

A woman with long brown hair and blue eyes is the central figure. She is wearing a dark blue police uniform with a peaked cap and a shoulder patch. A vertical line splits her image: the left side shows her in uniform with a radio, while the right side shows her in a green sweater. The background is a blurred outdoor scene with trees and a building.

# INVISIO<sup>®</sup>

Annual Report 2024

Protection  
at work,  
a better life  
at home



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INVISIO at a glance

# Leading growth company in a global and growing market

INVISIO develops and markets advanced communication systems that help professionals in noisy and mission-critical environments to work more safely and effectively with full hearing protection. The solutions are marketed under the two brands INVISIO and Racal Acoustics. The company has its headquarters in Copenhagen and sales organizations in the US, France, the UK, Italy and Thailand. The INVISIO share is listed on Nasdaq Stockholm and is in the Mid Cap segment.

## Strong historic growth with solid profitability

28%

Average annual growth (CAGR) 2020–2024

14%

Average operating margin 2020–2024

## Unique customer benefits and central role in the modern soldier system

INVISIO's communication solutions improve users' effectiveness, operational capacity and safety, while also offering market-leading hearing protection. The flexible plug-and-play platform enables seamless integration of devices and functions, even from other suppliers, giving it a core role in the modern soldier communication system.

INVISIO's solutions are developed for use both in the field and in various types of heavy vehicle. Users mainly work for defense and public safety organizations.

## A growing market with several underlying drivers

Demand for effective communication systems and hearing protection continues to rise. The main drivers of this growth are extensive modernization programs, wider use of advanced communication equipment and heightened geopolitical uncertainty. Increased digitalization and INVISIO's extensive product development programs have further extended the addressable target group and boosted demand.

## Strategy focused on continued growth with sound profitability

INVISIO is an innovative growth company that focuses on product development and sales. The ambition going forward is to further strengthen our leading global position by expanding in new geographical markets and continuing to broaden the product offer. The group's target is to achieve average annual revenue growth of more than 20 percent.

Highlights of 2024

# Record year and new growth opportunities

## Strong sales and improved profit

Sales in 2024 exceeded SEK 1.8 billion, an increase of 46 percent from the prior year. Excluding the SEK 235 million third-party radio delivery, announced in the first quarter of 2024, growth was 32 percent. The order book at year-end included orders worth more than SEK 830 million. Operating profit was SEK 402.3 million and the operating margin was 22.3 percent (19.6). The strong growth was partly due to the forward-looking investments implemented in recent years and partly to strong market conditions.

## Record intercom system order

Early in the year the group received its largest single order to date for the intercom system and associated personal communication system, worth SEK 230 million. The order also included third-party in-vehicle radios plus installation and training. The order value for that part was SEK 235 million.

## Continued strong development for Racal Acoustics

High activity in the heavy armored vehicle market meant continued strong demand for Racal Acoustics branded products in 2024. This was

particularly evident in North America. In August, a major order, valued at around SEK 170 million, was received from a US Department of Defense entity.

## Three new products

In the first half of 2024 the new X7 in-ear-headset was launched. Its hearing protection has shown groundbreaking results in independent tests. During the year we expanded the intercom system with the addition of two complementary products: INVISIO Link, which enables wireless communication in and around a vehicle, and the INVISIO Control App, which enhances the management and control of a large system.

## Positive expectations for 2025

A broader product offer, combined with a significant order book and an active market, mean that INVISIO stands by its previous projections of continued strong order intake, revenue and profitability in 2025.



After year-end

## Acquisition with great potential

In early 2025 INVISIO acquired the UltraLYNX™ product line from the UK company Ultra PCS. The software-defined solution enables seamless integration of devices from different manufacturers, including those that were not originally designed to work together. The product line will enhance INVISIO's ability to deliver integrated tactical body-worn systems capable of handling audio, power and data, along with advanced computing power.

The UltraLYNX™ technology will also act as a catalyst for developing new, innovative solutions that in turn enable INVISIO to further strengthen its position in the modern soldier system. The acquisition is thus entirely in line with the strategic vision of strengthening and broadening the product offer with new innovative solutions that improve operational effectiveness and safety.



## Highlights of 2024

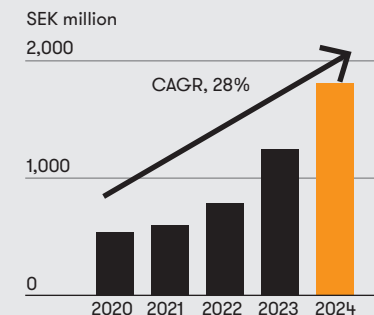
# 2024 in figures

	2024	2023	2022
Revenue, SEK million	1,806.7	1,238.5	775.5
Gross profit, SEK million	1,007.0	747.3	449.7
Operating expenses, SEK million	-604.7	-504.5	-384.5
Operating profit, SEK million	402.3	242.9	65.2
Net profit, SEK million	306.4	178.4	44.5
Cash flow from operating activities, SEK million	157.0	204.7	41.7
Cash and cash equivalents, SEK million	242.4	224.9	127.1
Order intake, SEK million	1,970.7	1,273.5	1,141.6
Order book, SEK million	830.8	602.8	624.7
<b>Margins</b>			
Gross margin, %	55.7	60.3	58.0
Operating margin, %	22.3	19.6	8.4
Profit margin, %	16.9	14.4	5.7
<b>Capital structure</b>			
Equity/assets ratio, %	72	68	64
<b>Employees</b>			
Number of employees	273	248	208
<b>Data per share</b>			
Earnings, SEK	6.72	3.91	0.99
Shareholders' equity after dilution, SEK	21.9	15.6	11.32
Share price at close of period, SEK	275.5	195.60	164.60

## Revenue, SEK million

# 1,807

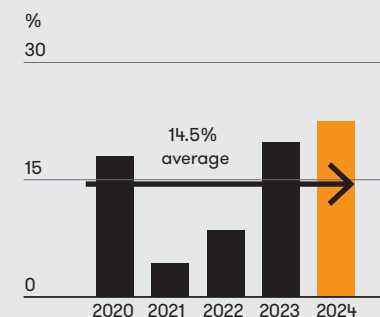
Revenue totaled SEK 1,806.7 million (1,238.5), up 46 percent from the prior year. Revenue, excluding the third-party radio delivery announced on March 12, 2024, was SEK 1,633.3 million, an increase of 32 percent. The compound annual growth rate (CAGR) for the last five years stands at 28 percent.



## Operating margin, %

# 22.3

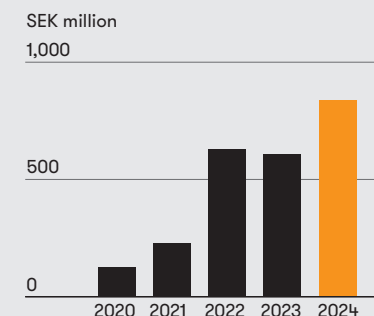
In 2024 the operating margin was 22.3 percent (19.6). The average margin for the last five years was 14.5 percent, despite two years of adverse impacts arising from the covid pandemic.



## Order book, SEK million

# 831

Order intake for 2024 was SEK 1,970.7 million (1,273.5). Excluding third-party radios, the figure was SEK 1,729.8 million. The order book at year-end totaled SEK 830.8 million (602.8).



CEO's comments

# A record year – and improved growth opportunities

2024 was a strong year for INVISIO. We grew by more than 45 percent and achieved an operating margin of just over 22 percent. In all, this means that over three years we have tripled revenue at a strong level of profitability. This is a direct consequence of having an attractive and market-leading offer, an effective sales organization and a scalable business model.

Revenue in 2024 totaled SEK 1.8 billion (1.2) and the gross margin, excluding sales of third-party radios, was 61 percent. The operating margin for the full year of 22.3 percent (19.6) confirms the strength of our business. At year-end, the order book stood at just over SEK 830 million (603).

## Expanding the product offer

This positive picture is a consequence of several related factors. First and foremost, it is clear proof that our offer meets the requirements and needs of our customers and users. The INVISIO X7 in-ear headset is a good example. Launched in 2024, this product outperforms all other tactical alternatives for users in the field. An INVISIO X7 user can tolerate three times higher noise levels and manage eight times longer exposure to high noise levels than the next best alternative.

## Stronger position in the modern body-worn soldier system

Looking back on INVISIO's development, a number of different phases are apparent. In the first phase, we developed standalone products – headsets offering good communication capability and leading-edge hearing protection. In the second phase, we added more functionality and created solutions with the capacity to handle audio, data and power supply in a shared

ecosystem. Our proprietary control units play a crucial role for these solutions, enabling industry-leading plug-and-play-functionality, endless configuration possibilities and support for regular software upgrades and customized solutions.

We are now entering a third phase in which we are aiming to establish an even more pivotal position in the modern tactical body-worn soldier system. We want to be able to integrate other units and functions into the soldier system. The better the communication between different devices, such as radios, laser sights, navigation equipment and sensors, the greater the benefits are for users.

We took an important step in this direction in early 2025 by acquiring the UltraLynx™ product line. This software-defined solution enables seamless integration of devices from different suppliers, even if they were not originally designed to function together. UltraLYNX™ technology will now serve as an important catalyst for developing new, innovative solutions.

## New customer group in the public safety sector

During the year we continued to broaden the customer base by starting to address military fire services. For this target group, our robust solutions meet users' high demands for protection against high noise levels, wet environments and intense heat.

## Strong interest in our intercom system

If 2023 was the year when our intercom system achieved its commercial breakthrough, 2024 was the year when we saw several high-volume orders. The system's strength lies in its ability to simply and effectively enable internal communication in and around different vehicle types. The need is great and so is the potential, as we are now seeing in order inflow.

During the year we launched two new products that further improve the system. INVISIO Control™ app offers an intuitive interface for real-time visualization and management of connected radios. INVISIO Link™ enables wireless and encrypted communication for users in and around a vehicle. This solution was developed in close collaboration with the US Defense Innovation Unit (DIU), part of the US Armed Forces.

## An active and growing market

Our strong performance during the year also reflected significantly higher levels of market activity arising from factors such as the geopolitical situation in Europe. Drivers include extensive investment in modernization programs as well as more widespread use of communication equipment in an increasingly digitalized world.

This increased market activity has led us to update our estimate of the size of our market. We now estimate the value of our addressable



## CEO's comments

market in the US, Europe and selected countries in Asia to be approximately SEK 25 billion. This is an increase of almost 80 percent compared with our previous estimate. The revised figure will not result in any change in our strategy. However, it does confirm and clarify the major growth potential we see in both the market and our business.

It is worth noting that the defense spending increases that many countries are now announcing do not form part of our assessment. Those impacts lie a few years into the future and will contribute to a strong focus on defense, armament and continued investment for a long time to come.

**A strong corporate culture**

Corporate culture is a key factor behind our success. At its core is a clear customer focus, an innovative spirit, a constant pursuit of progress and a strong belief in our people's ability to make the right decisions. We are always open to ideas; new thinking and innovative solutions play a central role in shaping our products and system solutions.

Our strong culture enables us to successfully recruit talented individuals with the cutting edge expertise we need to continually develop market-leading products.

**Looking ahead**

Past investments, including acquisitions and expenditure on R&D and sales, have created a strong foundation for continued growth with solid profitability.

The increased need for equipment modernization, along with substantially higher defense appropriations and extensive rearmament, are driving demand for tried and tested solutions.

With a strong order book and favorable market conditions, we look forward to a year of continued expansion. We continue to develop our product offer based on our strategic vision of providing groundbreaking solutions that improve operational effectiveness and safety. The goal is to play an even more central role in the modern soldier system. We will also continue to address new customer groups in the public safety sector and new geographical markets.

None of this would be possible without dedicated people. I would therefore like to conclude by expressing my great appreciation for the fantastic commitment I see throughout the group. Our shared achievements in 2024 provide a promising base as we look forward to the year ahead.

Stockholm, March 2025

Lars Højgård Hansen  
President and CEO INVISIO



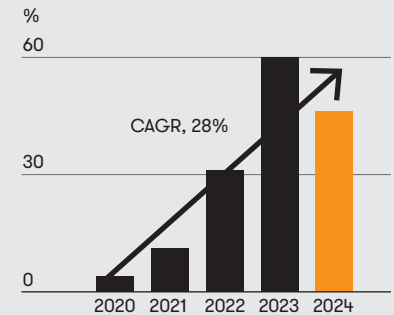
# Financial targets

INVISIO's ambition is to combine high growth with solid profitability. Our targets are average annual revenue growth of at least 20 percent and an operating margin of more than 15 percent over time.



