Q1 interim report

January – March 2025

Nepa AB (publ)

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“The order intake grew for the second consecutive quarter, marking a turnaround from the previous decline. We have phased out two low-margin contracts and launched adequate cost-saving programs and strategic initiatives to return to a positive margin trajectory. We maintain positive cash flow for the quarter and are optimistic about the impact of these initiatives and the return to growth. With our current plan, we aim for an Adjusted EBITDA-Capex margin for FY 2025 that exceeds last year’s 4.3%.” – Anders Dahl, CEO

Q1 in summary

- ARR decreased by 18.8% to 135.8 (167.3) MSEK compared to the same period last year.
- Net sales decreased by 12.7%, or 12.7% organically, to 59.0 (67.5) MSEK.
- Subscription revenue declined by 13.1% to 36.6 (42.1) MSEK, ad hoc revenue from subscribers declined by 15.1% to 11.8 (13.9) MSEK, and ad hoc revenue from other clients declined by 7.3% to 10.7 (11.5) MSEK.
- The gross margin increased to 76.1% (75.1%).
- Adjusted EBITDA-Capex amounted to -6.6 (1.3) MSEK with a margin of -11.2% (1.9%).
- Items affecting comparability, mainly relating to the UK restructuring, amounted to 2.6 (1.3) MSEK.
- Net income amounted to -14.9 (-0.6) MSEK, or SEK -1.90 (-0.07) per share.
- Net cash flow amounted to 3.0 (5.3) MSEK.

Events during the quarter

- The order intake exceeded that of the same period last year, with a strong finish in March.
- Two separate low-margin ARR contracts totalling 22 MSEK were phased out during the quarter. The client behind one of the contracts was transitioned to an ad hoc model in a more modernized tech pipeline, ensuring that some revenue continues, although it will not be part of the ARR base. The low-margin ARR contract of 16.5 MSEK announced to churn in mid-Q1 was extended until May and remains part of the reported ARR base for the quarter.
- The UK restructuring was completed ahead of schedule and will generate annualized cost savings of 8 MSEK from Q2. Restructuring costs relating to the initiative amounted to 2 MSEK in Q1.
- A cost reduction program in the Swedish operation was initiated, with expected annualized savings of circa 11 MSEK, most of which effective from late Q2.
- Filip Tottie was appointed as new CFO.

Events after the quarter ended

- Continued positive trend for the order intake.

Financial summary

MSEK if not stated	Q1 2025	Q1 2024	Δ	LTM	2024	Δ
ARR	135.8	167.3	-18.8%	135.8	161.6	-16.0%
Net sales	59.0	67.5	-12.7%	259.9	268.5	-3.2%
of which subscription revenue	36.6	42.1	-13.1%	161.0	166.5	-3.3%
Gross margin	76.1%	75.1%	1.1	75.2%	75.0%	0.2
Adjusted EBITDA-Capex	-6.6	1.3	-7.9	3.7	11.6	-7.9
Adjusted EBITDA-Capex margin	-11.2%	1.9%	-13.1	1.4%	4.3%	-2.9
Net income	-14.9	-0.6	-14.4	-16.1	-1.7	-14.4
Profit margin	-25.3%	-0.8%	-24.5	-6.2%	-0.6%	-5.5
Net cash flow	3.0	5.3	-2.3	0.4	2.7	-2.3
Net financial position	44.1	43.7	0.4	44.1	41.1	3.0
Earnings per share, SEK	-1.90	-0.07	-1.83	-2.05	-0.22	-1.83

Comments by the CEO

Nepa's order intake grew year-over-year for the second consecutive quarter, marking a turnaround from the previous declining trend. Sales gained momentum throughout the quarter, starting slow but ending with a higher order intake compared to last year. We also observed a positive trend in new ARR sales, aligning with our refined ideal customer profile. Strategic initiatives across commercial, product, and operational domains are being proactively implemented to build a stronger future for the company. Despite phased-out ARR contracts and reduced ad hoc sales in January and February, our strategic initiatives are crucial for achieving profitable growth. Cost-saving programs launched in Q1 are set to enhance cost-effectiveness in the coming quarters, and we are working towards a positive margin trajectory. We maintain positive cash flow in the quarter and remain optimistic about the impact of our strategic initiatives and the return to growth.

