from 108 FTE in Q2 24.

EBITDA improved by 281% y/y, from a positive EBITDA of NOK 7.9m in Q3 23, to NOK 30.2m in Q3 24. Depreciation and amortization were NOK 15.0m, up from NOK 14.3m in Q3 23, in large consisting of NOK 9.4m in amortization from the acquisition of Xplora Mobile. EBIT ended at positive NOK 15.2m in Q3 24, compared to negative NOK 6.4m in Q3 23. Furthermore, for the first time since Q4 21 Xplora can report a positive profit before tax, which ended at positive NOK 13.5m in Q3 24, compared to negative NOK 10.3m in Q3 23.

## XPLORA AS A SERVICE PROVIDER

Xplora operates as an MVNO in Norway, France, Spain, UK, Denmark, Sweden, Finland, and Germany. In Q3 24 Xplora completed the AT&T certification process and began the launch of its ninth MVNO, allowing the company to leverage AT&T's reach and network infrastructure in the US market. The addition of an MVNO in the US market completes Xplora's strategic shift across all core markets, enabling the company to fully capitalize on a high-margin service model.

Xplora exited Q3 24 with 326k subscriptions, an increase of 16% from Q2 24 and up 44% y/y from 226k subscriptions at the end of Q3 23. The total subscription base is comprised of 243k connectivity subscriptions, 19k B2B service revenue subscriptions, 4k service fee subscriptions and 60k premium service subscriptions. In the Nordics Xplora had a total of 187k connectivity subscriptions at the end of Q3 24, equivalent to an 11% growth y/y. This is distributed with, 93k in Norway, 55k subscriptions in Sweden, 20k subscriptions in Finland and 19k in Denmark.



Outside the Nordics, Xplora had 56k connectivity subscriptions at the end of Q3 24. The two largest markets outside the Nordics are the US and German markets, with 15k and 28k subscriptions. Germany is the single market with the largest net growth both q/q and y/y, with the connectivity subscription base increasing by 8k q/q and 21k y/y. This makes Germany our third largest market with respect to mobile subscriptions. Finland also saw strong growth in Q3 24, being the fourth largest net contributor with 2k net growth q/q, ending the quarter with a connectivity subscription base of 20k.

The subscription base represents an average market penetration of 9% of children aged 4-10 in the Nordic markets. The implicit market share in Norway is 20%, with 9% in Finland and 7% in both Sweden and Denmark.

## BALANCE SHEET

Total assets increased from NOK 536.7m at the end of Q2 24, to NOK 558.4m at the end of Q3 24. The increase is largely due to improvement of net working

capital and a positive net profit, increasing cash and cash equivalents by NOK 50.4m.

Xplora exited Q3 24 with inventories of NOK 80.1m, down from NOK 103.7m in Q2 24. Accounts receivable was NOK 41.5m in Q3 24, compared to NOK 42.4m in Q2 24. Other receivables amounted to NOK 64.2m in Q3 24, up from NOK 60.6m in Q2 24. Other receivables mainly consist of prepaid goods not received and VAT on imported goods.

Cash and cash equivalents increased by NOK 50.4m q/q from NOK 126.3m in Q2 24, to NOK 176.7m in Q3 24. The increase is mainly due to changes in working capital and a positive net profit. Consolidated equity was NOK 345.8m for an equity ratio of 62% at the end of Q3 24, compared to an equity of NOK 327.3m in Q2 24 for an equity ratio of 61%.

Total non-current assets ended at NOK 195.8m in Q3 24, compared to NOK 203.6m in Q2 24. The largest component of non-current assets is goodwill at NOK 123.9m, down from NOK 128.6m in Q2 24. The estimated value of remaining customer contracts was NOK 9.2m, down from NOK 13.8m in Q2 24. NOK 45.7m in non-current assets is capitalized development costs, up from NOK 44.6m in Q2 24.

Total interest-bearing debt decreased by NOK 13.2m q/q, ending at NOK 65.6m in Q3 24. The decrease is mainly due to downpayments of supply chain financing. Accounts payable amounted to NOK 64.8m at the end of Q3 24, up from NOK 63.4m at the end of Q2 24. Other current liabilities, consisting of deferred income and accruals ended at NOK 82.2m, up from NOK 67.2m in Q2 24.