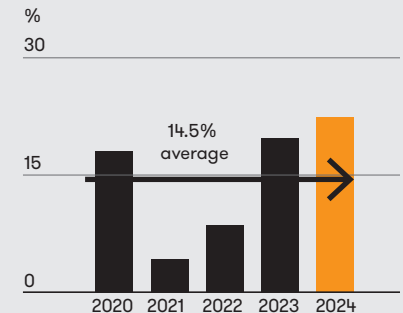
## Average annual growth of 20 percent or more

Our compound annual growth rate (CAGR) in the last five years stands at 28 percent. Growth in 2020 and 2021 was negatively impacted by the covid pandemic. Revenue growth in 2024 was approximately 46 percent and, excluding the third-party radio delivery, was 32 percent. Average annual growth in the past five years, excluding the 2024 radio delivery, totals 26 percent.



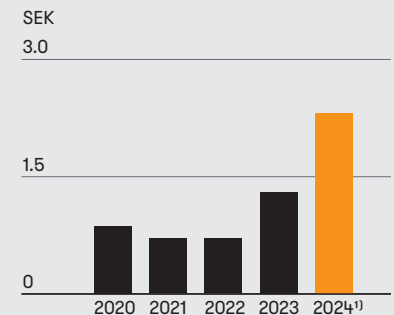
## An operating margin that exceeds 15 percent over time

The average annual operating margin in 2020–2024 was 14.5 percent, despite two years of weaker profitability due to the covid pandemic and significant forward-looking investments. In 2024 the operating margin was 22.3 percent.



## Dividend over time of 25–50 percent

INVISIO's dividend policy requires dividend payments to take into account the group's long-term growth and earnings trend, as well as capital requirements and financial targets. The target is for the dividend over time to be between 25 and 50 percent of profit after tax. Including the proposed dividend for the 2024 fiscal year, the dividend has averaged 42 percent of profit after tax in the last five years.



1) Proposed dividend



# Strategy for continued profitable growth

INVISIO's strategy is rooted in the scalability of the business model. The objective is to achieve continued growth in existing markets as well as in new user groups and geographies. Innovation and product development will remain strong focus areas going forward.



## Increase penetration in existing markets

In addition to winning new procurement contracts, INVISIO endeavors to increase sales under the umbrella of existing agreements in our main North American and European markets.

### Strategy follow-up:

Despite strong growth, market penetration continues to be low, particularly given that the addressable market is considerably larger than previously estimated.

New product launches during the year and organizational strengthening have further improved the potential for higher sales to, and penetration, of the existing customer base.

## Broaden the product portfolio through creative innovation

INVISIO aims to continually broaden the product portfolio with user-friendly, flexible and cost-effective products. This expansion will be mainly through innovative and customer-oriented product development, as well as acquisitions.

### Strategy follow-up:

In recent years, INVISIO has developed a number of new products that have expanded the product portfolio. The X7 in-ear headset, INVISIO Link and INVISIO Control all launched in 2024. In early 2025, we acquired the UltraLYNX™ product line. These assets help to further strengthen our offer.

## Address new user groups

INVISIO seeks to reach new volume markets by addressing new user groups that need to be able to communicate in noisy and challenging environments while protecting their hearing.

### Strategy follow-up:

During the year INVISIO began directing sales and marketing activities at military fire services. The needs of this target group are similar to other users of our products, and significant market potential exists here. INVISIO already has several civilian fire departments in our customer portfolio.

## Expand to new geographies

INVISIO intends to expand into new geographical markets. Selected markets in Asia, the Middle East and South America will play a growing role in the future.

### Strategy follow-up:

Expansion into new geographical markets, especially in Asia, intensified in 2024. The high level of market activity drove our progress, notably our successful provision of solutions to special forces in several new country markets.

## Sustainable and cost-effective operations

Sustainable and profitable growth will continue by maintaining our focus on internal cost control and high manufacturing standards. We collaborate closely with our manufacturing partners to ensure scale advantages and competitive production costs.

### Strategy follow-up:

In 2024 the focus was on further integrating sustainability aspects into the business strategy, reviewing the double materiality analysis conducted previously, and continuing our preparations for upcoming regulatory changes.

## Why invest in INVISIO?

INVISIO holds a leading position in a growing niche market. Our main strengths include high growth with solid profitability, a strong corporate culture, and a clear strategy. Key success factors include the ongoing development of our product portfolio, the penetration of new markets and an expansion into new user groups.

## 1 Stable financial development and continuous R&D investment

### Proven strong long-term growth

- Despite two years of the covid pandemic, INVISIO recorded average annual growth in 2020–2024 of 28 percent.
- Strong order book of more than SEK 830 million at the start of 2025.
- The acquisitions of Racal Acoustics in 2021 and the UltraLYNX™ product line in early 2025 strengthened our market position, broadened our offer and increased the revenue base.
- The market for INVISIO's products and solutions is non-cyclical and structurally growing.

### Sound profitability enables offensive R&D

- The average gross margin in 2020–2024 was 58 percent. Excluding the third-party radio order, the margin for 2024 was 61 percent.
- The average operating margin for 2020–2024 exceeded 14 percent. In 2024 it was just over 22 percent.
- Historically, annual R&D investments have totaled 12–15 percent of group revenue.

### High scalability and strong financial position

- All volume production is performed by contract manufacturers. This enables scalability and efficient management of variations in order intake.
- INVISIO is debt-free and has a solid financial position. The group's equity/assets ratio was 72 percent (68) at year-end.



## 2 Strong market position in a growing niche market

### Growing niche market with high entry barriers

- Increased geopolitical uncertainty has led to substantial increases in military appropriations and defense budgets.
- The market is growing structurally as more defense and law enforcement users are issued with personal communication equipment.
- Hearing loss is the most common injury among soldiers, of whom a clear majority suffer from post-service hearing loss. Furthermore, one in three police officers and 40 percent of all firefighters retire with hearing loss.
- Entering the market and winning a public procurement process normally takes several years. High barriers to entry have resulted in relatively few active players.

### Market-leading position and a portfolio of multi-year framework agreements and programs

- INVISIO, with its two strong INVISIO and Racal Acoustics brands, is the global market leader in its niche. Racal Acoustics' breakthrough in the US in early 2023 further cemented the group's position.
- INVISIO has a portfolio of framework agreements and programs that facilitate repeat sales. Agreements and programs usually run for three to seven years. Contracts in the vehicle market can run for considerably longer. Customers include the US Armed Forces, several NATO armies and the Swedish and Danish police services.

## 3 Clear growth strategy

### Broader customer offer, new user categories and geographical markets

- The market potential of the intercom system is estimated at SEK 12.5 billion per year. Several volume orders were received in 2024.
- The public safety sector is a growing user group. The market is estimated to be SEK 2.0 billion per year.
- INVISIO is addressing new geographical markets, mainly in Asia but also in South America and the Middle East.
- The acquisition of Racal Acoustics and the UltraLYNX™ product line strengthened our growth potential.

## 4 A strong corporate culture

### A strong corporate culture characterized by innovative capacity and high technical expertise

- INVISIO's corporate culture is strong. Incentive and option programs cover all employees, which helps motivate people and strengthen the internal culture.
- In recent years, we have performed well in our employee net promoter score survey. Both staff turnover and short-term sickness absence have historically been low.
- The group has an experienced management team that has worked together for many years. The CEO and the heads of sales and R&D have all worked for INVISIO for more than 17 years.

# Our offer

INVISIO develops and markets advanced communication systems that help professionals in noisy and mission-critical environments to work more safely and effectively while protecting their hearing.





### **We enable communication in challenging environments.**

Carrying out critical missions in challenging environments requires the right information. This information improves efficiency and in some cases may be the difference between life or death. Our different systems help professionals in noisy and challenging environments. These industry-leading solutions support crystal-clear communication and protect users' hearing while maintaining their situational awareness.

### **We prevent hearing loss.**

Far too many soldiers, police officers and firefighters suffer occupational injuries. According to the US Department of Veterans Affairs, hearing impairment and tinnitus are the most common injuries among defense force veterans. These injuries account for almost 20 percent of all registered injuries qualifying for compensation. The picture is more or less the same for police officers and firefighters, more than a third of whom suffer from post-service hearing impairment and tinnitus.

### **We strengthen the body-worn soldier system through intelligent system integration.**

The modern body-worn soldier system has many different features. INVISIO's plug-and-play platform and the UltraLYNX™ product line enable seamless integration of devices from different suppliers, even if they were not originally designed to work together. This creates an ecosystem of sound, data and power that makes operations considerably easier for users.



# Complete system for different needs and target groups

## Personal communication systems

INVISIO's branded personal communication systems were developed for users who are mobile and serving in the field. The systems are personal and in some cases adapted to individual needs. They include headset, cables, control units and a broad range of intelligent cables, making them compatible with all radio models and sound sources. Users mainly work for defense and public safety organizations.

### Strengths

- Crystal clear communication and industry-leading hearing protection – with retained situational awareness.
- Plug-and-play creates high user-friendliness and simple handling.
- Fully integrable with other sound sources.



## Heavy vehicle communication systems

Racal Acoustics branded systems mainly serve users in a vehicle environment. They enable communication while protecting the user against constantly high levels of low-frequency noise. The headsets are often bulky and mounted in a vehicle. Users are mainly defense organization employees.

### Strengths

- Offer market-leading hearing protection.
- In the most extreme conditions, an over-the-ear headset can be combined with an in-ear headset.
- High comfort and robust design.



## Intercom systems

INVISIO's intercom systems enable simple and effective internal communication in and around vehicles, boats and helicopters at a cost far below that of traditional solutions. As of 2024, the systems include two new products – INVISIO Link and INVISIO Control. Users are mainly defense and public safety organization employees.

### Strengths

- Unique user-friendliness based on plug-and-play functionality.
- Enable communication within a group and with the crew while also allowing access to the vehicle's radio solutions.
- A considerably more flexible and cost-effective solution than traditional systems.





## INVISIO's intercom system – now even better

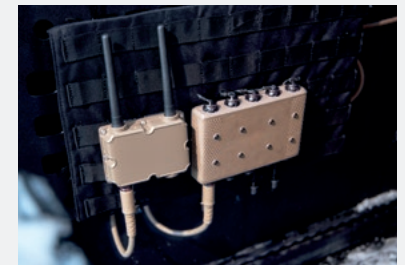
INVISIO's intercom system is a game-changer for enabling soldiers to communicate while traveling or moving. It facilitates seamless transition between different transport types – land, sea and air – with retained communication capability, hearing protection and situational awareness. During the year, the system added two new, complementary products – INVISIO Control and INVISIO Link.

### INVISIO Control app



The new INVISIO Control app facilitates tactical communication management. It offers an intuitive interface with real-time visualization of all radio units connected to the intercom system. App users can see all traffic and user activity, manage access rights, change audio settings and relay radio communication.

### INVISIO Link



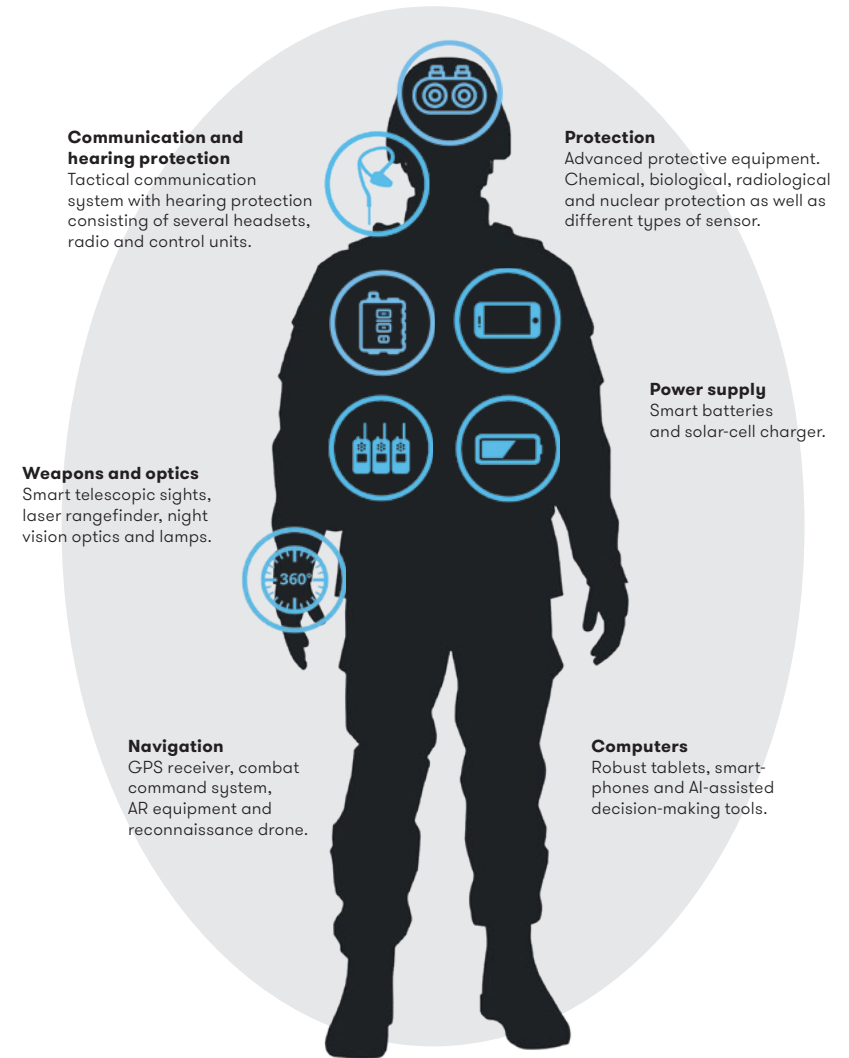
INVISIO developed INVISIO Link in close collaboration with the US Defense Innovation Unit. The wireless communication solution enables marine, land-based and airborne platform users to wirelessly access various types of mounted radio units, giving unlimited movement in and around a vehicle. Broader sales are planned to start in 2025.

