Interim report, Q2 2024

Crister Fritzson, CEO

Annika Muskantor, Interim CFO

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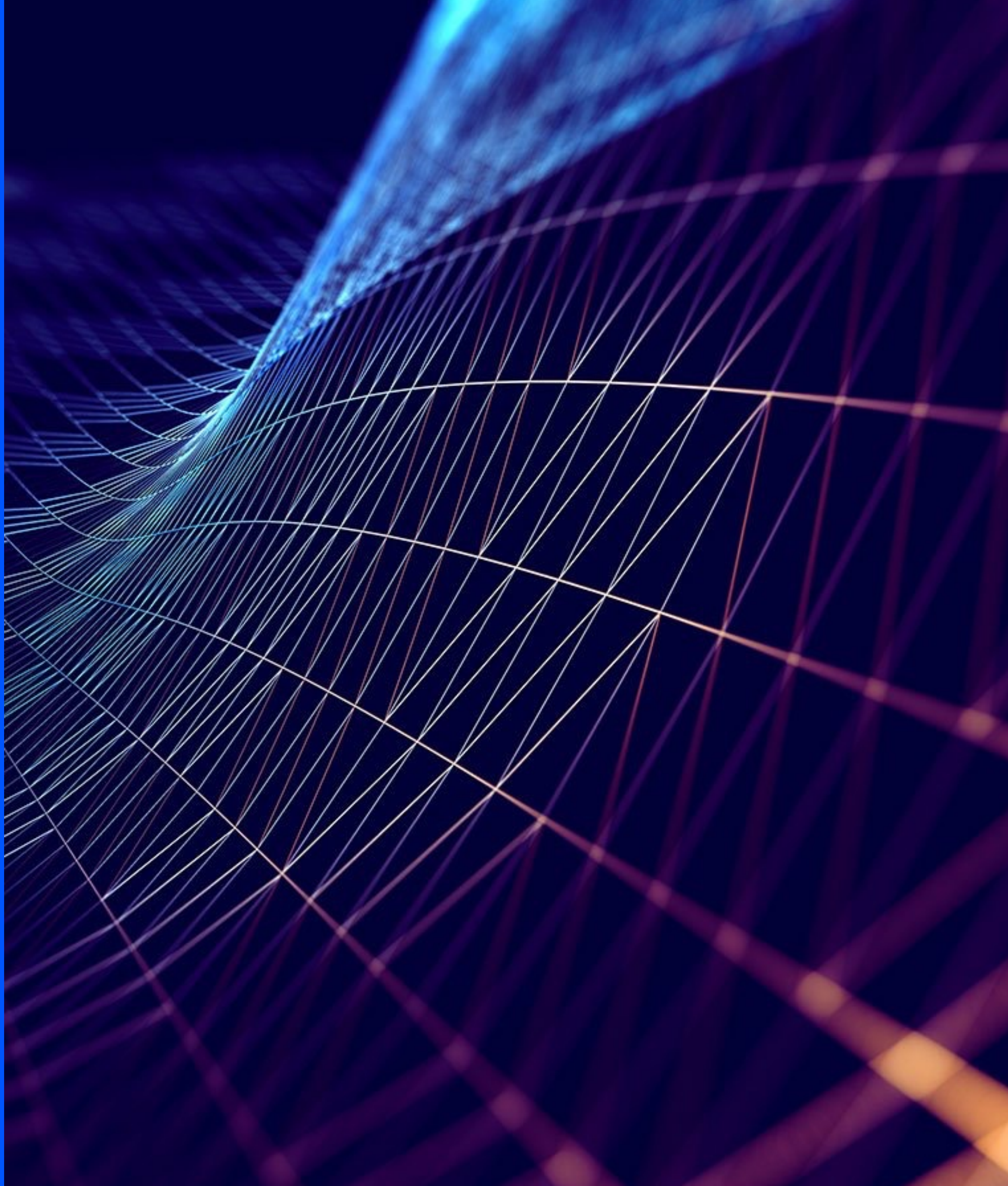