## CASH FLOW

Net cash flow from operating activities was positive NOK 70.4m in Q3 24, compared to negative NOK 0.5m in Q3 23. Change in working capital gave a positive cash effect of NOK 41.9m in Q3 24, largely driven by a reduction in inventory and an increase in other current liabilities. In Q3 23 change in working capital gave a negative cash effect of NOK 4.4m. Cash from investing activities amounted to negative NOK 6.8m in Q3 24. Mainly consisting of capex investments in product- and platform development. This compares to negative NOK 5.8m in Q3 23.

Cash flow from financing activities was negative NOK 13.2m in Q3 24, with a NOK 2.1m downpayment to Innovation Norway and a downpayment on the supply

chain financing facility of NOK 11.2m. In Q3 23, cash flow from financing activities was positive NOK 23.5m.

In total, net change in cash was positive NOK 50.4m during Q3 24, compared to NOK 17.2m in Q3 23. Xplora ended the quarter with a cash balance of positive NOK 176.7m, up 52% y/y compared to NOK 116.6m in Q2 23.

## SHAREHOLDERS

Xplora had 44,156,619 shares outstanding at the end of Q3 24, unchanged from the end of Q2 24. The company had 1,069 shareholders at the end of Q3 24 vs 1,105 shareholders at the end of Q2 24. 4.9% of shares were held by investors outside Norway at the end of Q3 24, down from 5.1% q/q. The 20 largest shareholders held 67.9% of shares outstanding at the end of Q3 24. Please see note 4 Share capital and shareholder information for further details.

## POST QUARTER EVENTS

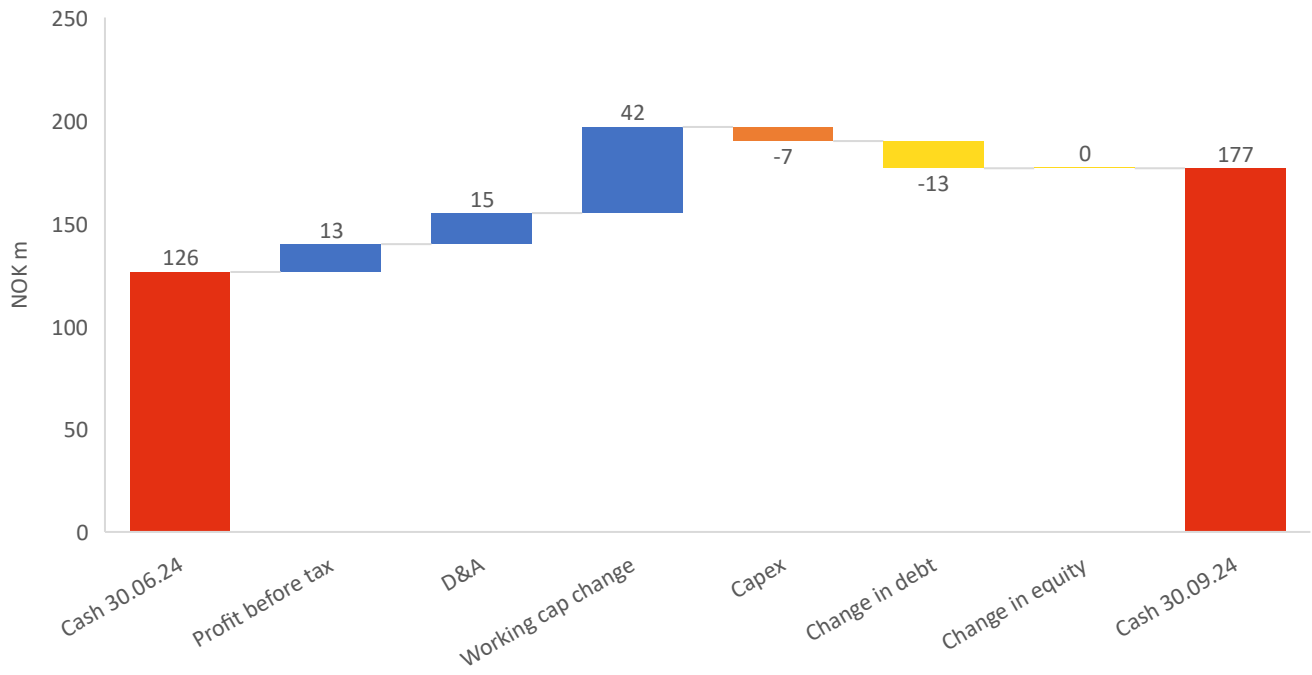
On October 17, Xplora published the offer document regarding the recommended public offer to the shareholders of DORO AB. The offer document and acceptance form are available on the Xplora's investor pages, DNB's website and on SpareBank 1 Markets AS's website. The documents can also be found on the Swedish Financial Supervisory Authority's website, [www.fi.se](http://www.fi.se). As of this report, Xplora awaits more than 90% acceptance from Doro's shareholders to finalize the acquisition.