# A stable, flexible, future-proof platform for the modern soldier system

INVISIO's solutions build on a combination of hardware and software. This creates a strong and flexible solution that enables regular updates, the integration of multiple functions and the potential to customize solutions to individual user preferences.

## A pivotal role in the modern soldier system

Integrating functions in soldiers' body-worn systems is challenging due to different protocols, power requirements and real-time communication. INVISIO's plug-and-play platform and UltraLYNX™ technology enable seamless integration of devices from different suppliers, including those not originally compatible. The result is an ecosystem for audio, data and power that enables new capabilities and increases user safety.





### Unmatched audio performance and situational awareness

INVISIO enables users to hear where sounds are coming from, increasing their safety and operational capability. External microphones on the headset make this possible. Our systems can also enhance hearing or be set to comfort hearing. This improves speech recognition, but above all reduces background noise in noisy environments, which over longer periods is very tiring.

### Continual updates

Alongside ongoing hardware development, recent years have seen a major focus on software development. This led to the launch a few years ago of the INVISIO V-Series Gen II next-generation product platform. Its major advantage, apart from improved sound quality and a higher level of hearing protection, is much-enhanced user flexibility. The platform makes it simpler to continually update and configure solutions based on mission requirements and needs as well as individual user preferences.

### Modular and scalable

The strength of INVISIO's solutions is that they are multifunctional, scalable and cost-effective. They are designed to work together and can be adapted to a range of scenarios and user needs. This eliminates the need to change an entire system when tailoring it to specific parameters or scenarios.

### Best hearing protection in independent tests

INVISIO constantly endeavors to reduce size and weight, to simplify integration and power consumption and to improve situational awareness. The user interface is designed to simplify communication in extreme conditions. Size and weight have been reduced considerably, and power supply is centralized and optimized. This improves user effectiveness, safety and mobility.

### Plug-and-play

INVISIO IntelliCable® makes all INVISIO equipment compatible with other communication units. It enables automatic detection of devices such as radios, intercom systems, mobile phones, computers and other sound and data sources, directly adapting sound and system parameters. Plug-and-play functionality makes the user's situation safer and more effective and efficient.

## Acquired technology strengthens INVISIO's position in the body-worn soldier system

**The modern body-worn soldier system is a complex network of radios, sights, navigation tools, computer screens and sensors that must all work together in real time. Integrating these products is a considerable challenge. They often come from different suppliers, with unique standards and power supply needs.**

In early 2025, INVISIO acquired the UltraLYNX™ product line. The technology consists of intelligent software-defined hubs that enable seamless integration of a soldier's equipment. The acquisition is entirely in line with INVISIO's strategic vision of strengthening and broadening the product offer with ground-breaking solutions that improve users' operational effectiveness and safety. It also provides a platform for continued development and growth.

UltraLYNX™ will enhance INVISIO's ability to deliver integrated tactical body-worn systems capable of handling data, audio and power. The technology will also act as a catalyst for developing new, innovative solutions that in turn strengthen our position in the modern soldier system. We want to be pivotal when it comes to integrating users' different products and applications and making them interoperable in real time."

Lars Højgård Hansen  
President and CEO INVISIO

# Product examples from INVISIO's ecosystem

## INVISIO T7

Launched 2021

The T7 headset is radio-powered and has no batteries, making it light and comfortable. It is controlled from INVISIO's control unit, which is usually placed on the chest.

### Strengths

- Market-leading hearing protection. Protects up to 28 dB SNR.
- Submersible to a depth of 10 meters and can manage the pressure drop from a parachute jump from an altitude of 10,000 meters.
- External microphones that enable the best possible situational awareness.
- Lightweight – only 350 grams.
- Modern headset with high comfort and robust design.



## INVISIO V60 Gen II ADP

Launched 2023

The new INVISIO V60 Gen II ADP is an advanced control unit (PTT) that transmits data and speech and simplifies the power supply.

### Strengths

- Market-leading performance for transmission of both data and speech.
- Offers power supply for more products than just the system itself, which eases use considerably.
- Plug-and-play-functionality, endless configuration possibilities and support for regular software upgrades and customized solutions.



## RA5100

Launched 2023

A headset designed to enable effective hearing protection in vehicles and in the field, with a special focus on environments subject to constantly high noise levels.

### Strengths

- A flexible product for different conditions and environments.
- Digital technology ensures hearing protection of 30 dB SNR with active noise reduction (ANR).
- Digital solution that enables simple updates.
- Versatile and robust design.



## RA4000 Magna™

Launched 2018

Best-in-class for hearing protection, communication capability and situational awareness for the most challenging and noisiest vehicle platforms.

### Strengths

- The most modern and recent headset on the market for a demanding vehicle and sound environment.
- Hearing protection for long work shifts. Active noise reduction (ANR) SNR 36dB. Can be used with an in-ear headset for additional hearing protection.
- Adjustable talk-through.
- Software-based solution that enables simple updates and repair.
- Versatile and robust design.



## The INVISIO X7 – manages noise levels three times higher than the next best alternative

Independent external tests were carried out in 2024 to test the INVISIO X7 headset's capacity to prevent hearing loss. The results showed a groundbreaking level of hearing protection of 39 dB SNR<sup>1)</sup>. The headset thus outperforms all other tactical headsets for users in the field. An INVISIO X7 user can tolerate three times higher noise levels and manage eight times longer exposure to high noise levels than users of the next best alternative. In addition, for the absolutely most demanding noise levels, such as inside a vehicle, protection can be further enhanced by simultaneous use of an over-the-ear headset.



1) SNR (single number rating) is a measure of how much a hearing protector reduces the sound level on average over different frequencies.



# A fast-growing market

INVISIO addresses a global niche market. Our customers are mainly public agencies and other public sector actors in the defense, law enforcement and security segments.



## Updated estimate of the total annual value of INVISIO's addressable market

In early 2025 INVISIO updated its estimate of the size of its addressable market in the US, Europe and selected countries in Asia to around SEK 25 billion. This is an increase of almost 80 percent from the previous estimate of SEK 14 billion. The drivers of this upward adjustment include more widespread use of communication equipment, continued investment in equipment modernization programs, and heightened geopolitical uncertainty. In addition, INVISIO's extensive product development has helped improve our systems' capacity and technical content, leading to higher average prices per user and system.

SEK 25 billion

# Focus on defense, law enforcement and security

INVISIO's customers primarily consist of defense and public safety sector companies and organizations. They are located primarily in the US, Europe and selected countries in Asia. The group also addresses potential customers in specific countries in South America and the Middle East.

Defense industry customers have historically accounted for the major part of INVISIO's revenue. In 2024 they contributed some 90 percent of total sales. Since 2019, the company has intensified its marketing to the public safety sector, which has a similar need for effective communication and hearing protection. INVISIO's offer is in several respects the same to both customer categories.

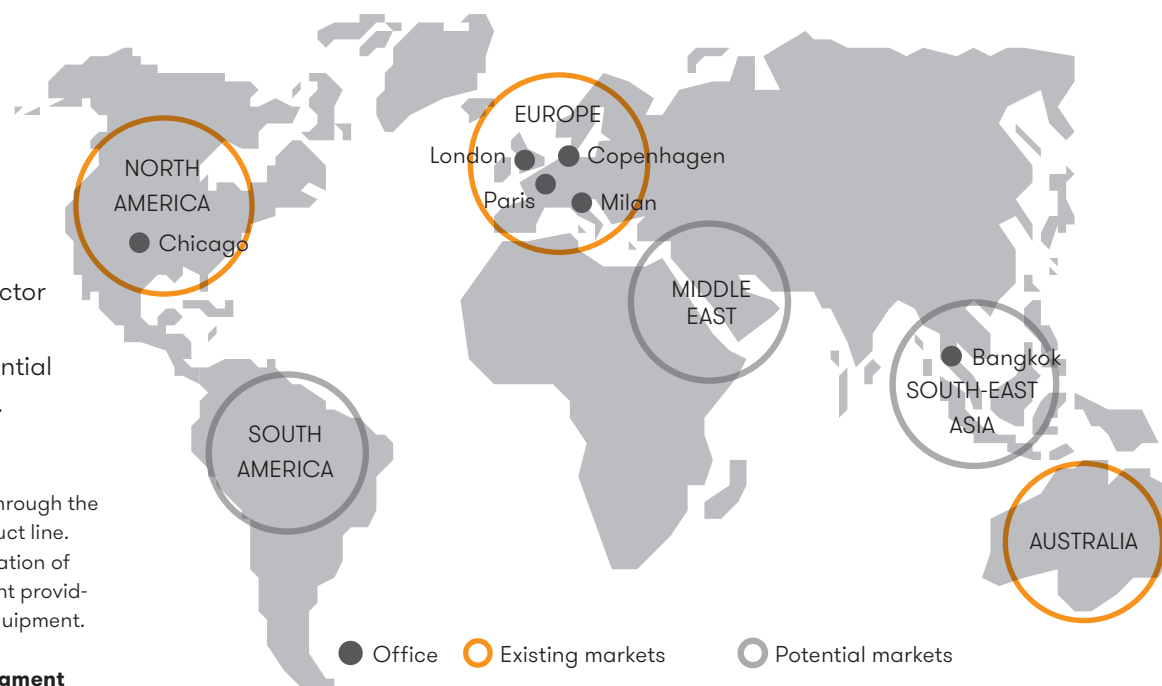
## Broadened offer through acquisition

The acquisition of Racal Acoustics in early 2021 broadened the business with a complementary product category consisting of solutions for users in heavy vehicle environments that are subject to high noise levels. In early

2025, the offer expanded further through the acquisition of the UltraLYNX™ product line. This technology enables the integration of devices and functions from different providers of body-worn soldier system equipment.

## Greater focus on fire service segment

In 2024, we accelerated our marketing to defense-organization fire services. INVISIO has several civilian fire-service customers in Scandinavia and sees significant potential in this segment. The effort to develop our presence in this area is a long-term initiative and will have no major impact on INVISIO's short-term revenue.



## Estimated market value per product category

- INVISIO's personal systems for defense users, SEK 9.0 billion
- Racal Acoustics' personal system for vehicles, SEK 1.5 billion
- INVISIO's personal systems for law enforcement and security users, SEK 2.0 billion
- INVISIO's intercom systems, SEK 12.5 billion

## Market for personal systems

INVISIO offers branded communication systems for users who are mobile and serve in the field. The systems include headsets, cables and control units. They are compatible with all radio models and sound and data sources.

### Defense market

Industry data indicates there are about 50 million soldiers in the world, of whom 20 million are deemed to be active.<sup>1)</sup> The largest numbers of soldiers are located in Asian countries. Investments in advanced communication and hearing protection systems by countries in this region have historically been relatively limited, but are now growing at a comparatively rapid rate.

Geographically, INVISIO's primary target group consists of technologically mature customers in Europe and North America. The number of potential users in Europe and North America is estimated to be about 2.3 million.

