



# INTERIM REPORT INDUCT AS

(CONSISTS OF INDUCT AS AND ALL SUBSIDIARIES)

**FOURTH QUARTER 2024**

## INDUCT AS

### Highlights and Key Figures

- EBITDA increased to NOK 2,1 in Q4 2024 from NOK 1,3 million in Q4 2023. YTD EBITDA increased to NOK 9 million in Q4 2024 from NOK 7,1 million in Q4 2023.
- Total operating costs reduced to NOK 2,6 million in Q4 2024 from NOK 4,2 million in Q4 2023. YTD operating costs reduced to NOK 10,8 million from NOK 15,6 million in Q4.
- Q4 2024 is the last quarter carrying costs related to our streamlining and optimization initiatives. The full results of these initiatives will materialize in 2025.
- Q1 2025 forecast: EBITDA NOK +3 million, increased revenues from Q4 2024, cash positive operations, and positive net profit after tax.
- AstraZeneca joins the collaboration with Portsmouth Hospital University NHS Trust in NHS England and covers all development and implementation costs for all hospitals in the Portsmouth Asthma Network.
- Tilskuddsportalen to be launched in Sweden medio Q1 2025 with market research showing great potential and annual recurring revenues in time forecasted to surpass the ARR from Tilskuddsportalen in Norway.
- We are fully focused on and dedicated to increasing revenues to further strengthen our EBITDA and deliver solid financial results.
- Forecast annual recurring revenues of 70-80 MNOK when the asthma pathway is implemented across NHS England, with a high gross margin of 95% generating profits of 66-76 MNOK.
- Ambition to expand the asthma pathway internationally - in a strong global biologic medication market valued at 73,5 MrdNOK with annual growth of 12,5%.
- Goal to expand our technology and provide digital clinical pathways to other diseases, including diabetes and cardiovascular diseases, to name a few, each of which has the same, or a larger, global revenue potential.



## CEO's Comments

**Joining forces with AstraZeneca to speed up deliveries in NHS England, and rapid product launch estimated for Tilskuddsportalen in Sweden – we are working purposefully towards our revenue goals**

As shared in our Q3 2024 report, we have gone through comprehensive changes to streamline and optimize all aspects of the business. In Q4 2024, we carry the last costs associated with these changes and our results already show the impact of our commitment to reducing costs. We have reduced our operating costs to NOK 2,6 million from NOK 4,2 million in Q4 2023.

Our Q4 2024 EBITDA is 2,1 MNOK, up 66,4% from Q4 2023. We expect EBITDA to reach +3MNOK in Q1 2025 together with a cash positive operational result and positive net profit after tax. We are now fully focused on and dedicated to increasing revenues to further strengthen our EBITDA and deliver solid financial results.

We have made several announcements in the fourth quarter that move us significantly closer to creating a highly profitable and sustainable business that delivers value for our stakeholders, customers and employees.

In December, we announced that our partnership with Portsmouth Hospitals University NHS Trust took a major step forward with AstraZeneca joining as a new partner. With the expertise, support and resources of AstraZeneca, Induct's clinical pathway for asthma patients will be implemented at all hospitals in the Portsmouth Asthma Network.

As part of the project, AstraZeneca will produce a blueprint implementation model that will be leveraged as we move forward with our ambition to implement the asthma pathway throughout NHS England and quickly move on to the rest of the UK.

In NHS England alone, we estimate that a full market share will return annual recurring revenues of 70-80 MNOK. With a high gross margin at >95%, we would see profits of 66-76 MNOK.

Since December 2023, our clinical pathway for asthma has been used daily at Portsmouth and is where they manage all their asthma patients. Using Induct; Portsmouth treats a larger number of patients at a lower cost than before. The medical treatment includes biologic medication provided by AstraZeneca. The global market value for this medication is 73,5 MrdNOK, with a 12,5% growth per annum.

As the ability to treat a larger number of patients increases the prescription of biologic medication, the Induct asthma pathway would support AstraZeneca with growing their market share within the strong and profitable biologic medication market.

There are several other illnesses that require tailored digital pathways to support new and innovative ways of working – work methods that are needed to meet the healthcare challenges faced globally. Our clinical pathway product is ideally suited to support joint working and patient data sharing.

Our goal is to expand our offering to other clinical pathways, including diabetes and cardiovascular diseases to name a few. Each of which has the same, or a larger, global revenue potential.