On October 29, Xplora announced a strategic partnership with HMD (Human Mobile Device), to enter the youth phone market, advancing towards the goal of one million subscriptions. Through this collaboration, Xplora will launch youth-focused feature and smartphones equipped with its family IoT platform and parental controls. This partnership aims to empower families to better manage screen time and promote positive digital habits, supporting mental well-being. The first showcase of these products and services is planned for Mobile World Congress in 2025.

In October, Xplora completed its MVNO setup in the US, following the Q2 24 announcement of its ninth MVNO certification – a key milestone in Xplora's growth strategy. This achievement strengthens Xplora's ability to deliver seamless connectivity solutions directly to customers, beginning with the launch of the X6Play kids' smartwatch on AT&T's secure network.



### Q3 2024 Cash Flow



# Q3 2024 Operational Highlights

Q3 is typically one of the busiest periods of the year, and Q3 24 has been no exception. In addition to high unit sales and solid growth in the subscription base, the quarter also saw new partnerships and strategic advances. The company announced the completion of the AT&T certification process in the US, giving Xplora the approval to launch its ninth MVNO. Additionally, Xplora secured several B2B partner agreements and entered a strategic agreement in Germany, which includes the launch of a new smartwatch model and a new B2B revenue agreement. The agreement secured Xplora a 30k unit sale in 2024 and service revenues. Lastly, Xplora finished the hardware upgrades on XGo3, showcasing our dedication towards increased customer experience of Xplora products.

## XPLORA'S NINTH MVNO AGREEMENT

This quarter, Xplora announced the completion of the AT&T certification process, and as such started the implementation of Xplora's ninth MVNO agreement, expected to go live in Q4 24. Q3 24 has been used to plan, prepare and finalize all necessary steps to ensure a successful launch. This certification allows Xplora to leverage AT&T's reach and network infrastructure in the US market and marks a significant milestone for the company's US operations, extending its accessibility to US customers.

With an MVNO agreement, Xplora can offer its own connectivity and service solutions, generating higher revenue with higher margins compared to other agreements.

## US B2B SALES & PARTNER AGREEMENTS

During Q3 24, Xplora entered three new B2B partner agreements in the US market. Two agreements with retailers and one with a telecom provider. These agreements will see Xplora products being offered on more platforms, serving as a good stepping stone towards increasing the US unit sales and growing the subscription base in the coming years.

B2B sales agreements are beneficial for Xplora in selling devices and provides an added services revenue stream in addition to the regular sales channels. The agreements also secure new customers to the partners and boosts their revenue.

## PRODUCT LAUNCH AND B2B SERVICE AGREEMENT

This quarter, Xplora launched a country and channel specific smartwatch named "LetsGo". The LetsGo model is tailored specifically for sale through the German retailer "Mediamarkt" and will serve as a low-cost entry product in the German market. The agreement establishes a mutually beneficial B2B service revenue stream by bundling the Xplora premium platform with the LetsGo smartwatch.

This initiative should deliver a minimum of 30k additional unit sales each year, where the first 10k units were delivered in Q3 24, and an additional 20k is scheduled for delivery in Q4 this year.

## SMARTWATCH UPGRADE

A key achievement this quarter has been the completion of the XGo3 smartwatch upgrade, which has been a key objective for the company's R&D team in 2024. The new generation of XGo3 was launched with upgraded hardware that increase the overall performance and lifetime, and thus increases the customer experience of Xplora products. Together with the upgraded hardware, the upgraded XGo3 was also launched with jungle themed accessories, like straps and frames, providing the customers the ability to personalize and change the looks of their watch.