Based on the number of potential users, price levels and customers' procurement intervals, INVISIO estimates the total annual value of the market for our personal systems targeted at defense organizations to be approximately SEK 9.0 billion. This estimate includes the recently acquired UltraLYNX™ product line.

INVISIO's personal systems currently have more than 250,000 users, equivalent to a market penetration of just over 10 percent.

Thus, great potential exists for continued growth in the target market.

### The public safety sector

Public safety organizations – law enforcement, fire services and coastguards – are a relatively new target group for INVISIO. Here we focus on addressing customers in the US, Europe and selected countries in Asia. The market is more fragmented and decentralized than the defense market, which requires us to address a larger number of customers in our sales work. An average order is therefore generally smaller than in the more centralized defense market.

INVISIO's estimates that there are approximately 1 million police offices and firefighters in defense-related organizations that are relevant to our offer.

Based on the number of potential users, INVISIO's average prices and customers' procurement intervals, we estimate the total annual value of the market for our personal systems targeting the public safety market to be approximately SEK 2.0 billion.

### Competition

Personal communication systems with hearing protection, both in the field and in vehicles, have traditionally consisted of a microphone placed in front of the mouth and noise-reducing muffs over the ears. The market for this type of product is large, mature and dominated by a limited number of major providers. A significant need exists for more modern solutions.

A number of providers supply small, advanced communication headsets with microphones placed inside and outside the ear. They include manufacturers of helmets with integrated communication solutions and hearing protection in the form of ear muffs.

INVISIO's competitive advantage lies in a comprehensive concept that includes both advanced and market-leading in-ear and over-the-ear headsets along with patented cable technology. This combination enables unique system integration.

INVISIO's intercom solution for internal communication in vehicles, boats and helicopters further enhances the offer.

# SEK 11 billion

The annual addressable market for headsets and hearing protection for the defense and public safety sectors is estimated to be about SEK 11 billion.



<sup>1)</sup> Market data are based on INVISIO's internal assessments of industry statistics.





## Market for in-vehicle communication systems

The acquisition of the UK company Racal Acoustics in 2021 broadened INVISIO's offer with a new, complementary product category consisting of advanced and robust hearing protection and communications headsets for users in environments subject to high noise levels, such as heavy military vehicles.

### Heavy-vehicle crews

INVISIO estimates the total addressable market at approximately 1 million users, mainly consisting of military heavy-vehicle crews.

Based on vehicle crew capacities, the average price of the INVISIO system and customers' average procurement intervals, we estimate this market to be worth about SEK 1.5 billion annually.

### Market leader in a mature market

The market is relatively mature and dominated by a small number of providers. The need for modern and advanced solutions is great.

With its 100-year history, Racal Acoustics is the leading brand in this market segment. The name is strong and well-known among customers and in the market generally.

The brand's market position strengthened further when the largest competitor decided to discontinue its business addressing defense organizations, mainly in the US.

Vehicle procurement programs and framework agreements often span long periods, in some cases 20 to 25 years. This leads to a more stable revenue curve compared to INVISIO branded products.

# SEK 1.5 billion

The annual addressable market for headsets and hearing protection adapted for environments with a high noise level is estimated at SEK 1.5 billion.

## Market for intercom systems

INVISIO's intercom systems address users' communication needs while they are traveling in or are near a vehicle. Users need to be able to communicate within their team and with the driver and to access the vehicle's mounted radios. In these environments, our intercom systems facilitate simple and cost-effective communication.

### Two solutions – portable and mounted

The market for solutions that enable internal communication in military and public safety vehicles has until now been dominated by large, stationary systems. The high cost of this equipment has meant that it is normally only installed in large vehicles. INVISIO's cost-effective solution expands the market because it can also be used in smaller and lighter vehicles.

Our intercom system can be used as a portable solution by individual users or be mounted in different types of vehicle or transport equipment.

The systems are already used in live operative environments. A number of customers have certified the solution for use in various helicopter models.

The product category also includes two new products: INVISIO Link (wireless communication inside and around a vehicle) and INVISIO Control (simplifies management when using several devices).

We estimate that there are about 500,000 vehicles relevant to our offer in the markets addressed. Based on the number potential users and vehicles, the average price of the system and customers' procurement intervals, the annual market value for intercom systems is estimated to be approximately SEK 12.5 billion.

### Competition

No provider currently offers a similar system. Direct competition is therefore deemed to be relatively limited. The challenge is rather to establish a new solution with no previous market track record.

We achieved commercial sales breakthroughs in 2023 and in 2024 when we received a number of large volume orders. Sales are mainly subject to lengthy procurement processes.

SEK 12.5 billion

The annual addressable market for intercom systems is estimated at approximately SEK 12.5 billion









# Drivers and trends

Several interconnected factors drive demand for INVISIO's system. Long-term modernization programs, now accelerating due to geopolitical instability, and technical development, digitalization and increasing radio and communication equipment usage all help to reinforce demand. Increased awareness of the cost of hearing loss is another contributory factor.

## Digitalization, ongoing military modernization programs and more and more users

In many countries, processes are under way to modernize the communications systems used by defense and public safety organizations. Drivers of this trend include outdated existing equipment and new opportunities arising from digitalization and technological development.

The strong advantages of better communication capacity also mean that more people in our target groups are equipped with radios.

Together, these factors indicate a structural increase in demand for effective communication systems.

## Substantially increased defense spending due to geopolitical instability

Considerably increased geopolitical instability and uncertainty have led a number of countries to announce their intention to sharply increase defense and military appropriations. European defense spending is expected to rise significantly over the next 10–15 years compared to levels before the war in Ukraine. In the longer term, this is likely to contribute to continued higher demand for modern communication equipment and hearing protection.

## Ever more powerful weapon systems

Modern weapon systems are increasingly powerful, delivering higher firepower and stronger shockwaves that increase the risk of hearing loss. At the same time, military vehicles are being developed with higher performance requirements that extend to more powerful engines, more armoring and increased vibration – factors that combine to raise sound levels. This drives demand for effective hearing protection that does not impair communication or situational awareness.

## Increased awareness of the effects and costs of hearing loss

Among the factors that are driving demand are growing awareness of the impact of hearing loss on individuals and society. According to data from the US Department of Veterans Affairs, hearing impairment and tinnitus are the most common injuries among US defense force veterans. These two conditions account for 15–20 percent of all claims that qualify for compensation. The US Armed Forces' direct costs for care and support amount to billions of dollars annually.

## A market with high barriers to entry

### Procurement and long framework agreements

Customer relationships are typically tied to multi-year procurement programs and long framework agreements. A program or framework agreement is usually preceded by a protracted sales process. It usually takes many years from the initial customer contact to the final order via a process that spans request to tender, testing and public tender.

This structure creates a market characterized by long-term relationships between suppliers and customers. Procurement programs and framework agreements also establish relatively high barriers to entry because they make it practically impossible for other suppliers to sell to the customer while the agreement is in force.

### High requirements for certification and compliance

Products sold to defense and public safety organizations must meet strict standards and high requirements.

This means that they undergo extensive certification processes to ensure they live up to customers' requirements regarding safety and performance. Independent tests are costly and time-consuming and can take up to two years to complete.

Once a product has been approved, it often cannot be changed without a new certification process.

### Low penetration and few direct competitors

INVISIO has only a handful of competitors for communication and hearing protection solutions that cater for terrestrial users or those who switch between modes of transport. INVISIO has won most of the major procurement processes in which we have participated in the US and Western Europe in the past 10 years. This means that competitors wishing to enter the market must be prepared to invest significant time and resources to take market position and achieve success. We believe we have an advantage over our competitors in innovation capacity, customer relationships and understanding user needs.

# Sustainability report

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## About the 2024 sustainability report

INVISIO has prepared a group sustainability report in accordance with chapter 6 of the Annual Accounts Act. The reporting is based on the sustainability areas that are most material in relation to the company's business model, value chain and stakeholders.

The sustainability report covers pages 27–47. The auditor's statement on the statutory sustainability report can be found on page 58.

The contact person for the sustainability report is Michael Peterson, Director, Investor Relations and Corporate Communications, [mpn@INVISIO.com](mailto:mpn@INVISIO.com).





# INVISIO and sustainability

INVISIO's sustainability-related activities aim to strengthen long-term competitiveness while creating stakeholder value. They are an integrated part of our strategy and operations.

At INVISIO we base our sustainability engagement on a double materiality analysis that identifies the sustainability aspects of greatest relevance to the group. These include contributing to a more effective and safer work environment for users, and minimizing the climate and environmental impact of our business operations. Initiatives are conducted in close interaction with suppliers, partners and customers.

## Long-term perspective and constant improvement

A long-term perspective and constant improvement are hallmarks of our sustainability engagement. Our actions span the entire value chain and cover a wide range of areas, including environmental and social aspects as well as factors linked to responsible business conduct. Key components include ensuring the function and quality of finished products, promoting sustainable design and production practices, and embedding common principles for how INVISIO does business.



### Environment

INVISIO's overall environmental impact is considered to be relatively limited. Nonetheless, we work continually on improvements and efficiency gains. Our work covers all parts of the value chain.

*Read more on pages 32–37.*

### Social

INVISIO has a direct impact on the health and safety of our products' users. As an employer and partner, we also have an impact on our own people and the employees of our suppliers and partners.

*Read more on pages 38–45.*

### Responsible business conduct

INVISIO works systematically to ensure the highest level of compliance and business ethics. We seek to build our success on the value our products and solutions create for customers and users and on ethical business conduct.

*Read more on page 47.*

# General disclosures

## Basis for preparation

### General basis for preparation of sustainability statements

INVISIO's sustainability report for the 2024 fiscal year was prepared at group level and covers all legal entities within INVISIO. The report follows the scope and limitations of the financial statements. It contains disclosures on impacts, risks and opportunities at all stages of the value chain: upstream, own operations and downstream. Compared with previous years, the information provided has been developed, broadened and deepened. In preparing this report, INVISIO has taken into account the expectations of key stakeholders. No relevant information has been omitted for reasons related to confidentiality, data sensitivity or intellectual property rights.

### Disclosures in relation to specific circumstances

INVISIO endeavors to provide as accurate and comparable data as possible. When reporting metrics for indirect emissions we have used assumptions and estimates to present data that is as accurate and fair as possible. Accounting policies for key figures are presented together with the key figures for each material area.

### Material changes compared with prior years

- Reporting of greenhouse gases from purchases of material and services has changed from a cost-based method to a hybrid method. For more information, see page 34.
- More metrics are reported for internal work-force.

## Strategy

### Strategy, business model and value chain

INVISIO develops and sells advanced communication systems that enable professionals in noisy and mission-critical environments to communicate and work effectively while benefiting from full hearing protection.

The systems consist primarily of four product types: headsets, and the control boxes, cables and intercom systems associated with them. The products can be used together or stand-alone. All are critical components of users' communication systems and play a crucial role in communication and user protection.

Product development is one of INVISIO's core competencies. Our internal organization possesses specialist knowledge in acoustics and hearing, materials technology, software development and system integration. All product development is conducted in close cooperation with customers and partners. Apart from customer-related requirements, our products are also subject to external certification.

Production is through long-term partnerships with contract manufacturers.

Sales operations are largely conducted from the head office in Copenhagen and sales offices in the US, France, the UK, Italy and Thailand, but also via a global partner network. Business is normally through procurement processes. For more information on revenue, profit and employee headcount, see pages 62–63 of the administration report and previous sections of this annual report.

INVISIO's strategy is rooted in the scalability of the business model. We strive to:

- Increase penetration in existing markets.

- Broaden the product portfolio through creative innovation.
- Reach new user groups.
- Expand into new geographical markets.
- Operate sustainably and cost-effectively.

## Governance

### Responsibilities and roles

The board of directors has ultimate responsibility for administering the company in the interests of the business and its shareholders. This includes ensuring that the strategy is sustainable over time.

Governance builds on group policy documents, including codes of conduct, that are revised annually. The board of directors regularly follows up the company's progress in environmental, social and ethical aspects. Reporting by management to the board normally takes place at ordinary board meetings. Material non-conformities in INVISIO's sustainability work and code of conduct are reported to the board if and when they occur, along with measures taken.

Together with the CEO, the board of directors is also ultimately responsible for ensuring that the sustainability report is prepared in accordance with the Annual Accounts Act and is continually adapted to applicable laws and directives.

INVISIO's CEO and management team are jointly responsible for implementing policies and ensuring compliance. The CEO and management also review the materiality analysis when it is updated, which is once a year.

The operational work of implementing, monitoring and reporting sustainability issues is delegated and distributed among the group's various line functions because it forms a natural part of the day-to-day business and this is also where expert knowledge of the individual areas is greatest.