In Q1, we experienced an organic growth decline of 12.7%, largely attributed to a slow start in the beginning of the year, the internal reorganization of client teams, and the phase-out of two low-margin ARR contracts, which adversely affected subscription revenues. As part of our strategic realignment towards a clearly defined ideal customer profile, we are transitioning away from highly customized business setups. These setups not only necessitate additional purchases of customized survey data but also require complex technical configurations on our legacy platforms accompanied by increased delivery efforts from our analysts. This strategic shift will enable us to deliver our core value to our client portfolio more effectively, with improved data handling and modelling, more stable delivery, and higher-quality insights. This positions us for enhanced scalability and profitability in the medium to long term. The client associated with one of these contracts has transitioned to an ad hoc service model within one of our more modernized tech pipelines, ensuring continued revenue, albeit outside the ARR base.

Overall, market conditions remained characterized by cautious client spending at the beginning of the quarter. However, March ended strongly, bringing the order intake back to healthy levels, even exceeding the same period last year, marking the second consecutive quarter of growth in order intake. We are also observing a positive trend in new ARR deals, aligning clearly with our refined ideal customer profile. This trend, coupled with our proactive sales and marketing efforts, positions us well to accelerate growth as the market stabilizes.

In response to reduced revenues and to enhance our commercial capabilities and operational efficiency from both client delivery and product and technology perspectives, two separate cost reduction programs estimated to generate approximately 19 MSEK of annualized cost savings were initiated during the quarter. The pre-announced program in the UK will generate 8 MSEK in annualized savings from early Q2, while the program in Sweden is projected to generate 11 MSEK in annualized savings, most of which will be effective from late Q2. These efforts are integral to our refined business strategy and will improve our cost-effectiveness, ensuring a path back to our margin targets as we accelerate our growth ambitions.

A revised strategy

Nepa has historically grown without a professional outbound salesforce and coherent commercial strategy, leading to a broad and unfocused sales approach. This approach did not adequately consider scalability, profitability, or opportunity costs, resulting in numerous custom configurations and a resource-intensive operating model, ultimately hindering our ability to achieve operating leverage and scalability.

Recognizing these challenges, Nepa initiated an internal strategic realignment in early 2024. This involved bringing in experienced managers as well as revising the commercial, operational, and product and tech strategies.

In our ongoing efforts to enhance commercial effectiveness and client relations, we have reorganized our client team into two distinct units: a New Business team, established in Q3 last year, and a relaunched Customer Success organization this quarter, with clearer customer satisfaction, sales, and profitability targets. This strategic division aligns with our objective of cultivating different sales profiles, ensuring that goals and incentives are appropriately aligned with roles. Our Customer Success department is now organized into distinct business units dedicated to sales and profitability, with a well-defined line of accountability. This structure enables both a more client-centric and data-driven approach to our business.

On the marketing front, we have adopted a more ambitious and outbound growth strategy, aligning our operations with a clarified ideal customer profile. Over recent months, we have intensified our outbound efforts, concentrating on enhancing brand positioning, lead generation, and targeted campaigns. Moving forward, we will continue to optimize our digital presence, reinforce our thought leadership, and expand market-specific outreach to drive engagement and support our ambitious growth targets. These marketing initiatives are integral to our commercial realignment, ensuring that our sales strategies are closely aligned with our overarching business objectives.

To enhance delivery stability and efficiency, we have accelerated the relocation of segments of our internal value chain to our Mumbai office, while integrating technology and AI into our daily operations to replace manual processes. This approach drives greater efficiency and scalability, enabling client-facing teams to engage more closely with our clients.

In the area of product and technology, we have initiated a thorough initiative to simplify our tech architecture, automate data flows, and reduce project support and custom configurations. The goal is to reduce the need for maintenance, allowing for increased output on product features and technologies that deliver greater value to our clients. We see significant potential for improvement in this area and look forward to providing further updates.