**Building on our success in the kids' market, Xplora is now expanding to new family IoT categories such as Senior and a B2B (business2business) SaaS (Software as a service) offering.**



# Outlook

**With only one quarter left, 2024 has achieved new levels in device sales, subscription base, revenues and EBITDA. We are well on our way to reaching our 15% revenue growth target, thanks to the unwavering efforts of the sales team. Year to date, we are close to break even on net profit as we enter another historically strong quarter. In addition to growing the core business, the company has made a strategic advance by making a public offer to acquire Doro AB. The deal seeks to leverage Xplora's current connectivity platforms and MVNO setups to grow the high margin service revenue, in addition to expanding each company's complementary market presence. This deal could see Xplora's financials go beyond the new standard next year.**

In Q3 24, we achieved the highest net growth in subscriptions ever recorded in a single quarter, driving service revenues to NOK 75.3m, equal to an Annual Recurring Revenue (ARR) of NOK 301.2m. Notably, this ARR is higher than total operating expenses for the entire 2023, which was NOK 298.6m, and it is NOK 55.0m higher than LTM operating expenses excluding marketing. This robust level of service revenue positions us well when we enter 2025 and will work as a solid financial foundation in our softest quarters.

We expect reduced seasonality in the second half of the year, resulting from a more balanced distribution of unit sales and revenue across Q3 and Q4. Financially, 2024 has continued the strong momentum from 2023. Year to date, net profit is nearing break-even, with a historically strong quarter ahead. We have also reached the upper range of our 10-15% target on service revenue outside of the Nordics, which was 15% in Q3 24. Increasing this ratio as well as the overall service revenue remains a key target.

Capex for Q3 came in at NOK 6.8m, leading to a YTD capex of NOK 14.8m. As such we expect to end the year in the higher range of our NOK 15-20m capex target for 2024, in line with our increased revenue.

To accelerate towards the target of one million subscriptions, we were excited to announce the offer to acquire all shares in Doro AB on September 26th. The key strategic advantage with this acquisition is to leverage Xplora's existing investments in MVNO setups, by integrating high-margin SIM services with Doro's devices. This creates a new recurring revenue stream with minimal additional investments or development needed.

In addition, the acquisition provides a strategic extension to our senior division, positioning us to accelerate growth in the senior segment.

We remain confident that we can replicate our SIM strategy with the acquisition of Doro AB, paving the way to reach one million subscribers within a few years. As of this report, Xplora awaits more than 90% acceptance from Doro's shareholders to finalize the acquisition.





**Xplora Technologies Group**  
**PROFIT & LOSS**

NOK '1000	Note	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Device revenue		181,843	134,132	366,881	325,197	476,579
Service revenue		75,306	55,552	203,520	150,170	210,248
Other revenue		0	543	0	1,619	2,272
<b>Total Revenue</b>		<b>257,148</b>	<b>190,227</b>	<b>570,400</b>	<b>476,986</b>	<b>689,099</b>
Cost of sales		132,273	103,919	280,591	244,095	356,785
<b>Gross Profit</b>		<b>124,875</b>	<b>86,308</b>	<b>289,809</b>	<b>232,891</b>	<b>332,314</b>
Employee expenses	2	38,261	34,176	95,983	84,256	113,349
Marketing expenses		23,646	16,641	56,642	47,250	72,106
Other operating expenses	3	32,719	27,554	88,281	79,378	113,191
<b>EBITDA</b>		<b>30,250</b>	<b>7,937</b>	<b>48,903</b>	<b>22,007</b>	<b>33,668</b>
Depreciation and amortization		5,673	5,024	16,361	13,361	18,491
Amortization of Goodwill and Customer contracts*		9,373	9,297	28,119	27,890	38,027
<b>Operating profit / EBIT</b>		<b>15,203</b>	<b>-6,383</b>	<b>4,422</b>	<b>-19,245</b>	<b>-22,849</b>
Finance (income)/expenses - net		1,707	3,948	9,937	9,700	6,771
<b>Profit (loss) before tax</b>		<b>13,496</b>	<b>-10,331</b>	<b>-5,515</b>	<b>-28,945</b>	<b>-29,620</b>
Income tax		0	0	0	-29	8,260
<b>Net profit (loss)</b>		<b>13,496</b>	<b>-10,331</b>	<b>-5,515</b>	<b>-28,974</b>	<b>-21,360</b>

Quarterly figures are unaudited.