## Focus 2024

During the year, group management endeavored to integrate sustainability to an even greater extent into the overall business strategy. This work was based on the 2023 double materiality analysis and resulted in updates to a number of objectives and priority areas.

Sustainability is included as a standing item on the agendas of the board and audit committee. Among the issues prepared and dealt with in 2024 were:

- Preparations for the implementation of CSRD/ESRS
- Clearer integration of sustainability aspects into the business strategy
- Review of the completed double materiality analysis

In 2025, the work of integrating sustainability into the strategy will continue and target levels will be defined.

### Risk management and internal control in sustainability reporting

INVISIO works actively to identify, prevent and manage risks related to sustainability in operations and the value chain. This is done by including sustainability aspects when selecting suppliers, holding quarterly meetings with key suppliers, and maintaining a dialog with stakeholders such as employees and investors.

Risks related to the sustainability reporting process include incorrect data inputs from local units, erroneous estimates or assumptions, and any failure to fully disclose information. They also include any lack of data or inaccurate data from the value chain upstream and downstream.

During the year, a risk assessment was made for sustainability reporting, resulting in a control framework intended to cover the identified risks. The framework will be implemented in

2025 and integrated into the existing assurance of INVISIO's reporting.

### Governing framework

INVISIO's activities are governed by a number of group-wide documented policies. The employee and supplier codes of conduct are among the most central. They regulate how everyone working for or with INVISIO is expected to act in relation to aspects such as human rights, working conditions, health and safety, the environment, and business ethics.

### Dialog with stakeholders

Obtaining the views of internal and external actors concerning INVISIO's operations is an important part of ongoing efforts to develop the company and the business. The objective is to balance different interests, expectations and wishes through ongoing dialog.

The outcomes of stakeholder dialogs are used as inputs and verification when assessing material topics as part of the double materiality analysis. The information is also used to further improve business processes, develop the company and increase collaboration with stakeholders.

### Results of the materiality analysis

In 2023, INVISIO conducted a double materiality analysis covering both impact materiality and financial materiality. The material areas identified consisted of climate change, pollution, resource use and circular economy, internal workforce, workers in the value chain, consumers and end users, and responsible business conduct.

In 2024, the double materiality analysis was reviewed as part of the strategic work carried out.

### Climate change

Manufacturing INVISIO's products requires small amounts of material, while energy consumption in the user phase is extremely limited. However, as a producer INVISIO has a climate change related impact through the use of materials and upstream extraction, processing and production.

INVISIO delivers products to customers throughout the world, which gives rise to emissions from transport and travel. An increased focus on the climate in procurement processes is expected to entail risks and opportunities going forward. However, high and overriding requirements concerning function and certification mean that these risks are only expected to arise in the long term. When it comes to risks of operating impacts arising due to physical climate change, these relate primarily to the supply chain and logistics flow. These risks are also expected to arise in the longer term.

### Emissions to air, water and soil

INVISIO does not carry out its own production and thus has no material impact on emissions to air, water and soil in its own operations. However, an impact and a risk do arise in the supply chain. INVISIO's products fall under the EU Directive RoHS<sup>2)</sup> and the EU REACH<sup>1)</sup> regulation. Stricter legislative requirements may lead to increased costs in the production phase due to requirements for phasing out materials and/or requirements for product recertification.

### Resource use and circularity

INVISIO's products contain critical raw materials and other materials with a high climate impact. Although the quantity of these materials contained in the products is limited, INVISIO's impact is still deemed to be material. In the longer term, risks exist in relation to the

possibility of component price rises as a result of insufficient raw-material availability.

INVISIO has a strong focus on circularity. Here, the strength of the materials we use is central. Our products are designed to withstand harsh stresses and have a good physical strength. Work is also ongoing to make the products technically stronger, including through software updates. The group's focus on ensuring compatibility between different types of products and platforms makes it possible to limit the size of the product portfolio, thereby increasing resource efficiency.

### Internal workforce

Skilled, driven and satisfied employees enable INVISIO to be at the forefront of innovation, supplier partnerships and productivity. The group endeavors to offer a good workplace characterized by competitive compensation, a healthy work-life balance, attentive leadership and a sound corporate culture. As is the case for many technology companies, we experience challenges linked to gender balance which in over time might adversely affect our attractiveness as an employer.

### Workers in the value chain

The fact that production is outsourced to external partners means that the main challenges linked to working conditions, health and safety and forced labor exist upstream in the value chain. For a technology company like INVISIO, it is challenging to achieve full traceability and control of the entire value chain, from raw material extraction to finished product. Through long-term partnerships and continuous dialog, we have can positively influence conditions among suppliers and elsewhere in the value chain. However, tougher regulatory requirements around monitoring and control

beyond subcontractors give rise to non-compliance risks in the supply chain.

### Personal safety for users

INVISIO's main purpose is to increase the safety of those working in challenging environments with the help of improved communication and hearing protection. Through this, the products have a positive impact. By offering competitive products, INVISIO can take market share. Failure to achieve this would give rise to a risk of negative financial impact.

### Business ethics

INVISIO's revenue derives primarily from public procurement processes with military, law enforcement and fire service organizations as principals and end customers. Any crime, violation or irregularity arising from corruption or poor ethical conduct in our own operations or those of our suppliers and partners would give rise to a risk of loss of confidence in INVISIO among customers, existing and potential employees, suppliers, partners and others. A risk of financial impact also exists in the form of additional costs, fines and lost business.

- 1) REACH (Registration, evaluation, authorisation and restriction of chemicals) is an EU regulation applicable to the production and safe use of chemicals.
- 2) RoHS (Restriction of the use of certain hazardous substances) is an EU directive that prohibits or restricts the use of certain heavy metals and flame retardants in electrical and electronic products.



## INVISIO's value chain

	Raw materials and resources	Tier 2-3 suppliers	Tier 1 manufacturing	Own operations	Customers and partners
<b>Central activities</b>	<ul style="list-style-type: none"> <li>• <b>Extraction:</b> Mining (metals), oil (plastic and rubber), wood (cardboard)</li> <li>• <b>Recycled materials:</b> Metal scrap, plastic, paper</li> <li>• <b>Transport:</b> Freight, boat, air, rail, road</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Manufacture of materials:</b> Metals, plastic, rubber, including foam, paper/cardboard</li> <li>• <b>Manufacture of components:</b> Electronics, cable, batteries</li> <li>• <b>Transport:</b> Freight, boat, air, rail, road</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Manufacture and assembly of products:</b> End-product assembly</li> <li>• <b>Transport:</b> Freight, boat, air, rail</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Product-related activities:</b> Service and renovation, product tests, tests and evaluation</li> <li>• <b>Enabling activities:</b> Purchasing, supply chain/operation, INVISIO Lab, product management, platform strategy</li> <li>• <b>Research and development:</b> product design</li> <li>• <b>Own sales organization:</b> global sales organization</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Partners:</b> Manufacturers of radios, helmets, vehicles and boats and distribution partners</li> <li>• <b>Customers:</b> Law enforcement, military, fire services</li> <li>• <b>Use and end-of-life</b></li> <li>• <b>Transport:</b> Freight via boat, air, rail and road</li> </ul>
<b>Environment</b> Drivers behind impact, risks and opportunities	<ul style="list-style-type: none"> <li>• Energy intensive</li> <li>• Resource scarcity</li> <li>• Fossil fuel based</li> <li>• CO<sub>2</sub>e intensive</li> </ul>	<ul style="list-style-type: none"> <li>• Energy intensive</li> <li>• Traceability of input materials</li> <li>• Recyclability</li> <li>• CO<sub>2</sub>e intensive</li> </ul>	<ul style="list-style-type: none"> <li>• Energy intensive</li> <li>• CO<sub>2</sub>e intensive</li> </ul>	<ul style="list-style-type: none"> <li>• Product design</li> <li>• Requirements and rules with a bearing on circularity</li> <li>• Requirements and rules with a bearing on climate</li> </ul>	<ul style="list-style-type: none"> <li>• Circularity, including service and repair</li> <li>• Recyclability</li> <li>• Durability</li> </ul>
<b>Social</b> Drivers behind impact, risks and opportunities	<ul style="list-style-type: none"> <li>• Minerals are extracted in high-risk countries.</li> <li>• Deficiencies in traceability of purchases</li> <li>• Due diligence directive</li> </ul>	<ul style="list-style-type: none"> <li>• Deficiencies in traceability of purchases beyond tier 2 suppliers</li> <li>• Due diligence directive</li> </ul>	<ul style="list-style-type: none"> <li>• Limited social challenges and risks given that the main part of product manufacture is concentrated to four European contract manufacturers.</li> <li>• Due diligence directive</li> </ul>	<ul style="list-style-type: none"> <li>• Limited social challenges and risks in own operations.</li> <li>• Ability to recruit, retain and develop employees.</li> </ul>	<ul style="list-style-type: none"> <li>• Risk of failure to protect end users.</li> <li>• Due diligence directive</li> </ul>
<b>Responsible business conduct</b> Drivers behind impact, risks and opportunities	<ul style="list-style-type: none"> <li>• Geographies where extraction takes place are associated with a high level of corruption.</li> </ul>	<ul style="list-style-type: none"> <li>• Deficient traceability beyond tier 1, which leads to difficulties in ensuring compliance with the code of conduct and anti-corruption policies.</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor compliance with the code of conduct and anti-corruption policy, including suppliers' suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited governance-related challenges given the organization's size. Since INVISIO's customers are public authorities, compliance with the code of conduct and anti-corruption policy is crucial.</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor distribution partners' compliance with the code of conduct and anti-corruption policy.</li> </ul>
<b>INVISIO's focus</b>	<ul style="list-style-type: none"> <li>• INVISIO's focus lies on later stages of the value chain and the company therefore has limited or no insight into the production of raw materials and resources.</li> <li>• In the design phase, INVISIO decides the materials to be included in the product.</li> </ul>	<ul style="list-style-type: none"> <li>• Purchases of components are mainly from Europe and the US, but also from established suppliers in Asia.</li> <li>• Critical components, such as loudspeakers, are purchased directly from tier 2 suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>• Product manufacture is outsourced to European contract manufacturers.</li> <li>• Requirements related to tier 1 manufacturers are regulated through the code of conduct, which also includes suppliers to subcontractors.</li> </ul>	<ul style="list-style-type: none"> <li>• Prototype manufacture takes place in Harrow and Copenhagen, with limited environmental impact.</li> <li>• Proactive work with the code of conduct and anti-corruption policies for internal workforce.</li> <li>• Incentive and option programs for employees.</li> </ul>	<ul style="list-style-type: none"> <li>• Currently limited focus on recyclability due to high quality requirements for products.</li> <li>• All distribution partners acknowledge INVISIO's code of conduct and anti-corruption policy.</li> </ul>

## About the materiality analysis

### Process for determining and assessing material impact, risks and opportunities

In 2023, INVISIO conducted a double materiality analysis for the first time. The process involved three steps:

- 1) Compilation of gross list of sustainability issues
- 2) Impact assessment
- 3) Assessment of financial risks and opportunities

To identify the material issues, INVISIO started with a comparative analysis of the industry as well as a stakeholder analysis, involving internal stakeholders from central functions. The results of the two assessments were used to carry out the double materiality analysis. The assessment was performed by the management team with the support of external experts.

### Stakeholder analysis

INVISIO's stakeholder analysis for 2024 was conducted through dialogue with the management team. Together, the participants identified key stakeholders that have an impact on INVISIO's operations, stakeholders that INVISIO has an impact on, and users of INVISIO's sustainability report. Participants gained an understanding of the current stakeholder dialog formats, input from stakeholders to consider, and how the double materiality analysis took account of stakeholders' views.