The implementation of our strategic realignment is ongoing, with a focus this quarter on addressing internal inefficiencies and enhancing our commercial capacity for growth. As part of our strategic realignment towards a refined ideal customer profile, we have made the decision to transition away from certain high-customization and low-margin ARR business. While this has resulted in short-term revenue churn, it positions us for improved scalability and profitability in the medium to long term by allowing us to allocate commercial resources towards our ideal customer profile rather than non-scalable customized configurations.

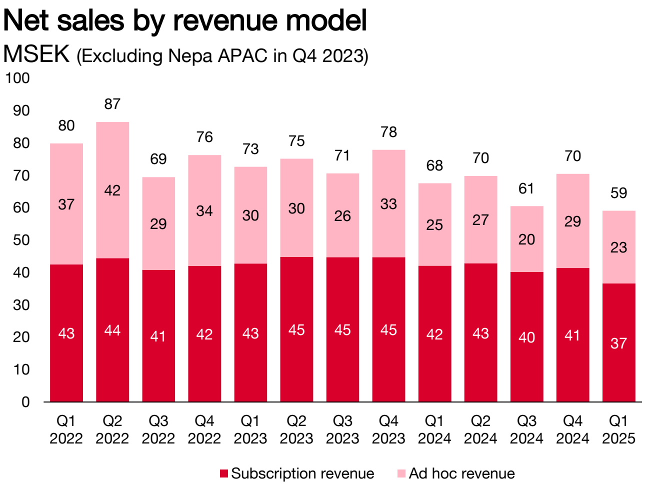
Outlook

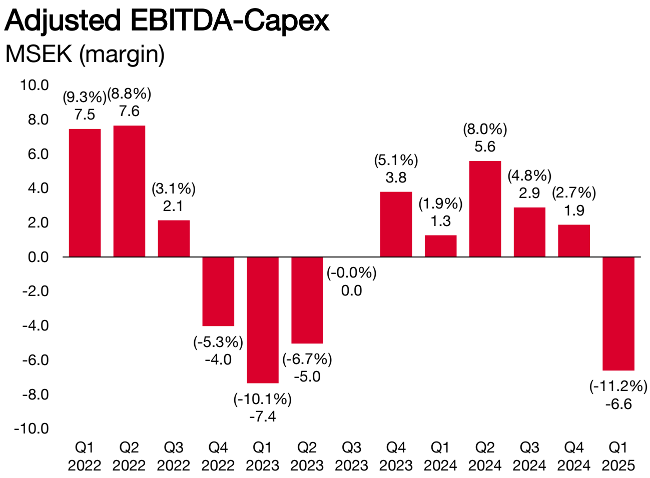
With a refined strategic direction in place, we are beginning to see encouraging signs of improvement, although we acknowledge that the full realization of these benefits will require time. We are confident that the foundation for Nepa's future success is being laid, and we are enthusiastic about the growth opportunities that lie ahead. Since I joined Nepa in 2023, we have achieved significant milestones as a company. I am proud of our highly skilled employees who are dedicated to pursuing our ambitious growth objectives, and I am pleased with our clients' recognition of the value that our insights provide.

With many operational efficiency improvements already being implemented, and further improvements anticipated throughout the year, we will now intensify our focus on growth. With our current plan, we aim for an Adjusted EBITDA-Capex margin for FY 2025 that exceeds last year’s 4.3%. With a well-defined strategy, disciplined cost management, and a strong focus on building high-value, long-term client relationships through our high-quality products and services, Nepa is well-positioned to achieve sustainable and profitable growth.

Anders Dahl
CEO

Financial development





Revenues

Net sales declined by 12.7% in Q1 2025, or 12.7% organically, to 59.0 (67.5) MSEK. Subscription revenue declined by 13.1% to 36.6 (42.1) MSEK, reflecting the phased-out low-margin ARR contracts. Ad hoc revenue from subscribers declined by 15.1% to 11.8 (13.9) MSEK, and ad hoc revenue from other clients declined by 7.3% to 10.7 (11.5) MSEK, following a continued cautious client spend in the beginning of the quarter.

Direct costs and gross margin

Gross profit amounted to 44.9 (50.7) MSEK in Q1 2025 at a margin of 76.1% (75.1%). Over the long term, gross margins have shown a positive trend on comparable projects and revenue streams, supported by improved project profitability, enhanced data quality management, and a refined supplier strategy. The overall gross margin is influenced by the revenue mix between subscription and ad hoc revenue.