Agenda

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Q2 2024 Summary

Q2 financials

Net sales:
176.1 (126.3) MSEK, up 39.5%
15th consecutive quarter of growth

Operating earnings: 38.3 (9.9) MSEK
Operating margin: 21.8% (7.8%)

Historic software order

30 MSEK and part of a longer-term agreement

Growth in Net Sales 15.5% if order is excluded

Breakthrough for Zyntai

Increasing POC-to-contract conversions; close to double digit number of commercial customers

Order pipeline: ~ 190 MSEK

Towards standardization

ITU approval of initial filings for our technology to be included in new ITU “work item”

Media Update

Q2 2024 Media Highlights

Partner of choice

- Value proposition, innovation and expertise, longevity and quality
- Recognized as the obvious partner "where nothing can go wrong" demonstrates strong market position
- The big sporting events and e.g., increasing number of sporting leagues Take pride in being part of summer games with teams on-site

Business model for the future

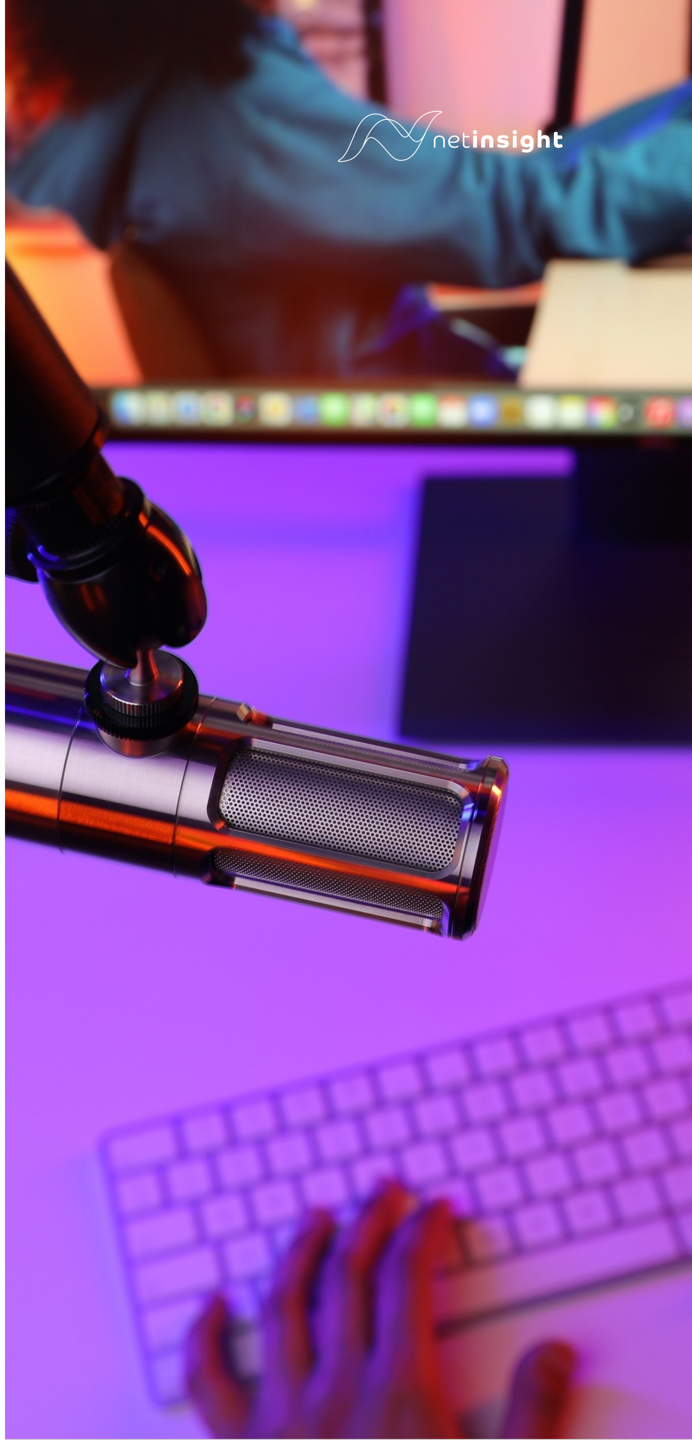
- Customer lifecycle
  1. Initial hardware installation
  2. Need for SW upgrades (increase capacity or new services)
- Long customer relationships; winners in competitive evaluations
- Customer centric approach drives long-term revenue