### Impact materiality

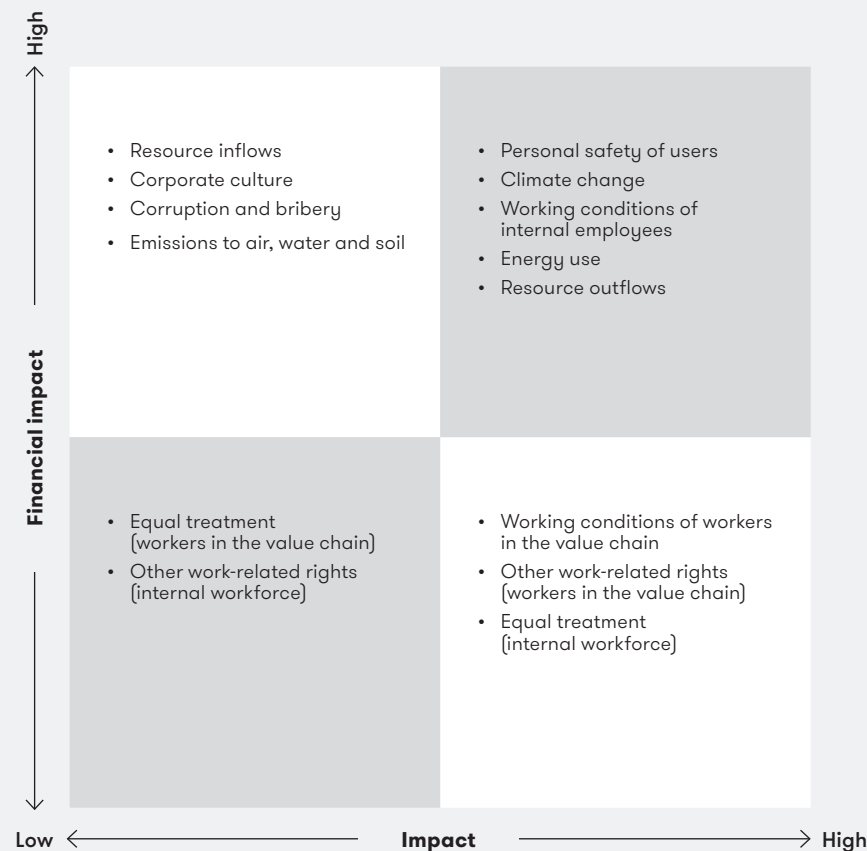
Criteria for the assessment of potential and actual impacts were defined on a four-point scale. Based on this, the impact was scored and assessed in relation to scale, extent, recoverability and probability. In terms of positive effects, only aspects that improve human life or the state of the environment were included. Positive impacts were assessed in the same way as negative impacts. The impact assessment was carried out for short-, medium- and long-term time frames.

### Financial materiality

Limits for the financial analysis were set to be consistent with INVISIO's general risk framework. Parameters for scoring materiality consisted of the size of the risk or opportunity, as well as the probability and nature of the financial impact. Magnitude was scored according to four levels.

A first set of risks and opportunities was jointly identified by INVISIO's management team and external experts. A workshop with the management team evaluated the risks and opportunities according to the method described above and then validated the findings at a meeting.

INVISIO continues to work to fully integrate sustainability-related risks and opportunities into the company's risk assessment process and strategy. Risks are reviewed annually and sustainability-related risks and their impact on strategy will be monitored and adjusted in the same way as other risks.



# Environment

## Climate change

### Impact, risks and opportunities

In 2023, an inventory of INVISIO's impact on the climate was carried out. It showed that 98 percent of emissions are in scope 3 and are mainly linked to upstream transport, the purchase of materials and services and, above all, business travel. The remaining 2 percent of emissions relates to electricity use at INVISIO's premises and in its operations. The outcome is in line with expectations as all production is outsourced to partners.

### Climate scenario analysis

INVISIO conducted a climate scenario analysis in 2024 to identify climate-related risks and opportunities. The analysis was conducted from two scenario perspectives: net zero 2050 (which assumes that global temperature increase is within the target of the Paris Agreement) and current scenario (high emission scenario equivalent to RCP 8.5).

The analysis, which included processes both within the company's own operations and at key suppliers, was conducted by studying expected changes in weather and climate, as well as through dialog with suppliers to understand existing mitigation measures.

The analysis identified several risks and opportunities. None were deemed to have any material financial impact in the short, medium or long term. The risks identified relate to

increased carbon price, volatility in energy pricing and availability, increased costs due to transitioning from virgin materials, increased focus on the lifecycle emissions of products in procurement processes, and supply chain consequences due to extreme weather.

In the net zero scenario, INVISIO faces greater risks linked to the transition towards climate neutrality, such as increased carbon price, as well as volatility in energy prices and availability, which could lead to higher material costs. In addition, risks exist in relation to a higher focus on emissions in procurement processes. Physical risks are limited in the net zero scenario but cannot be completely ignored. They relate primarily to supply chain impacts, which could lead to delays in deliveries and increased costs.

In the current scenario, INVISIO bears more limited transition risks but still needs to take into account already implemented laws and regulations, leading to some short-term compliance risks. In the long term, physical risks are expected to increase as a result of higher average temperatures and increased magnitude and severity of extreme weather. This, in turn, could lead to supply chain disruptions.

### Material impacts, risks and opportunities related to climate change

	Type of impact	Value chain	Time horizon
<b>Greenhouse gas emissions from own operations</b> Direct and indirect emissions from own operations contribute to climate change through greenhouse gas emissions.	Impact	Own operations	Short, medium and long term
<b>Greenhouse gas emissions linked to the purchase of products and transport</b> Indirect emissions arise in the value chain due to raw material extraction, materials handling and transport, leading to climate change impacts.	Impact	Upstream	Short, medium and long term
<b>Energy consumption in the supply chain</b> Energy associated with materials extraction, product manufacture and transport leads to impacts on energy supply in local markets.	Impact	Upstream	Short, medium and long term
<b>Increase in the price of greenhouse gases</b> Carbon taxes such as EU ETS and CBAM may be expanded to more industries, which would increase the price of INVISIO's emissions. This may lead to higher costs associated with production if it does not lead to price increases for the customer.	Transition risk	Upstream	Medium and long term
<b>GHG emissions from the lifecycle of products</b> Greenhouse gas emissions from products are included in procurement processes, which may lead to INVISIO losing or gaining competitiveness as a result of better or worse performance than competitors.	Transition risk/ Opportunity	Downstream	Medium and long term
<b>Tradeoffs between circular principles</b> Increased customer requirements for products to comply with circular principles may lead to added importance being placed on aspects that INVISIO has or has not addressed, leading to increases or decreases in market share.	Transition risk/ Opportunity	Downstream	Medium term
<b>Extended technical and physical lifetime</b> INVISIO works actively to use software updates to extend its products' technical and physical lives by increasing compatibility between old and new product series. This enables the customer to reduce costs but also product volumes, thereby also decreasing emissions.	Opportunity	Downstream	Short, medium and long term
<b>Risk associated with supplier stoppages</b> An increase in the frequency and intensity of extreme weather could lead to difficulties in obtaining components and producing INVISIO's products. This might lead to delivery challenges and higher costs.	Physical risk	Upstream	Medium to long term



## Strategy and actions

### Regionalization of the supply chain

To manage risks, minimize negative impacts and ensure competitiveness, INVISIO has long worked to regionalize the supply chain while strengthening cooperation with long-term partners. This leads to higher efficiency and profitability and also facilitates joint efforts to reduce emissions in production, including through energy efficiency, design and adapting material choices.

### Focus on compatibility and longer lifespan

Alongside collaboration on efficiency improvements, INVISIO's strategy is to offer customers a platform that is highly compatible with INVISIO products and also with wider systems. Compatibility is achieved through close collaboration in the value chain during the development phase, but also through software updates for existing products to ensure that compatibility across generations and platforms. This strategic focus enables customers to lower their costs and reduce environmental impact, which in turn is part of INVISIO's success.

### Other strategic initiatives to reduce carbon dioxide emissions

In addition to already implemented and completed strategic initiatives, INVISIO started several initiatives in 2024:

- Evaluation of the feasibility of extending the use of low-carbon materials in products. A pre-study with good results was conducted related to plastic.
- Increased dialog and cooperation with suppliers to increase the level of renewable energy and low-carbon materials.
- Increased dialog with customers to understand and influence future requirements.

INVISIO's ambition is to take responsibility and continuously work to reduce climate impacts. However, the impact of the business is relatively limited. The focus is above all on delivering safe products with high user value. The current portfolio meets customer requirements and external certification standards. Replacing certain types of materials with others might require re-certification. Work on material updates will therefore take place at a pace that is deemed appropriate and realistic.

### Resilience of the strategy and business model

Based on the outcome of the scenario analysis, INVISIO assesses that the strategy and business model stand up well from the perspective of both net zero 2050 and current scenario. The company sees a risk of increased tax-related costs, but its products are not particularly carbon-intensive. A higher cost level would probably impact all industry players and thus not significantly impact INVISIO's competitiveness.

Regarding physical risks, work is ongoing to regionalize production and hence diversify risk and increase resilience.

Based on the scenario analysis, INVISIO sees no need for any radical changes in strategy.

## Targets and outcomes

Scope 1 emissions were in line with previous years, while scope 2 emissions increased. The increase was primarily due to growth, an expansion of the physical footprint in Copenhagen and increased heating at Harrow.

Emissions from purchases of goods and services increased by 103 percent from the prior year. This was primarily due to increased growth but also to the resale of third-party radios. Excluding that transaction, the increase was only 9 percent.

Emissions associated with transport were reduced by 25 percent, mainly as a result of more production being carried out in Europe, which curbs the need for long flights. During the year, a smaller proportion of transport was by boat, a mode of transport that is being evaluated.

Emissions from business travel rose by 30 percent. This was partly due to a headcount increase of approximately 18 percent, as well as to increased business activity.

INVISIO's greenhouse gas (GHG) intensity in relation to sales increased during the year from 5.3 tonnes per SEK million to 5.98 tonnes per SEK million, a rise of 13 percent. The reasons include the resale of third-party radios. Excluding this transaction, INVISIO achieved an underlying improvement of 17 percent.

## Change from prior year

Improved accuracy of the underlying data for purchases of goods and services resulted in the 2023 figure being restated. This resulted in a 31 percent reduction, which is in line with expectations as delivered products are light and mostly produced by subcontractors with their own climate ambitions.

## Accounting policies

INVISIO's reporting complies with the GHG Protocol's Corporate Standard. Primary data and accepted emission factors are used to calculate scope 1 and 2 emissions. A hybrid approach is used for scope 3.1 "Purchase of goods and services," using a combination of supplier-specific data, weight data and a spend-based method. For INVISIO's products, emissions associated with material extraction and processing are calculated using the list of product materials and then applying accepted cradle-to-gate emission factors. For the remaining purchases, as well as for business travel and transport, a spend-based method with EEIO emission factors is used.

## Greenhouse gas emissions according to the GHG protocol

Category	2024	2023
Scope 1	25	25
Scope 2 – market-based	93	65
Scope 2 – location-based	164	102
<b>Total market-based</b>	<b>118</b>	<b>90</b>
<b>Total location-based</b>	<b>189</b>	<b>127</b>

## Scope 3

Purchased goods and services	7,946	3,914
Upstream transportation and distribution	798	1,059
Business travel	1,951	1,497
<b>Total scope 3</b>	<b>10,695</b>	<b>6,469</b>
Total scope 3 excluding radio systems sales	7,027	6,469
GHG intensity, tonnes CO <sub>2</sub> e/SEK million sales	5.98	5.30
GHG intensity, tonnes CO <sub>2</sub> e/SEK million sales excluding radio systems sales	4.37	5.30

## Purchased energy, MWh

	2024	2023
District heating	271	191
Natural gas	0	0
District cooling	30	29
Electricity	347	305
<b>Energy total</b>	<b>648</b>	<b>526</b>
of which green electricity	80%	84%

## Distribution of CO<sub>2</sub> emissions



<span style="display:inline-block; width:10px; height:10px; background-color:black; border:1px solid black;"></span> Purchased goods and services, 73.5%
<span style="display:inline-block; width:10px; height:10px; background-color:grey; border:1px solid black;"></span> Scope 1, 0.2%
<span style="display:inline-block; width:10px; height:10px; background-color:orange; border:1px solid black;"></span> Scope 2, 0.9%
<span style="display:inline-block; width:10px; height:10px; background-color:lightgrey; border:1px solid black;"></span> Upstream transportation and distribution, 7.4%
<span style="display:inline-block; width:10px; height:10px; background-color:lightgrey; border:1px solid black;"></span> Business travel, 18.0%

# Pollution

Through its activities, INVISIO contributes to various types of emissions to air, water and soil. These occur primarily upstream in the value chain as a result of raw material extraction and product manufacture.

## Impact, risks and opportunities

Upstream emissions to air, water and soil derive primarily from energy and chemical-intensive processes associated with the extraction and processing of raw materials. In addition, INVISIO's products contain substances that are classified as hazardous under REACH<sup>1</sup> and RoHS<sup>2</sup>. These can include chemicals that are used in a certain type of plastic to extend product life. These substances, if not properly managed in connection with the manufacture or recycling of products, can have a negative impact on health and the environment and climate.