In October, we announced that we are building on the success of Tilskuddsportalen in Norway and expanding to Sweden. Tilskuddsportalen has an annual recurring revenue (ARR) from subscriptions totaling an estimated 11 MNOK in 2024 from a 50% market share among Norwegian municipalities. We estimate that we will achieve a higher ARR in Sweden than in Norway.

The market response in Sweden has been very good, we are proactively being contacted by municipalities who have heard about the upcoming launch, and we are invited to speak at regional events. With the launch date soon approaching, we are focused on securing subscription agreements and expect strong customer growth in 2025.

I want to emphasize that Induct is now fully focused on and dedicated to leveraging the opportunities we have developed in the international healthcare sector and the municipality market. We are in a phase of very positive development and are working purposefully towards our revenue goals. We are confident that our strategy will deliver the expected results, and we thank you for your continued support and trust.

**Synnøve Jacobsen**  
CEO

## Induct in Brief

**In today's society, digitalisation is a crucial factor with respect to delivery capability, value creation and competitiveness. Our innovative digital platforms make knowledge sharing in teams, organizations and networks effortless – we simplify complexity and enable seamless collaboration that drive greater productivity and increase effectiveness.**

Digital transformation is about leveraging technology to deliver secure, innovative solutions that meet - and often exceed - user expectations. For companies like Induct, this journey is continuous; full digitalisation is an evolving goal rather than a destination. Our focus is on preparing for tomorrow, every day.

Our strength lies in our deep understanding of our clients' unique needs and our commitment to developing efficient, future-ready digital solutions. By working closely with our clients, we cultivate strong partnerships that drive both immediate impact and long-term success. This dedication has led to robust client relationships.

As a trusted partner in the healthcare sector and facilitator of grant access for municipalities and the voluntary sector, we offer digital products and solutions combined with high-quality advisory services. This breadth enables us to provide holistic, turnkey solutions tailored to our clients' needs and goals. Our commitment to rigorous security and compliance standards is foundational, ensuring that our solutions meet the high stakes demands of the industries we serve.

### **Tilskuddsportalen**

Tilskuddsportalen.no is a market leader in Norway, offering a comprehensive database of grants and funding opportunities available to municipalities, NGOs, and voluntary organizations. With an approximate market share of 50% and stable growth YoY, Tilskuddsportalen provide a solid ARR foundation for the company.

### Market expansion - Sweden

Building on the success of Tilskuddsportalen, we are launching the product in Sweden. A Swedish replica of Tilskuddsportalen is estimated to be launched medio February 2025. Sweden is a larger market, and our expectation is that the ARR from Sweden in time will exceed the ARR in Norway.

As we prepare for the Swedish market, we are fine tuning our technical solution, reducing our go to market timeline further.

### **Processes Management**

In Norway,  $\geq 95\%$  of Norwegian healthcare trusts use our innovation management product. To further support efficient and effective innovation management in the Norwegian healthcare sector, we have connected healthcare trusts in an innovation sharing network. We also provide process management solutions to other hospital departments, including research (R&D) and quality management.

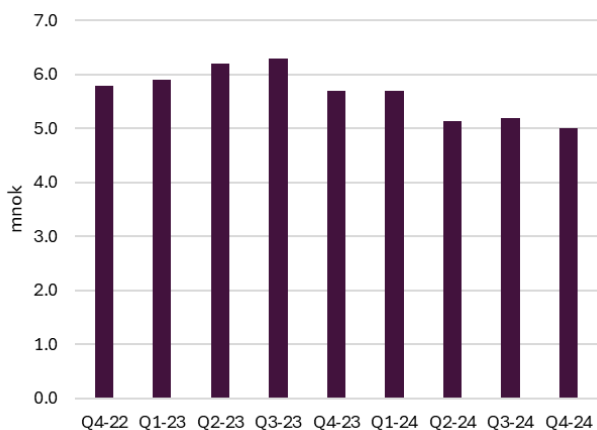
### **Clinical care pathways**

We use digital technologies to follow and support patients through their healthcare journeys. Our care pathway module for patients with severe asthma is in clinical use at Portsmouth University Hospitals NHS Trust (England). Together with AstraZeneca, we are implementing the pathway in the Portsmouth Asthma Network. Our ambition is to implement the pathway internationally and expand into other clinical pathways. The estimated ARR from a full roll out of the asthma module in England is 70-80 MNOK.