Historic software order

- Software upgrade and expansion of existing network with new functionality
- Unique in its size
- Based on our standard margins and includes recurring license revenues for upgrades and maintenance

Steady expansion

- Growing market share
- Continuously attracting sports events and leagues
- Steady growth in recurring revenue



Time Synchronization Update

NET INSIGHT Q2, 2024 WEBCAST

Q2 2024 Synchronization Highlights

POC-to-contract conversions

- Critical function requiring several stages of testing take time
- Several completed POCs; close to double-digit number of customers
- Ongoing discussions for new POCs 5G and critical networks

Support and adaptability in a crisis

- Last year's earthquake has forced Türk Telekom to focus on restoring networks before proceeding with expansions
- Risk that final delivery is delayed until 2027 (previously 2026)
- Full 5G license issuance expected around year end

Towards standardization

- Reached significant milestone
- Worked on several documents, with the first ones being approved at the ITU meeting in Montreal in early July

Order book

- ~MSEK 190 at quarter end
- Deliveries during quarter affect remaining order book

Financials

Apr - Jun

Net Sales 176.1 (126.3) MSEK

- Growth of 39.5% year-on-year (39.6% in comparable currencies)
- 15th consecutive quarter of growth
- Historic order of MSEK 30; Sales growth of 15.5% if excluded
- Steady increase of media products
- Time Synchronization reached 9.0 (8.9) MSEK whereof NRE fee 0 (7.1) MSEK

Operating Earnings 38.3 (9.9) MSEK

- Operating margin of 21.8% (7.8%)
- Primarily driven by increased revenues and a favorable product mix with a high proportion of software, somewhat offset by marketing and sales
- Improved compared to the same period last year when excluding historic order