The impact analysis is based on a thorough inventory of the raw materials, parts and components needed to manufacture a product and the quantities used.

### Risks and opportunities

INVISIO's products fall under the EU Directive RoHS<sup>2</sup> and the EU REACH<sup>1</sup> regulation. Stricter legislative requirements may lead to increased costs in the production phase due to the phasing out of materials and/or product recertification requirements.

## Material impacts, risks and opportunities related to pollution

	Type	Value chain	Time horizon
<b>Hazardous substances in production</b> Suppliers do not handle hazardous substances appropriately and/or do not comply with applicable laws and regulations, leading to negative impact on the environment and humans and higher costs for INVISIO.	Risk/Impact	Upstream	Short, medium and long term
<b>Hazardous substances in products</b> INVISIO's products contain hazardous substances and are not handled adequately, leading to negative impacts on the environment or humans and increased costs due to phase-out.	Risk/Impact	Own operations	Short, medium and long term
<b>Emissions to air, water and soil in production</b> Suppliers do not have processes in place to mitigate emissions to air, water and soil or to ensure compliance with laws and regulations, leading to negative impact on the environment and higher costs due to delivery delays.	Risk/Impact	Upstream	Short, medium and long term

## Strategy and actions

### Requirements and supplier follow-up

By working actively with suppliers, INVISIO endeavors to limit the negative impact related to emissions and the use of hazardous substances. Outcomes with strategic suppliers are therefore monitored quarterly. In 2024, INVISIO began implementing supplier evaluations in the form of self-assessments and audits. In future, these evaluations will be conducted regularly, based on the identified risk for each respective supplier.

1) Registration, Evaluation, Authorisation and restriction of Chemicals (REACH) is an EU regulation applicable to production and safe use of chemicals.

2) Restriction of the Use of Certain Hazardous Substances (RoHS) is an EU directive that prohibits or restricts the use of certain heavy metals and flame retardants in electrical and electronic products.



# Resource use and circular economy

Sustainable resource use and circular economy are about using materials, energy and other resources more efficiently and developing circular flows. This includes using recycled and renewable materials, minimizing waste throughout the value chain, optimizing product and resource lifespans, and promoting product and packaging recycling and circular end-of-life solutions.

## Impact, risks and opportunities

INVISIO's upstream impact mainly consists of raw material extraction and processing. Our products are made from components that use finite natural resources such as metals, minerals and various types of polymers. Almost all the materials used for product manufacture are new. The extraction of these materials can have a negative impact on humans and nature.

Downstream impacts are mainly related to shortcomings in recycling and reuse processes. INVISIO products are used in a large number of countries. Shortcomings in local infrastructure pose challenges in terms of recycling and reuse. In addition, some products may have to go to landfill or incineration due to contamination risks or complex material compositions that make them difficult to separate.

## Risks and opportunities

In the longer term, risks exist in relation to component price development in the event of raw material shortages or legislative changes. Increased material prices due to natural resource shortages and carbon taxes could lead to higher costs and lower margins if the cost cannot be passed on to the customer.

Potential risks also include any inability to meet increased demands for circularity in procurement, which could lead to reduced competitiveness. In addition, a risk exists of not being able to comply with agreements or other regulations regarding recycling and handling of end-of-life products as a result of deficient infrastructure or logistics. This could lead to increased costs, fines and ultimately loss of competitiveness.

For INVISIO and other manufacturers of high-quality products, an increased focus on resource use and circularity is essentially positive. It benefits the existing business and creates opportunities for new types of business models featuring services and software updates.

## Material impacts, risks and opportunities related to resource use and circular economy

	Type of impact	Value chain	Time horizon
<b>Product design and development</b> INVISIO's products are designed in accordance with circular principles and in tune with circular business models that are rewarded in procurement processes. This can lead to higher or lower revenue and can offset negative environmental impacts.	Risk/Impact	Upstream	Short, medium and long term
<b>Limited and critical raw materials</b> INVISIO's products contain limited and critical raw materials, leading to resource limitation, as well as fossil raw materials, leading to negative environmental impact. At the same time, a risk of increased material prices exists due to carbon taxes and limits on the supply of natural resources. This could lead to higher costs and lower margins if the cost cannot be passed on to the customer.	Risk/Impact	Upstream	Short, medium and long term

## Strategy and actions

### Increased compatibility between systems, products and generations

One of the more effective ways to reduce products' impact on resource use is to extend their technical and physical lifespan. Here, INVISIO focuses on development and improvements to product design and system integration. These efforts include continuous improvements of products' physical quality and utilizing the opportunities created by INVISIO's software-based product platform. Advantages

include ongoing product improvements and extended product lifespan. In addition, INVISIO's solutions enable seamless integration of devices and functions from different manufacturers, making it possible for customers to limit the number of individual systems and platforms they use.

### Repairs and upgrades

The plant in Harrow carries out repairs and upgrades of headsets sold under the Racial Acoustics brand.

**Partnerships to increase efficiency of material use in production**

INVISIO works actively with strategic suppliers to increase the utilization rate of production materials. Progress is tracked and monitored quarterly.

**Evaluation of transition to recycled materials**

INVISIO's products consist mainly of polymers and metals and do not contain "conflict minerals." Currently, polymers are made from virgin raw material. In 2024, a project was initiated to evaluate the scope for switching to recycled plastic or other materials with a lower environmental impact, without affecting quality, strength or function. The initial results indicate that this is possible, but further quality tests will be conducted in 2025 in collaboration with suppliers.

**Procedures for collecting, recycling and treating waste**

INVISIO is subject to producer responsibility, which includes a duty to collect, recycle and treat the waste that arises when a product reaches its end of life. INVISIO has established procedures in place, but in practice the process is usually managed by customers. It is unclear if more active engagement from our side would generate environmental gains as it would often involve long-distance transport.

**Monitoring and analysis of inflows and outflows of resources**

INVISIO's products contain various metals, polymers and electronics. During the year, work was carried out to measure and follow up the amounts of material purchased in these categories. This work will continue in 2025, leading to a more thorough analysis of resource outflows.



# Social

## Internal workforce

Competition is high for skilled, experienced and committed employees. INVISIO's ability to identify, develop, attract and retain the right talents with the necessary skills and mindsets is crucial to the group's continued success.

### Impact, risks and opportunities

As an employer with operations in several countries, INVISIO has an impact on a wide range of employees. At the close of 2024, internal headcount was 273. Our internal workforce focuses largely on R&D, sales and marketing. The company also has central functions such as human resources, accounting, customer service, communications and market and business development. Some workforce participants are not employees, such as contracted consultants and students.

Employees are based mostly in Denmark and the UK, where national legislation generally establishes high and comprehensive standards for working conditions, pay, work environment, health and safety, and human rights.

Our focus on rapid technological development and meeting emerging customer needs demands a propensity to adapt to change, as well as innovative capacity and agility. The ability to attract and retain sought-after skills plays a crucial role in the group's continued expansion and earnings. Identified risks include dependence on employees with the right skills

and abilities. Risks related to working conditions can potentially give rise to legal non-compliance, a weaker corporate culture, reduced health and safety, staff turnover, higher recruitment costs and reputational damage.

### Governance

INVISIO's code of conduct applies to employees and non-employees (contractors). It is based on international guidelines including the UN Global Compact's 10 principles for human rights, labor, environment and anti-corruption, the OECD's guidelines for multinational enterprises, the ILO's core conventions and the UN guiding principles on business and human rights.

The code of conduct, which is adopted annually by the board, emphasizes that all employees must be regarded and treated with respect and dignity and have the same rights, obligations, opportunities and influence in all essential areas of working life. The policy includes measures that all companies must implement and follow up in their day-to-day operations, such as preventive measures against discrimination and harassment, regular pay surveys, adaptation of workplaces, and opportunities for training and development. Any deviations from the policy can be reported via INVISIO's whistleblowing service or to the line manager.

### Material impacts, risks and opportunities related to own workforce

	Type of impact	Value chain	Time horizon
<strong>Working conditions and employee benefits</strong> Offering or failing to offer competitive working conditions and compensation including flexible working, work-life balance and incentive programs increases/reduces satisfaction, well-being and absence. It also augments/limits INVISIO's ability to attract and retain competent personnel and ultimately leads to increased/reduced productivity.	Impact/ Opportunity	Own operations	Short, medium and long term
<strong>Gender equality</strong> Industry structures present challenges to achieving an equal gender balance. Unless sufficient initiatives are implemented, this can lead to negative impacts on female employees and recruitment candidates and ultimately to limited opportunities to attract and retain competent personnel and thus reduced productivity.	Impact/Risk	Own operations	Short, medium and long term
<strong>Skills supply</strong> INVISIO works to ensure that all employees have challenging tasks that allow them to learn every day. The company invests in training programs such as Growth and Leap, leading to increased employee satisfaction.	Impact/ Opportunity	Own operations	Short, medium and long term

### Strategy and actions

Developing market-leading communication and hearing protection solutions requires driven, committed, competent and healthy employees. One of INVISIO's overall goals has long been to be the industry's most attractive employer. To support this ambition, active efforts are made to strengthen the corporate culture, keep staff turnover low and continue to promote diversity, gender equality and inclusion.

### Corporate culture

The foundation of everything INVISIO does is based on an ambition to conduct business responsibly. This relies on a strong corporate culture that focuses on collaboration, responsibility, passion, innovation and putting the customer first. A topdown approach is used to preserve this culture, with the CEO and group management leading the way. We also invest in training



informal leaders through the Grow and Leap programs to ensure that the culture continues as the company grows.

#### **Competitive and fair pay**

Salary is an important means to rewarding good performance and promoting professional development. Salaries are set in a structured way in accordance with the remuneration policy, which is revised annually by management. The remuneration policy requires salaries to be differentiated and individual, with a clear link between pay increases and the employee's input. Salary levels must be based on systematic assessments in accordance with the company's pay criteria and may not be discriminatory on the grounds of gender identity or background.

An annual pay survey is carried out to ensure that salaries are fair and market-based. The survey benchmarks employees' pay internally and externally using criteria such as professional role, work experience, and age. Unexplained deviations are followed up with the pay-setting manager. In cases where pay differences cannot be explained, action such as pay revision may be taken.

All employees are included in the annual incentive program. Outcomes are governed by regulations determined by INVISIO's board and are linked to the company's performance

during the year. In addition, all employees are included in the two current share option programs, provided that they were employed at the start of the relevant program. This structure reflects INVISIO's desire to promote engagement and a sustainable long-term personnel policy that strengthens the company's employer brand attractiveness. All employees are also entitled to parental leave.

#### **Increased focus on eNPS**

Great effort is invested in regularly measuring and following up employees' attitudes and in the human resources-related investments in the group. Regular employee surveys form an important part of this work. In recent years, INVISIO has achieved a high employee net promoter score, which indicates employees' willingness to recommend INVISIO as an employer. To maintain these results as the company grows, it is important to identify the factors that drive employees' perceptions.

As part of the strategy program, an initiative was therefore launched in 2024 to further improve our understanding of what is being done well and what can be done even better through increased employee dialog.

The employee survey carried out in early 2025 had a participation rate of more than 70 percent, and INVISIO received high scores. The employee net promoter score (eNPS) was 50,

which is very high and at the same level as the previous year. The eNPS is a method to measure how willing employees are to recommend their workplace to others. Respondents specify the likelihood on a scale from 0 (not at all likely) to 10 (extremely likely). Scores between 0–20 are good, between 20 and 50 is very good and anything over 50 is regarded as an excellent rating.

#### **Gender equality, diversity and inclusion**

The industry in which INVISIO operates faces challenges relating to gender imbalance. INVISIO is actively working to even out imbalances with the aim of lowering the barriers to entry for women. Some of this work has already started. These efforts were reflected in an increased ratio of female employees in 2024 (25 percent of new employees). To continue this progress, the company will launch an initiative in 2025 as part of the ongoing strategy program to identify the challenges that still exist.

#### **Skills supply**

An important part of ensuring high employee satisfaction is regular development and stimulation. INVISIO works daily to ensure that the right person has the right tasks, leading to high-quality performance and personal development. In addition, we have for several years run a leadership program, Grow, to train existing and future leaders.

#### **Whistleblowing and whistleblowing channels**

All INVISIO employees are urged to report irregularities and violations of internal or external regulations. A report can be made to the line manager, safety representative or local HR department. It is also possible to report cases anonymously to our web-based whistleblowing service. For more information on the whistleblowing service, see page 47.