\*Amortization of Goodwill and Customer contracts are relating to the amortization of the Xplora Mobile acquisition

**Xplora Technologies Group**  
**BALANCE SHEET**

<b>NOK '1000</b>	<b>Note</b>	<b>Q3 2024</b>	<b>Q2 2024</b>	<b>Q4 2023</b>	<b>Q3 2023</b>
Fixed Assets		1,137	1,211	1,456	1,624
Goodwill		123,874	128,638	138,167	143,695
Customer Contracts		9,218	13,826	23,044	27,653
Intangible Assets		44,572	43,365	45,794	44,985
Deferred Tax Asset		11,606	11,218	10,947	1,033
Other long-term receivables		5,359	5,378	6,577	4,699
<b>Total Non-current assets</b>		<b>195,765</b>	<b>203,637</b>	<b>225,985</b>	<b>223,689</b>
Accounts receivable		41,540	42,413	38,760	32,853
Inventories		80,103	103,719	107,998	96,658
Other receivables		64,232	60,593	60,593	55,703
Cash & equivalents		176,715	126,341	137,433	116,582
<b>Total Current assets</b>		<b>362,590</b>	<b>333,066</b>	<b>320,863</b>	<b>301,796</b>
<b>Total Assets</b>		<b>558,355</b>	<b>536,703</b>	<b>546,848</b>	<b>525,485</b>
<b>Total Equity</b>	6, 7	<b>345,772</b>	<b>327,262</b>	<b>337,793</b>	<b>326,387</b>
Debt to credit institutions		8,333	10,417	14,583	16,667
<b>Total long-term debt</b>		<b>8,333</b>	<b>10,417</b>	<b>14,583</b>	<b>16,667</b>
Short-term debt to credit institutions		57,316	68,474	55,303	68,574
Accounts payable		64,774	63,375	47,423	48,698
Other current liabilities		82,159	67,175	91,746	65,158
<b>Total Short-term debt</b>		<b>204,250</b>	<b>199,024</b>	<b>194,471</b>	<b>182,431</b>
<b>Total Equity and debt</b>		<b>558,355</b>	<b>536,703</b>	<b>546,848</b>	<b>525,485</b>

Quarterly figures are unaudited.

**Xplora Technologies Group**  
**CASH FLOW**

<b>NOK '1000</b>	<b>Note</b>	<b>Q3 2024</b>	<b>Q3 2023 *</b>	<b>YTD 2024</b>	<b>YTD 2023 *</b>	<b>FY 2023</b>
Profit before tax		13,496	-10,331	-5,515	-28,945	-29,620
Depreciation and amortization		5,673	5,024	16,361	13,361	-256
Amortization of Goodwill and Customer contracts		9,373	9,297	28,119	27,890	56,773
Working capital changes *		41,878	-4,442	19,373	23,592	33,357
<b>Net cash flow from operating activities</b>		<b>70,421</b>	<b>-453</b>	<b>58,339</b>	<b>35,899</b>	<b>60,254</b>
Capex *		-6,806	-5,773	-14,820	-17,016	-22,787
<b>Net cash flow from investing activities</b>		<b>-6,806</b>	<b>-5,773</b>	<b>-14,820</b>	<b>-17,016</b>	<b>-22,787</b>
Change in debt		-13,242	23,344	-4,237	46,928	31,573
Proceeds from share issue		0	0	0	0	17,500
Other		0	121	0	363	485
<b>Net cash flow from financing activities</b>		<b>-13,242</b>	<b>23,465</b>	<b>-4,237</b>	<b>47,291</b>	<b>49,558</b>
<b>Net change in cash and cash equivalent</b>		<b>50,374</b>	<b>17,239</b>	<b>39,282</b>	<b>66,174</b>	<b>87,025</b>
Cash and cash equivalents at start of period		126,341	99,343	137,433	50,409	50,409
Cash and cash equivalents at end of period		176,715	116,582	176,715	116,582	137,433

Quarterly figures are unaudited.

\* Q3 23 differ from the Q3 23 report due to a correction made in the annual report. The correction moved NOK 1,033' in deferred tax assets from Capex to working capital. The Net change in cash and cash equivalents was unaffected.





## NOTES

### NOTE 1 GENERAL AND BASIS OF PREPARATION

Xplora Technologies AS is a Norwegian public limited liability company listed on Euronext Growth Oslo under the ticker XPLRA. The company's head office is located at Nedre Slottsgate 8, 0157 Oslo, Norway.

The condensed interim financial statements for the three months ending on 30 September 2024 have been prepared in accordance with the Norwegian Accounting Act (NGAAP) and generally accepted accounting principles. The accounting principles applied in preparing this interim financial statement are consistent with the annual report as of 2023. All interim financial statements are unaudited.