Operating costs

Nepa's product development has accelerated its time to-market, enabling faster development cycles and a more agile response to market demands. This efficiency has reduced the need for capitalizing development costs, as products, tools, and features are launched more quickly, generating returns sooner. Capitalized expenditures amounted to 0.0 (2.5) MSEK in Q1 2025.

Items affecting comparability amounted to 2.6 (1.3) MSEK, with 2.0 MSEK of personnel costs pertaining to the restructuring of the UK business and 0.6 MSEK of other external costs resulting from a realized loss on the sale of two car leases linked to earlier cost-savings programs.

Other operating costs are mainly comprised of foreign exchange losses on trade receivables and payables. Adverse foreign exchange movements during the quarter had a negative impact on the results.

Earnings

Adjusted EBITDA-Capex amounted to -6.6 (1.3) MSEK in Q1 2025 corresponding to a margin of -11.2% (1.9%).

Net income for the quarter amounted to -14.9 (-0.6) MSEK, or SEK -1.90 (-0.07) per share.

Cash flow

Cash flow from operating activities in the quarter amounted to 3.0 (7.8) MSEK of which the change in working capital amounted to 12.5 (7.5) MSEK. Cash flow from investing activities amounted to -0.0 (-2.5) MSEK. Cash flow from financing activities amounted to 0.0 (0.0) MSEK. Net cash flow for the period amounted to 3.0 (5.3) MSEK. At the end of the quarter, the net financial position amounted to 44.1 (43.7) MSEK.

Financial overview

MSEK	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
ARR	135.8	161.6	159.3	160.1	167.3	164.0	172.4	174.3	168.6
ARR growth (%)	-18.8	-1.4	-7.6	-8.2	-0.7	-4.1	2.3	7.3	-1.3
Subscription revenue	36.6	41.4	40.2	42.8	42.1	44.8	44.7	44.8	42.8
Ad hoc revenue from subscribers	11.8	13.3	10.6	12.7	13.9	16.6	15.3	20.3	16.9
Ad hoc revenue from other clients	10.7	15.8	9.7	14.3	11.5	16.6	10.6	10.0	13.0
Net sales	59.0	70.5	60.4	70.0	67.5	74.6	70.6	75.2	72.7
Gross profit	44.9	52.2	44.5	53.8	50.7	58.9	51.9	55.8	52.9
Gross margin (%)	76.1	74.0	73.7	76.9	75.1	79.0	73.6	74.2	72.7
Adj. EBITDA-Capex	-6.6	1.9	2.9	5.6	1.3	3.8	0.0	-5.0	-7.4
Adj. EBITDA-Capex, margin (%)	-11.2	2.7	4.8	8.0	1.9	5.1	0.0	-6.7	-10.1
Items affecting comparability	2.6	0.0	0.0	0.0	1.3	5.9	1.1	6.9	0.0
Net income	-14.9	-0.6	-2.2	1.3	-0.6	-0.3	-0.7	-9.0	-4.5
Profit margin (%)	-25.3	-0.9	-3.6	1.8	-0.8	-0.4	-0.9	-11.9	-6.2
Net cash flow	3.0	11.2	4.9	-18.8	5.3	-3.5	-3.3	-17.6	-1.1
Net financial position	44.1	41.1	29.8	24.9	43.7	38.4	41.8	45.1	62.7
Earnings per share (SEK)	-1.90	-0.08	-0.28	0.16	-0.07	-0.04	-0.08	-1.14	-0.57
Dividend per share (SEK)	0.00	1.23	0.00	0.00	0.00	1.23	0.67	0.00	0.00
No. of employees, avg.	211	219	220	218	242	273	281	303	311
NRR (%)	82.9	101.2	98.5	95.4	101.5	93.2	99.5	103.2	97.5
Churn (%)	7.8	0.0	0.6	0.6	0.2	6.1	1.0	1.1	1.6

Segment breakdown

Nepa’s primary product area is Marketing Optimization, including the subscription products Brand tracker, Ad tracker, and Continuous Marketing Mix Modeling, as well as ad hoc-based advisory services such as Campaign Evaluation, Category Insight, and Market Segmentation. The Other segment constitutes Nepa’s tracking products and advisory services within Customer Experience, Innovation Acceleration, and panels.