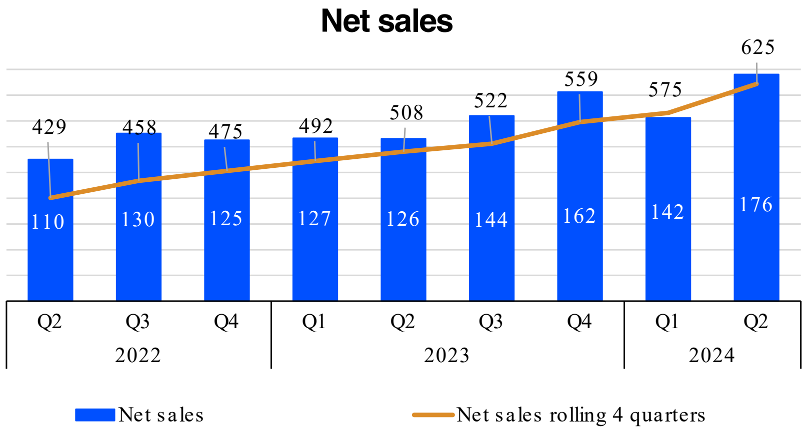
Jan - Jun

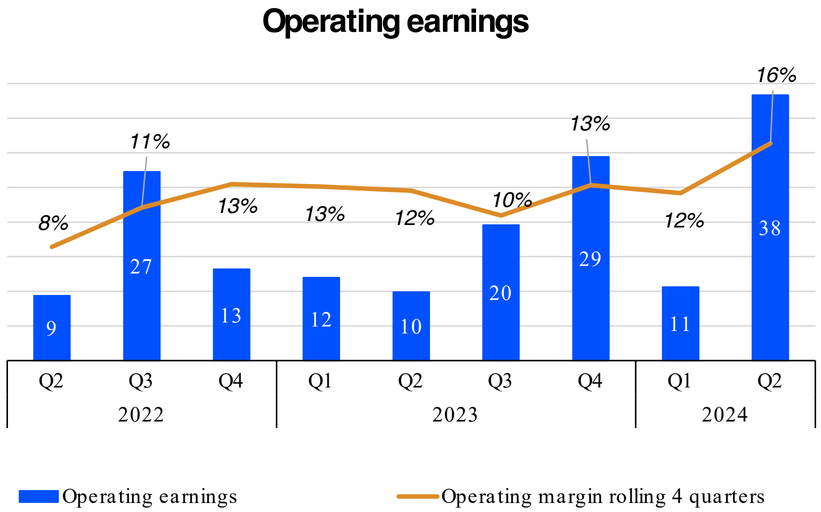
Net Sales 318.6 (252.9) MSEK

- Growth of 26.0% year-on-year (25.5% in comparable currencies)
- Steady increase of media products
- Time Synchronization reached 19.1 (17.4) MSEK whereof NRE fee 0 (14.1) MSEK

Operating Earnings 48.9 (21.9) MSEK

- Operating margin of 15.4% (8.7%)
- Operating earnings adjusted for comparability 52.0 (24.3) MSEK and a margin of 16.3% (9.6%)
- Primarily increased revenues; lower proportion of SW in Q1 and higher in Q2, offset by marketing and sales





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Apr - Jun

Operating Expenses 78.4 (67.6) MSEK

- Sales and Marketing 47.8 (38.5) MSEK
  Increased YoY by ~9 MSEK;
  - Strengthening; sync organization
  - Investments in cloud and IP expertise
- Administration 17.8 (16.2) MSEK
  Increased YoY by ~1.5 MSEK;
  - Strengthening of the organization
- Development 12.7 (12.9) MSEK
  Increased YoY by ~0 MSEK;
  - Reduced costs (US to SE move)
  - Lower levels of capitalization

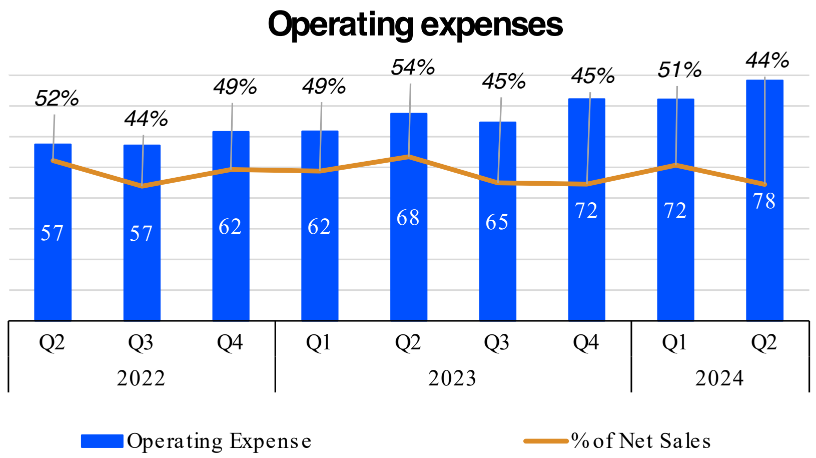
Development Expenditures
36.5 (38.2) MSEK
Lower expenses following the move in the first quarter of the year, where certain development in Camarillo, California, was moved to Stockholm