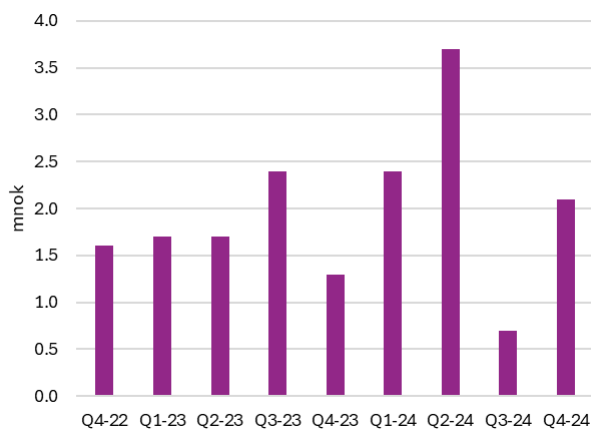
# KPI Reporting

To further align with industry standards and provide our investors and the market in general better insight into our operations, we are preparing to share selected SaaS-Key Performance Indicators (KPIs) going forward. To mark the starting point for this, we wanted to share some important KPIs for our business.

## Revenue development



## EBITDA development



# Income Statement

	Unaudited Q4 2024	Unaudited Q4 2023	Unaudited YTD Q4 2024	Unaudited YTD Q4 2023
<b>Revenues</b>				
Sales revenue – platform	3 661	4 469	16 815	20 141
Sales revenue – consulting	187	15	687	484
Research grant	1 169	1 167	3 533	3 481
<b>Total Revenues</b>	<b>5 016</b>	<b>5 651</b>	<b>21 035</b>	<b>24 106</b>
<b>Cost of sales</b>				
Cost of sales – platform	189	169	791	1 025
Cost of sales – consulting	148	9	369	342
<b>Total Cost of sales</b>	<b>337</b>	<b>178</b>	<b>1 160</b>	<b>1 367</b>
<b>Gross Margin</b>	<b>4 679</b>	<b>5 473</b>	<b>19 875</b>	<b>22 739</b>
<i>Gross Margin Platform</i>	<i>94,6%</i>	<i>94,5%</i>		
<i>Gross Margin Consulting</i>	<i>20,9%</i>	<i>8,2%</i>		
Personnel costs	1 768	2 862	7 783	10 203
Other operating costs	830	1 359	3 071	5 407
<b>Total Operating Costs</b>	<b>2 598</b>	<b>4 221</b>	<b>10 854</b>	<b>15 610</b>
<b>EBITDA</b>	<b>2 082</b>	<b>1 251</b>	<b>9 022</b>	<b>7 128</b>
Platform depreciations	2 885	3 029	11 795	10 794
Amortization of acquisitions	678	678	2 711	2 711
<b>Total Depreciations &amp; Amort.</b>	<b>3 563</b>	<b>3 706</b>	<b>14 506</b>	<b>13 504</b>
<b>Financial items</b>				
Financial income	18	44	84	158
Financial costs	619	747	3 039	2 578
<b>Total Financial items</b>	<b>- 601</b>	<b>- 703</b>	<b>- 2 955</b>	<b>- 2 420</b>
<b>Extraordinary Cost</b>	<b>1 043</b>	<b>0</b>	<b>1 043</b>	<b>0</b>
<b>Net Profit before Taxation</b>	<b>- 3 125</b>	<b>- 3 158</b>	<b>- 8 439</b>	<b>- 8 796</b>
Corporate Tax	- 82	- 33	35	0
<b>Net Profit after Taxation</b>	<b>- 3 043</b>	<b>- 3 125</b>	<b>- 8 474</b>	<b>- 8 796</b>