KSEK	Q1 2025	Q1 2024	Δ	LTM	2024	Δ
Subscription revenue	**36.6**	**42.1**	**-13.1%**	**161.0**	**166.5**	**-3.3%**
Marketing Optimization	33.7	38.2	-11.8%	146.6	151.1	-3.0%
Other	2.9	3.9	-25.9%	14.4	15.4	-6.6%
Ad hoc revenue from subscribers	**11.8**	**13.9**	**-15.1%**	**48.4**	**50.5**	**-4.2%**
Marketing Optimization	9.4	11.5	-18.2%	42.3	44.4	-4.7%
Other	2.4	2.4	-0.3%	6.1	6.1	-0.1%
Ad hoc revenue from other clients	**10.7**	**11.5**	**-7.3%**	**50.5**	**51.4**	**-1.6%**
Marketing Optimization	7.5	7.7	-2.9%	38.3	38.5	-0.6%
Other	3.2	3.8	-16.2%	12.2	12.9	-4.8%
Group	**59.0**	**67.5**	**-12.7%**	**259.9**	**268.5**	**-3.2%**
Marketing Optimization	50.6	57.5	-11.9%	227.2	234.1	-2.9%
Other	8.5	10.1	-16.2%	32.7	34.3	-4.8%
Eliminations	-0.1	-0.0	-	-0.0	0.1	-
Gross margin	**76.1%**	**75.1%**	**1.1**	**75.2%**	**75.0%**	**0.2**
Marketing Optimization	74.8%	72.0%	2.8	73.4%	72.8%	0.6
Other	84.5%	92.0%	-7.5	87.7%	89.7%	-2.1

Overview of Nepa

About the company

Nepa AB (publ) is a leading marketing intelligence company specializing in brand development and marketing optimization. By integrating research with cutting-edge technology, industry expertise, and innovative solutions, Nepa empowers some of the world's most renowned brands to drive growth through insights. The company continuously measures and analyzes the impact of marketing activities, providing brands with the insights needed to make informed decisions at the right time, from both short- and long-term perspectives.

With a presence in the Nordics, UK, US, and India, Nepa operates globally, tracking brands in over 50 markets across all continents, generating customer value for marketing managers and insight departments at well-established brands across the world.

Product offerings

Nepa's core offerings include brand tracking, campaign evaluations, and continuous media mix modelling, along with value-creating brand advisory services. The marketing intelligence suite offers product solutions for global consumer brands to maximize short-term sales and build enduring brands. This is achieved by combining continuous survey data, sales data, and marketing investments with sophisticated analysis and marketing expertise.

The value creation process encompasses automated survey and company-specific data collection, data enrichment, and analysis to automated dashboard visualizations and comprehensive reports. This process is further enhanced by tech-augmented brand and marketing advisory services, ensuring that brands receive the insights necessary for timely and effective decision-making.

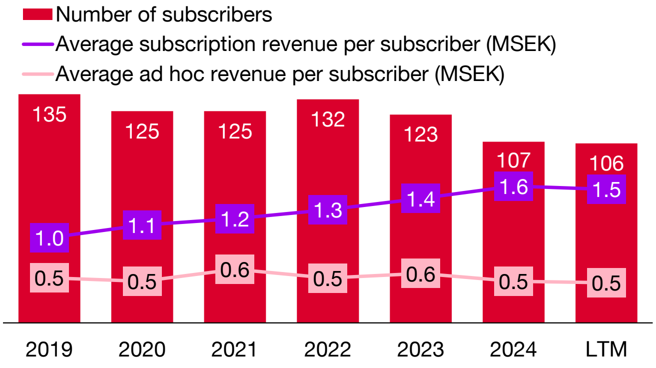
Product development is central to Nepa's long-term strategic vision, positioning the company at the forefront of the marketing intelligence sector. This steadfast commitment to innovation ensures the provision of advanced solutions that adeptly address the evolving needs of clients. By employing the latest technologies and insights, Nepa develops products that deliver exceptional value and drive measurable results. This dedication to excellence establishes the company as a leader in the industry, consistently setting new standards for innovation and efficacy in marketing intelligence.