The preparation of the interim accounts entails the use of valuations, estimates and assumptions that affect the application of the accounting policies and the amounts recognized as assets and liabilities, income, and expenses. The actual results may deviate from these estimates. The material assessments underlying the application of the Group's accounting policy and the main sources of uncertainty are the same as for the consolidated accounts for 2023.

### NOTE 2 PERSONNEL EXPENSES AND REMUNERATION

#### EMPLOYEE COSTS

NOK '1000	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Salaries/Wages	23,721	21,147	62,452	60,963	82,179
Share-based compensation	3,794	4,260	7,507	5,793	5,575
Sales commissions and bonus accruals	4,500	3,675	9,000	3,675	6,175
Social security fees	3,858	3,802	11,561	9,997	14,370
Pension expenses	1,108	975	3,504	2,827	3,850
Other benefits	1,280	316	1,959	1,000	1,199
<b>Total</b>	<b>38,261</b>	<b>34,176</b>	<b>95,983</b>	<b>84,255</b>	<b>113,349</b>

Quarterly figures are unaudited.

### NOTE 3 OTHER OPERATING EXPENSES

#### OTHER OPERATING EXPENSES

NOK '1000	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Selling & Distribution Costs	9,368	10,673	21,997	24,620	35,813
Engineering, trademarks & patents	623	550	2,213	1,604	2,325
External Consultants & Legal	12,452	6,391	34,110	23,778	34,628
Office Expenses	5,598	5,968	17,582	17,831	24,138
Travel & Subsistence	1,055	817	2,564	2,263	3,208
Other Operating Costs	3,624	3,156	9,815	9,282	13,079
<b>Total</b>	<b>32,719</b>	<b>27,554</b>	<b>88,281</b>	<b>79,378</b>	<b>113,191</b>

Quarterly figures are unaudited.

**NOTE 4 SHARE CAPITAL AND SHAREHOLDER INFORMATION**

Share capital	No. of shares	Share par value	Book value
Ordinary shares	44,156,619	0.004	176,626.48

**SHAREHOLDERS AS OF 30.09.2024**

Shareholder		Shares	% Outstanding
Passesta AS	1)	5,969,056	13.5%
Harmonium Invest AS	2)	2,689,911	6.1%
Eden AS	3)	2,240,125	5.1%
S. Munkhaugen AS		1,991,325	4.5%
Vinterstua AS		1,971,574	4.5%
MP Pensjon PK		1,907,165	4.3%
Fougner Invest AS		1,338,344	3.0%
MK Capital AS	4)	1,320,325	3.0%
Skattum Invest AS		1,124,355	2.5%
Kirkbak Holding AS	5)	1,099,606	2.5%
Esmar AS	6)	1,092,576	2.5%
Commerzbank Aktiengesellschaft		1,059,519	2.4%
Torsen Tankers & Towers AS		1,016,460	2.3%
Arepo AS		914,762	2.1%
Camelback Holding AS		828,000	1.9%
Sparebanken 1 Markets AS		777,122	1.8%
Nordnet Livsforsikring AS		732,074	1.7%
Hering AS		714,189	1.6%
Thunderstorm Invest AS		612,116	1.4%
Tucan Holding AS		578,188	1.3%
<b>Top 20 Shareholders</b>		<b>29,976,792</b>	<b>67.9%</b>
Other		14,179,827	32.1%
<b>Total Shares Outstanding</b>		<b>44,156,619</b>	<b>100%</b>

The parent company has one share class with equal voting rights per share.

1) *Passesta AS is owned by Chairman of the board Tore Engrebretsen*

2) *Harmonium Invest AS is owned by board member Harald Fr. Hodne Ulltveit-Moe*

3) *Eden AS is owned by Hildegunn Hodne Ulltveit-Moe, a close relative to board member Harald Fr. Hodne Ulltveit-Moe*

4) *MK Capital AS is 50% owned by CEO Sten Kirkbak through Kirkbak Holding AS*

5) *Kirkbak Holding AS is owned by CEO Sten Kirkbak*

6) *Esmar AS is 90% owned in part by board member Bjørn Eide through Racce AS*

*Board member Ingrid Elvira Leisner holds 25,000 shares through Duo Jag AS*

*Board member Kari Bech-Moen owns 6,000 shares through M-Effective Holding AS*

## NOTE 5 EARNINGS PER SHARE

NOK '1000	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Net earnings (NOK)	13,496	-10,331	-5,515	-28,974	-21,360
Average numbers of shares (k)	44,157	41,657	44,157	41,657	41,657
<b>Earnings per share</b>	<b>0.31</b>	<b>-0.25</b>	<b>-0.12</b>	<b>-0.70</b>	<b>-0.51</b>

Quarterly figures are unaudited.