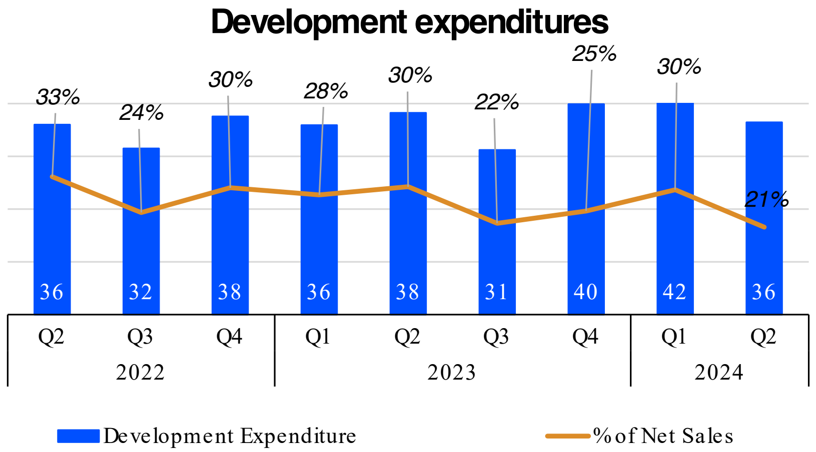
Jan - Jun

Operating Expenses 150.6 (129.4) MSEK

- Sales and Marketing 89.2 (74.0) MSEK
  Increased YoY by ~15 MSEK;
  - Same factors as drives Q2
- Administration 35.2 (31.3) MSEK
  Increased YoY by ~4 MSEK;
  - Strengthening of the organization
  - Revaluation of staff related provisions
  - Projects; efficiency improvements
- Development 26.2 (24.1) MSEK
  Increased YoY by ~2 MSEK;
  - Reduced costs (move from US to SE)
  - Lower levels of capitalization

Development Expenditures
78.6 (74.2) MSEK
Primarily R&D components to secure future growth and competitiveness





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Apr - Jun

Net Cash Flow -16.1 (-12.4) MSEK
Excluding share related transactions -11.0 (-8.0) MSEK

- Operating activities 16.3 (20.1) MSEK
  - Improved earnings in combination with
  - Increase in in receivables somewhat offset by lower inventory and liabilities
  - Tax payments of -4.5 (-1.9) MSEK
- Investment activities -24.6 (-25.6) MSEK
  Capitalized development -23.7 (-25.4) MSEK
- Financing activities -7.9 (-6.9) MSEK
  Repurchase of shares of own shares -5.1 (-4.6) MSEK

Jan - Jun

Net Cash Flow -31.2 (-42.2) MSEK
Excluding share related transactions -17.9 (-29.4) MSEK

- Operating activities 41.8 (27.3) MSEK
  - Improved earnings in combination with
  - Increase in in receivables somewhat offset by lower inventory and liabilities
  - Tax payments of -14.4 (-1.9) MSEK
- Investment activities -54.1 (-51.7) MSEK
  Capitalized development -52.4 (-50.1) MSEK
- Financing activities -18.8 (-17.8)
  Repurchase of shares of own shares -13.2 (-13.1) MSEK

	Apr-Jun		Jan-Jun		Jul 2023-	Jan-Dec
SEK millions	2024	2023	2024	2023	Jun 2024	2023
Cash flow from operating activities before changes in working capital	56.4	33.1	80.1	64.9	165.4	150.2
Cash flow from changes in working capital	-40.1	-13.0	-38.3	-37.6	-43.6	-42.9
Cash flow from operating activities	**16.3**	**20.1**	**41.8**	**27.3**	**121.8**	**107.3**
Cash flow from investment activities	-24.6	-25.6	-54.1	-51.7	-98.7	-96.3
Cash flow from financing activities	-7.9	-6.9	-18.8	-17.8	-53.7	-52.7
Net change in cash and cash equivalents	**-16.1**	**-12.4**	**-31.2**	**-42.2**	**-30.6**	**-41.7**
Cash and cash equivalents at the end of the period	235.6	266.3	235.6	266.3	235.6	266.4

Exiting Q2 on a strong note

We are doing well financially, and improving YoY

- 15th consecutive quarter of growth, this last quarter up by 39.5%,
- The net operating margin reached 21.8% in Q2
- Even excluding the 30 MSEK software order,
  growth was 15.5% with improved the operating profit YoY

We are growing our market share

- In media where we are the self-evident partner when it really counts
- In time synchronization where the conversion of POCs to Contract has so far resulted in close to a double-digit number of customers

We are a growth company and invest in our future

- Keep upgrading our media products to grow with our customers
- Keep investing in growth pockets where we are convinced the future will bring growth; Time Synchronization is our largest growth opportunity
- Place feet on the ground to capture growth opportunities across the globe

We hire and develop the best people, most talented and committed crew

Questions