Client portfolio

Nepa maintains a diversified client portfolio across a wide array of industries, with its five largest clients contributing approximately 29% of the Group's net sales.

Overview of subscribing clients

The number of subscribers and average revenue per subscriber on a rolling 12-month basis.



Consolidated income statements

KSEK	Jan-Mar 2025	Jan-Mar 2024	Apr-Mar LTM	Jan-Dec 2024
Net sales	58 969	67 521	259 922	268 474
Capitalized expenditures	-	2 496	272	2 768
Other external income	1 126	1 714	5 287	5 874
	60 096	**71 731**	**265 481**	**277 116**
Direct costs	-14 068	-16 839	-64 479	-67 250
Other external costs	-11 785	-10 542	-43 196	-41 953
Personnel costs	-40 614	-40 898	-149 941	-150 225
Depreciation and amortization	-3 755	-3 954	-15 849	-16 048
Other operating costs	-2 858	-996	-6 427	-4 565
Operating income	**-12 985**	**-1 499**	**-14 411**	**-2 925**
Financial income	66	1 266	2 695	3 896
Financial expenses	-1 903	-122	-4 259	-2 478
Earnings before tax	**-14 823**	**-355**	**-15 975**	**-1 507**
Tax	-95	-210	-112	-227
Net income	**-14 917**	**-565**	**-16 087**	**-1 735**
Net profit attributable to the parent company's shareholders	-14 917	-565	-16 087	-1 735
Shares outstanding, end of period	7 863 186	7 863 186	7 863 186	7 863 186
Average number of shares outstanding	7 863 186	7 863 186	7 863 186	7 863 186
Earnings per share (SEK)	-1.90	-0.07	-2.05	-0.22

Consolidated balance sheets

KSEK	March 31 2025	March 31 2024	December 31 2024
ASSETS			
Intangible assets	38 222	53 564	41 928
Tangible assets	228	528	310
Financial assets	1 094	1 109	1 176
Total non-current assets	**39 543**	**55 200**	**43 414**
Trade receivables	19 285	37 220	50 653
Tax receivables	5 524	5 623	5 721
Other current receivables	3 155	3 302	3 413
Prepayments and accrued income	13 928	18 397	13 720
Cash and cash equivalents	44 077	43 707	41 071
Total current assets	**85 970**	**108 249**	**114 578**
TOTAL ASSETS	**125 513**	**163 449**	**157 992**
EQUITY			
Shareholders' equity	1 573	1 573	1 573
Other capital contributions	115 020	115 020	115 020
Translation difference	1 628	421	252
Retained earnings	-57 113	-31 354	-42 196
Total equity	**61 107**	**85 660**	**74 648**
LIABILITIES			
Due to customers	12 586	17 781	28 378
Trade payables	18 573	15 914	25 057
Other current liabilities	9 439	10 163	10 392
Accrued expenses and deferred income	23 809	33 932	19 517
Total current liabilities	**64 406**	**77 790**	**83 344**
Total liabilities	**64 406**	**77 790**	**83 344**
TOTAL EQUITY AND LIABILITIES	**125 513**	**163 449**	**157 992**

Consolidated changes in equity

January 1 - March 31 KSEK	Shareholders' equity	Other capital contributions	Translation difference	Retained earnings	Total equity
2024					
Opening balance	**1 573**	**115 020**	**676**	**-30 790**	**86 479**
Net profit for the period	-	-	-	-565	**-565**
Translation difference	-	-	-254	-	**-254**
Dividend	-	-	-	-	**-**
Closing balance	**1 573**	**115 020**	**421**	**-31 354**	**85 660**
2025					
Opening balance	**1 573**	**115 020**	**252**	**-42 196**	**74 648**
Net profit for the period	-	-	-	-14 917	**-14 917**
Translation difference	-	-	1 376	-	**1 376**
Dividend	-	-	-	-	**-**
Closing balance	**1 573**	**115 020**	**1 628**	**-57 113**	**61 107**