## NOTE 6 EQUITY

NOK '1000	Share capital	Share premium	Other paid-up equity	Total equity
Equity at 01.01.2024	167	317,021	20,606	337,793
Proceeds from share issue	10	17,490	0	17,500
Paid not registered capital	0	0	-17,500	-17,500
Foreign currency translation	0	7,444	0	7,444
Option program	0	6,050	0	6,050
Net profit as of 30.09.2024	0	-5,515	0	-5,515
<b>As of 30.09.2024</b>	<b>177</b>	<b>342,490</b>	<b>3,106</b>	<b>345,772</b>

Quarterly figures are unaudited.

## NOTE 7 OPTIONS AND SHARE-BASED EXPENSES

	Q3 2024	Q3 2023	YTD 2024	FY 2023
<b>Number of Options</b>				
Outstanding at the beginning of the period	2,500	3,300	2,500	3,300
Exercised / Settlement	0	-811	0	-2,394
Forfeited	0	0	-325	0
Granted	150	0	475	1,594
<b>Total Options</b>	<b>2,650</b>	<b>2,489</b>	<b>2,650</b>	<b>2,500</b>
<b>NOK '1000</b>				
Share-based compensation	2,054	1,936	6,050	4,499
Social security provision for share-based compensation	1,740	2,324	1,457	1,076
<b>Option Program Expensed for the period</b>	<b>3,794</b>	<b>4,260</b>	<b>7,507</b>	<b>5,575</b>

There are no options expirations scheduled for the remainder of the year 2024. During Q3 24, 150k options were granted to key personnel at NOK 13.01.

## NOTE 8 POST QUARTER EVENTS

On October 17, Xplora published the offer document regarding the recommended public offer to the shareholders of DORO AB. The offer document and acceptance form are available on the Xplora's investor pages, DNB's website and on SpareBank 1 Markets AS's website. The documents can also be found on the Swedish Financial Supervisory Authority's website, [www.fi.se](http://www.fi.se). As of this report, Xplora awaits more than 90% acceptance from Doro's shareholders to finalize the acquisition.



## FORWARD LOOKING STATEMENTS

The presentation and report (the "Report") has been produced by Xplora Technologies AS (the "Company") for information purposes only and does not in itself constitute, and should not be construed as, an offer to sell or a solicitation of an offer to buy any securities of the Company in any jurisdiction. The distribution of this report may be restricted by law in certain jurisdictions, and the recipient should inform itself about, and observe, any such restriction. Any failure to comply with such restrictions may constitute a violation of the laws of any such jurisdiction.

This report includes and is based, inter alia, on forward-looking information and contains statements regarding the future in connection with the Company's growth initiatives, profit figures, outlook, strategies, and objectives. All forward-looking information and statements in this report are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industry in which the Company operates. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors may lead to actual profits, results and developments deviating substantially from what has been expressed or implied in such statements. Although the Company believes that its expectations and the report are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in the report.

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This report speaks as at the date set out on herein and will not be updated. The following slides should also be read and considered in connection with the information given orally during the report.

This report is subject to Norwegian law, and any dispute arising in respect of this report is subject to the exclusive jurisdiction of Norwegian courts.

## DEFINITIONS

Activation = A new activation refers to a watch that is turned on for the first time by an end-user. This metric only captures the initial watch activation, regardless of connection to an Xplora subscription plan.

ARPU = Average revenue per user. Calculated by dividing revenue from Connectivity and premium services, by the number of connectivity subscribers.

ASP = Average selling price. Calculated by dividing device revenue by the number of units sold.

CAGR = Compounded annual growth rate

COGS = Cost of goods sold

EBITDA = Earnings before Interests, Tax, Depreciation and Amortization

Freemium model = Business model offering basic features for free, with advanced features available for purchase

IoT = Internet of Things

LTV = Life Time Value

MDA = Master distribution agreement

MVNO = Mobile virtual network operator

SaaS = Software as a service

Subscription = Subscriptions include connectivity plans, premium services, B2B revenue sharing, and service fees. The number of subscriptions reflects active, paid plans.

TTM = Trailing twelve month, a term to describe the past 12 consecutive months

4Q rolling = Means the consecutive twelve-month period before a specified date