## Balance Sheet

	Unaudited FY 2024	Unaudited FY 2023	Audited FY 2022
<b>Non-current assets</b>			
Intangible assets – platform	38 534	40 095	37 202
Goodwill acquisitions	18 566	21 277	23 988
Fixed assets	212	12	214
<b>Total non-current assets</b>	<b>57 312</b>	<b>61 383</b>	<b>63 224</b>
<b>Current assets</b>			
Receivables	4 549	5 122	7 142
Bank accounts	939	2 807	5 193
<b>Total Current assets</b>	<b>5 488</b>	<b>7 929</b>	<b>12 335</b>
<b>Total assets</b>	<b>62 800</b>	<b>69 312</b>	<b>75 559</b>
<b>Shareholders Equity and Debt</b>			
<b>Paid-in capital</b>			
Share capital	2 356	1 874	1 737
Non-registered share capital increase			8 365
Share premium reserve	37 848	40 843	36 008
<b>Total paid-in capital</b>	<b>40 204</b>	<b>42 728</b>	<b>46 110</b>
<b>Retained earnings</b>			
Uncovered loss	- 8 474	- 20 535	- 8 933
<b>Total retained earnings</b>	<b>- 8 474</b>	<b>- 20 535</b>	<b>- 8 933</b>
<b>Total shareholder's equity</b>	<b>31 730</b>	<b>20 193</b>	<b>37 177</b>
<b>Debt</b>			
Long-term debt	9 277	24 779	24 280
Short-term debt	14 465	14 913	6 574
Deferred revenues	7 328	7 428	7 528
<b>Total debt</b>	<b>31 070</b>	<b>47 119</b>	<b>38 382</b>
<b>Total shareholder's equity and debt</b>	<b>62 800</b>	<b>69 312</b>	<b>75 559</b>



## Number of shares

Number of issued shares per 31.12.2024	23 560 757
Pending rights issue 1)	187 963
Pending share issue – acquisitions 2)	331 000
Convertible loans 3)	50 000
Potential shares to be issued to OSINT shareholders 4)	1 887 820
Number of shares - fully diluted	26 017 540

1) The strike price for 187,963 options is NOK 5,5 per share.

2) Pending share issue relates to the acquisition of subsidiaries in Brazil, Spain, and India.

In addition to the 331,000 shares mentioned above, the purchase agreements include a performance based earn-out element, with a total cap of an additional 1,1 million shares based on aggressive growth performance over a 3-year period from the acquisition date. No shares are earned as of 31.12.2024.

3) Convertible loan of NOK 0,5M issued to Intelco AS with a share price floor of NOK 5 and ceiling of NOK 10.

4) Part of the purchase price for 100 % of the OSINT Analytics AS shares is to issue 1 887 820 shares to the shareholders in OSINT which chose to convert their OSINT shares to Induct shares. In addition, NOK 18 878 200 will be converted to shares in Induct when certain criteria are met.

## Financial Results

The group's platform revenue in Q4 2024 amounts to NOK 3,7 million, which is a decrease of 18,5 % compared to Q4 2023. This is due to a reduced product offering in line with increased focus on core offerings.

Consulting revenue in Q4 2024 amounted to NOK 0,2 million which is an increase of NOK 0,17 million compared to Q4 2023.

Operating costs in Q4 2024 of NOK 2,6 million, which is down from NOK 4,2 million in Q4 2023.

EBITDA increased by 66,4% from NOK 1,3 million in Q4 2023 to NOK 2,1 million in Q4 2024. YTD EBITDA increased by NOK 1,9 million, from NOK 7,1 million in Q4 2023 to NOK 9 million in Q4 2024.

Platform depreciations for Q4 2024 is NOK 2,9 million, compared to NOK 3 million in Q4 2023.

Goodwill of the acquisitions of OSINT and Bidra is amortized with NOK 0,7 in Q4 2024. The goodwill is calculated as the difference between purchase price and booked value (equity) of the companies and will be amortized over 10 years.

Net Profit before taxation in Q4 2024 is minus NOK 3,1 million compared to minus NOK 3,2 million in Q4 2023.

The booked equity is NOK 31,7 million by the end of Q3 2024, compared with NOK 22,2 million in Q4 2023.

The group's interest-bearing debt by end of Q4 2024 amounts to NOK 14,5 million, which primarily consists of convertible loans from shareholders, and a regular bank loan to OSINT Analytics AS from Sparebanken 1 Østlandet.

Deferred revenue amounting to NOK 7,3 million by the end of Q4 2024, down from NOK 7,4 million in Q4 2023.

## Cash Situation and Funding

The cash situation is satisfactory for the company. However, the management and board strive to provide the most beneficial financing alternatives to its shareholders.

Oslo, 12 February 2025



**Karl-Anders Grønland**  
(sign.)  
Chairman



**Ole Jørgen Karud**  
(sign.)  
Board Member



**Jan Ragnar Herud**  
(sign.)  
Board Member



**Åge Muren**  
(sign.)  
Board Member

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