Consolidated cash flow statements

KSEK	Jan-Mar 2025	Jan-Mar 2024	Apr-Mar LTM	Jan-Dec 2024
Operating activities				
Profit before tax	-14 823	-355	-15 975	-1 507
Adjustment for non-cash items	5 248	3 615	17 253	15 620
Income tax paid	103	-2 924	-14	-3 041
Cash flow from operating activities before changes in working capital	**-9 472**	**336**	**1 265**	**11 072**
Changes in current receivables	31 418	22 419	22 551	13 552
Changes in current liabilities	-18 938	-14 924	-13 383	-9 369
Cash flow from operating activities	**3 008**	**7 831**	**10 432**	**15 255**
Investing activities				
Acquisitions/divestments of tangible assets	-	-	-53	-53
Acquisitions/divestments of intangible assets	-	-2 496	-272	-2 768
Acquisitions/divestments of financial assets	-2	-6	-66	-70
Cash flow from investing activities	**-2**	**-2 502**	**-390**	**-2 890**
Financing activities				
Dividends paid	-	-	-9 672	-9 672
Cash flow from financing activities	**-**	**-**	**-9 672**	**-9 672**
Net cash flow for the period	**3 007**	**5 329**	**370**	**2 693**
Cash and cash equivalents at the beginning of the period	**41 071**	**38 378**	**43 707**	**38 378**
Cash and cash equivalents at the end of the period	**44 077**	**43 707**	**44 077**	**41 071**

Parent company income statements

KSEK	Jan-Mar 2025	Jan-Mar 2024	Apr-Mar LTM	Jan-Dec 2024
Other external income	27	17	301	291
Total revenue	**27**	**17**	**301**	**291**
Other external costs	-1 140	-869	-2 810	-2 539
Personnel costs	-898	-709	-4 279	-4 091
Operating income	**-2 010**	**-1 561**	**-6 788**	**-6 339**
Financial income	186	761	1 726	2 301
Financial expenses	-	-	-	-
Earnings before tax	**-1 824**	**-800**	**-5 062**	**-4 038**
Group contributions received	-	-	6 027	6 027
Tax	-	-	-	-
Net income	**-1 824**	**-800**	**965**	**1 989**

Parent company balance sheets

KSEK	March 31 2025	March 31 2024	December 31 2024
ASSETS			
Financial assets	76 560	90 860	78 560
Total non-current assets	**76 560**	**90 860**	**78 560**
Receivables Group companies	8 511	724	8 291
Tax receivables	410	410	322
Other current receivables	10	26	89
Prepayments and accrued income	163	177	77
Cash and cash equivalents	866	3 118	349
Total current assets	**9 960**	**4 455**	**9 129**
TOTAL ASSETS	**86 520**	**95 315**	**87 688**
EQUITY			
Shareholders' equity	1 573	1 573	1 573
Share premium reserve	115 020	115 020	115 020
Retained earnings	-29 753	-22 071	-31 743
Net profit for the period	-1 824	-800	1 989
Total equity	**85 016**	**93 722**	**86 839**
LIABILITIES			
Trade payables	795	88	372
Other current liabilities	138	60	80
Accrued expenses and deferred income	572	1 445	397
Total current liabilities	**1 505**	**1 593**	**849**
Total liabilities	**1 505**	**1 593**	**849**
TOTAL EQUITY AND LIABILITIES	**86 520**	**95 315**	**87 688**

Parent company statements of changes in equity

January 1 - March 31 KSEK	Shareholders' equity	Other capital contributions	Translation difference	Total equity
2024				
Opening balance	**1 573**	**115 020**	**-22 071**	**94 522**
Net profit for the period	-	-	-800	**-800**
Dividend	-	-	-	**-**
Closing balance	**1 573**	**115 020**	**-22 871**	**93 722**
2025				
Opening balance	**1 573**	**115 020**	**-29 753**	**86 839**
Net profit for the period	-	-	-1 824	**-1 824**
Dividend	-	-	-	**-**
Closing balance	**1 573**	**115 020**	**-31 577**	**85 016**

Other disclosures

Accounting principles

The Group accounts have been established according to Swedish GAAP (Årsredovisnings-lagen and Bokföringsnämndens allmänna råd 2012:1 Årsredovisning och koncernredovisning (K3)). The Group consists of the parent company Nepa AB and nine subsidiaries, seven of which non-Swedish. Accounting principles and valuation principles correspond to the ones used in the latest annual report. This report has not been audited by the company's auditors.

