

## Xplora Technologies AS – Minimal impact from US tariffs and strong financial position

**Oslo, April 4, 2025 – Xplora Technologies AS ("Xplora") expects minimal effects from the recently announced increase in US import tariffs, which has caused widespread uncertainty across global financial markets. While many technology companies face potential cost pressures and operational disruptions, Xplora remains resilient, with a diversified business model and a solid financial position.**

The majority of Xplora's sales are concentrated in Europe and the Nordics, where the company's award-winning children's smartwatches have their strongest market presence. Device sales in the US represented a small portion of the total revenue in 2024. Recurring service revenues – including SIM connectivity and subscriptions – are not subject to import tariffs, shielding a significant part of the company's business model from direct impact. The recently acquired Doro AB does not report revenues in the US market and is therefore not affected by the new tariffs.

Xplora sources its products from Asia, with purchases settled in USD, while most revenues are earned in EUR and NOK/SEK. Following the tariff announcement, the USD has weakened against these currencies – a development that currently results in improved gross margins.

A large share of the company's income stems from subscription-based services, providing a resilient and recurring revenue stream. This model supports both stability and flexibility during periods of market uncertainty. Potential increases in hardware costs can be distributed across a 24-month subscription period, resulting in limited monthly impact for end users while maintaining strong lifetime value (LTV) and profitability.

To ensure financial flexibility in a potentially more volatile economic environment, Xplora has taken proactive steps. Last week, the company announced a new long-term loan facility of EUR 82 million with Nordea. Together with the combined cash holdings of Xplora and Doro AB, which totaled almost NOK 500 million at year-end 2024, the company holds a solid liquidity buffer.

"In uncertain times, Xplora stands strong. With a diversified revenue model, low exposure to US tariffs, and a solid financial foundation, we are well-positioned to continue our growth and deliver long-term value to our shareholders," says Sten Kirkbak, CEO of Xplora Technologies.

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### **About Xplora Technologies AS:**

Xplora is a platform and services company and an industry leader in the market for children's smartwatches. Xplora was founded to give children a safe onboarding to the digital life and a better balance between screen time and physical activity. Xplora's vision is to enable children around the world to experience how their everyday activities can create value and make a positive change in the world. The company is headquartered in Norway with operations in leading European markets. Xplora is listed on Euronext Growth under the ticker symbol XPLRA.