Risks and uncertainties

Nepa faces several business risks and market risks, including the dependency on qualified personnel, the ability to handle growth, and technological development. The macroeconomic environment with interest rate hikes and inflation as well as the geopolitical situation in the world may affect companies' willingness to invest.

The share

The share capital of Nepa AB amounted, on March 31, 2025, to 1,572,637.20 SEK divided into 7,863,186 shares, each with a nominal value of 0.20 SEK. Nepa AB has been listed on the Nasdaq First North Growth Market stock exchange since April 26th, 2016, under the ticker NEPA. All shares are of the same series and have the same voting rights and dividends rights.

Ten largest shareholders

As of March 31, 2025	Shares	%
Hanover Investors	1,519,181	19.3%
Elementa Management	1,489,512	18.9%
Ulrich Boyer & close relatives	1,450,032	18.4%
Olle Jakobsson	563,700	7.2%
Avanza Pension	469,384	6.0%
Aktia Nordic Micro Cap	373,312	4.7%
Björn Nordenborg	134,256	1.7%
Nordnet Pensionsförsäkring	132,238	1.7%
CBLDN-OP Custody Ldt CLT	119,323	1.5%
Daniel Nilsson	65,000	0.8%
Ten largest shareholders	**6,313,938**	**80.3%**
Other shareholders	1,547,248	19.7%
Total shares outstanding	**7,863,186**	**100.0%**

Financial calendar

Q4 interim report 2024	February 21, 2025
Annual report 2024	April 25, 2025
Q1 interim report 2025	May 9, 2025
AGM 2025	June 23, 2025
Q2 interim report 2025	August 15, 2025
Q3 interim report 2025	October 24, 2025
Q4 year-end report 2025	February 20, 2026
Annual report 2025	April 24, 2026

All financial reports are published on nepa.com/investor-relations.

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Definitions

Annual Recurring Revenue (ARR)	The sum of the annualized value of all recurring client contracts at the end of the period. Contracts are considered active from their start date and remain valid through the entire duration specified in the contract.
Subscription revenue	Revenue from subscription contracts.
Ad hoc revenue from subscribers	Revenue from one-time projects with clients that are enrolled in a subscription contract.
Ad hoc revenue from other clients	Revenue from one-time projects with clients that are not enrolled in a subscription contract.
Gross profit	Net sales reduced with direct costs.
Gross margin	Gross profit as a percentage of net sales.
Adjusted EBITDA-Capex	EBIT before depreciation and amortization, less capital expenditures, adjusted for items affecting comparability.
Adjusted EBITDA-Capex margin	Adjusted EBITDA-Capex as a percentage of net sales.
Items affecting comparability	Extraordinary items during the period.
Profit margin	Net income as a percentage of net sales.
Net financial position	Cash and cash equivalents less interest-bearing liabilities at the end of the period.
Earnings per share	Net income attributable to the parent company's shareholders divided by the average number of shares outstanding.
Dividend per share	Dividend for the period divided by the number of shares outstanding at the end of the period.
No. of employees, avg.	The average number of full-time employees during the period.
Net Revenue Retention (NRR)	Net change of upgrades, downgrades, and churn in Annual Recurring Revenue (ARR) from existing clients during the period as a percentage of ARR in the previous period.
Churn	Lost Annual Recurring Revenue (ARR) from churned subscribers during the period as a percentage of ARR in the previous period.

Certification

The Board of Directors and the CEO certify that this interim report provides a correct depiction of the Group's and parent company's businesses, financial position, and results, and that it describes the relevant risk factors and uncertainties the company is facing.

Dan Foreman	Ulrich Boyer	Fredrik Lundqvist
Chairman	Board member	Board member
Eric Gustavsson	Ashkan Senobari	Ludvig Blomqvist
Board member	Board member	Board member

Anders Dahl

CEO

Stockholm, May 9, 2025

The Board of Directors of Nepa AB (publ)