## Average number of employees

	2024		
	Women	Men	Total
Denmark	26	119	145
UK	14	70	84
Other	5	31	36
<b>Total</b>	<b>45</b>	<b>220</b>	<b>265</b>

	2024	2023	2022
Number of employees who left the company	18	14	18
Staff turnover, %	7	6	12

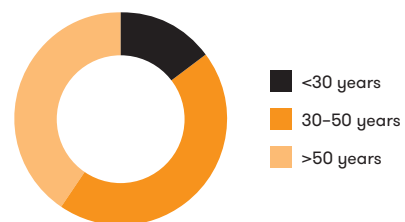
## Gender breakdown 2024, management

	Number	Percent
Men	6	100
Women	0	0
<b>Total</b>	<b>6</b>	<b>100</b>

## Gender breakdown 2024, board of directors

	Number	Percent
Men	3	50
Women	3	50
<b>Total</b>	<b>6</b>	<b>100</b>

## Age distribution 2024, all employees







# Workers in the value chain

INVISIO outsources product production to contract manufacturers. The company is thus dependent on the employees of partners and subcontractors and other external labor sources.

## Impact, risks and opportunities

Product production is outsourced to a limited number of contract manufacturers. The vast majority of production takes place in Europe. In total, INVISIO partners with about 30 tier 1 and tier 2 subcontractors that primarily manufacture products and components and deliver transport and other services. Most suppliers are located in countries with established legal frameworks that prevent and minimize adverse impacts on working conditions and human rights. Even so, INVISIO still has a responsibility as a purchaser to address potential adverse impacts on suppliers' workers.

Although the relative geographical proximity of the supply chain facilitates continuous follow-up and dialog, INVISIO has less control than if the production were carried out in-house.

The employees in INVISIO's upstream value chain are primarily industrial workers engaged in mining and materials processing, component manufacturing and product assembly. Risks exist here in respect of working conditions, pay and health and safety.

## Risks and opportunities

Deficiencies in the work environment and working conditions in the value chain can give rise to risks of delayed or postponed deliveries due to injuries, strikes or other reasons. Shortcomings in equal treatment and opportunities for all also present potential risks to INVISIO's brand and reputation that could potentially result in a financial impact. However, the risks are considered to be low due to the selection criteria applied when selecting partners and the use always of two manufacturing sites for each product.

## Governance

Labor conditions in the value chain are mainly regulated by global frameworks, local legislation and employment contracts between workers and employers. INVISIO's code of conduct for suppliers regulates the relationship with value-chain workers. At the end of 2024, the code had been signed by all major suppliers.

The code establishes guidelines that govern partnerships and is based on the UN Global Compact's 10 principles for human rights, labor, environment and anti-corruption.

The code's central principles include a requirement that contracted suppliers must endeavor to create a positive and healthy work environment that is based on equality and

## Material impacts, risks and opportunities related to workers in the value chain

	Type of impact	Value chain	Time horizon
<b>Contract terms</b> The terms of the contracts INVISIO signs in the form of deadlines, costs, requirements linked to the code of conduct, result in better or worse conditions for workers in the value chain.	Impact	Upstream	Short, medium and long term
<b>Supplier selection</b> Selection of suppliers influences INVISIO's impact, as do risks linked to workers in the value chain. Good selection leads to increased risks linked to modern slavery and negative impact on workers.	Impact/Risk	Upstream	Short, medium and long term

diversity and that safeguards employees' integrity. The code prohibits discrimination on grounds of age, sex, gender identity, religion, functional impairment, sexual orientation or ethnic background. No forms of harassment are permitted, including victimization.

Suppliers are expected to safeguard employees' freedom of expression and freedom of association and also to dissociate themselves from all forms of child and forced labor. They must also support and respect internationally declared human rights and take reasonable steps to avoid direct or indirect abuses in the supply chain.

## Strategy and actions

### Clear requirements and long-term partnerships

INVISIO's production is based on deep, long-term partnerships with suppliers of critical components and leading established contract manufacturers, with registered offices and production in Europe. Major purchases are competitive, and centralized procurement processes are carried out to increase control of suppliers and the entire purchase chain.

INVISIO's quality management system has procedures to ensure ongoing evaluations of potential and existing partners. Factors evaluated include how suppliers work to ensure the prevention of child labor, how they work proactively on health and safety and how

they ensure that there are no restrictions on labor rights. In addition, suppliers are required to have a whistleblowing channel and to commit to ensuring that whistleblowing results in no negative consequences for the individual.

**Monitoring**

All INVISIO's strategic suppliers are continuously monitored to ensure that the impact and risks associated with workers in the value chain are managed. Monitoring is risk-based and requires all strategic suppliers to carry out an annual self-assessment. In addition, audits based on risk assessments linked to specific industries, geographies and/or companies are also performed.

During the year, a self-assessment process was defined and implemented. All strategic partners carried out self-assessments, none of which prompted further action.

**Whistleblowing**

INVISIO has an external whistleblower hotline to enable workers in the value chain to anonymously report suspected non-compliance with laws or regulations on working conditions or human rights. Reports of suspected non-compliance or fraud can be made via an online form that guarantees full anonymity. The online form is available on INVISIO's website.



# Consumers and end users

INVISIO's products enable communication in extreme conditions and reduce the risk of work-related injury, not least hearing loss. Users are professionals working for defense, law enforcement and security organizations.

## Impact, risks and opportunities

INVISIO provides products and systems that contribute to a safer work environment for users. Their advantages include clear communication in environments with high noise levels, increased situational awareness, improved communication capacity and enhanced flexibility. By combining active and passive protection, the systems also prevent hearing loss and related conditions that can arise as a result of exposure to high noise levels.

Protecting end users is the foundation of INVISIO's business model. The products and systems delivered make a real contribution to a safer work environment. By combining active and passive protection, the systems also prevent hearing loss and related conditions that can arise as a result of exposure to high noise levels. Along with other factors such as price, these capabilities and attributes are usually among the most highly valued in the context of procurement processes and major purchases.

## Risks and opportunities for INVISIO

Downstream risks include the potential for personal injury due to deficiencies in quality and functionality. Opportunities include the potential to further improve the products and their features, as well as to reach more user groups that have related needs.

## Governance

### Policies affecting consumers and end-users

INVISIO's work to ensure high quality is based on internal and external regulations. The internal regulations include INVISIO's code of conduct for suppliers and the quality policy. INVISIO also follows a number of external standards regarding products as well as systems and processes. These include ISO9001:2015.

## Strategy and actions

### Continuous product development – focusing on the user

Continuous product development is one of INVISIO's core processes and key success factors. The company focuses closely on further developing and improving key product features such as communication capability, hearing protection, convenience and user-friendliness. More than a third of INVISIO's employees work in R&D. In 2020–2024, investments into R&D averaged 14 percent per year of total revenue.

## Material impacts, risks and opportunities related to consumers and end-users

	Type of impact	Value chain	Time horizon
<b>Increased use of communication systems in challenging environments</b>			
INVISIO advocates and promotes the benefits of market-leading communication systems and hearing protection, leading to increased use of the products and better protection for end users.	Impact	Downstream	Short, medium and long term
<b>Product safety</b>			
Market-leading product safety limits end-users' hearing loss. It thus increases well-being while improving INVISIO's competitiveness and thereby increasing revenue and ultimately margins. Failure to deliver market-leading technology may lead to inadequate protection for the end user, reduced well-being and poorer competitiveness, leading to lower sales and margins.	Impact/ Opportunity/ Risk	Downstream	Short, medium and long term

## Close collaboration with customers and users

R&D involves close cooperation with partners, suppliers, customers and actual users. All groups are involved at all stages of the R&D process, from requirements, specifications and design to prototype, finished product and follow-up and evaluation.

## Work based on cross-functional quality management system

Meeting customer requirements and needs is a fundamental part of the business. To ensure high quality and regulatory compliance, we

apply a cross-functional quality management system (QMS) in all processes, spanning idea generation, requirement specification, design, manufacture, delivery and aftermarket. The system is designed to ensure that customer requirements and needs are met throughout the value chain. It entails a long series of processes and procedures and covers all departments.

The QMS is certified under ISO-9001:2015. Each process is developed with the aim of ensuring that INVISIO constantly focuses on product performance, reliability, safety and compliance with regulatory product requirements. All future products follow a detailed



verification and validation plan that includes environmental test plans for temperature, humidity and similar parameters, in accordance with international standards. All critical customer and regulatory qualification tests are conducted by independent external test laboratories that are accredited for the relevant procedures.

Over and above customer-related requirements, the QMS also includes global, regional and local regulatory standards for products and their performance and safety, such as electromagnetic compatibility. Depending on the region and country, this may include CE

product labeling to comply with EU regulatory requirements. As regards hearing protection, the company's core activity, INVISIO is approved under the current relevant EN352 regulations, which require extended independent annual external audits.

The QMS constantly monitors system function. Quarterly reports are submitted to management on performance and areas requiring attention and improvement. These ensure the further development of the QMS to support INVISIO's growth and business risk management.

#### External standards INVISIO follows

Product quality		Systems and process	
Environment	Official requirements	INVISIO	Manufacturing partners
MIL-STD-810F/G/H	EU CE and UKCA marks	ISO 9001:2015 Quality Management Systems	ISO 9001:2015 Quality Management Systems
MIL-STD-882E	Module D HP Certificate	Supplier Code of Conduct (UN GC)	
	ISO 13485: Quality Management Systems (medical devices)		
MIL-STD-461G (EMC)	USA FCC & EPA (EMC & PPE)		14001: Environmental Management Systems
DEF STAN 00-035 (Part 3)	AUS/NSL RMC-mark (EMC & PPE)		
	Bluetooth and Zigbee		

#### Compliance standards and controls

INVISIO invests considerable effort and resources to implement and apply processes to ensure compliance. The Senior Vice President R&D, who is a member of the group management team, leads the quality organization, which is comprised of representatives from all parts of the company. The role also entails responsibility for compliance with the quality policy and relevant standards and regulatory requirements.

#### Targets and outcomes

During the year INVISIO worked on producing targets and key performance indicators to measure how the company improves users' safety and hearing protection. This work has not yet been completed and will continue in 2025.



# Responsible business conduct

## Impact, risks and opportunities

INVISIO's revenue sources derive primarily from procurement processes organized by municipalities, governmental organizations and central governments. Potential risks exist in respect of any crime, violation or irregularity related to corruption or poor business ethics in our own operations, or at suppliers or partners. Were such risks to be realized, they might undermine confidence in INVISIO among customers, existing and potential employees, suppliers, partners and others. Shortcomings in actions and conduct would also risk financial impact by way of additional costs, fines and lost business.

INVISIO encourages a culture where it is possible to be heard and express concern without fear of reprisals. Shortcomings in whistleblower protection can have a negative impact on individuals who make reports.

## Governance

### Business conduct policies and corporate culture

INVISIO works actively to ensure high business ethics throughout the business. A sound corporate culture is the basis for responsible business conduct and correct business ethics. Efforts to maintain and safeguard this culture are always ongoing by clearly defining our expectations and through training and internal dialog.

Activities relating to business ethics and responsibility are based on the code of

conduct, which in turn is rooted in the UN Global Compact's 10 principles on human rights, labor, environment and anti-corruption, the ILO's core conventions and the OECD Guidelines for Multinational Enterprises. The code is approved by the board of directors and is expected to be followed by all employees. Executive management and other managers are responsible for ensuring that all employees understand that they need to act in accordance with the code. INVISIO's code of conduct is reviewed with all new employees as part of our induction program.

Larger suppliers and distributors need to sign INVISIO's code of conduct for suppliers.

## Strategy and activities

### Zero tolerance of corruption and bribery

INVISIO has zero tolerance for all forms of corruption, such as extortion, fraud, bribery and anti-competitive acts. All employees have a responsibility to comply with external and internal rules and to take action if the company or its employees do not act in line with these rules.

Incidents with a bearing on business ethics, corruption and bribery must be investigated immediately, independently and objectively. All reported incidents are reviewed by an independent investigation team that is unconnected to individuals involved in the case.

### Whistleblowing service

INVISIO works systematically to prevent corruption and maintain a high level of ethics in rela-

## Material impacts, risks and opportunities related to responsible business conduct

	Type of impact	Value chain	Time horizon
<b>Corporate culture</b> The corporate culture is the foundation for ensuring that INVISIO's employees treat each other and the company's suppliers, distributors and customers well. It is also the basis for ensuring efficient and profitable partnerships in the value chain.	Impact/Opportunity	Own operations	Short, medium and long term
<b>Influence standards and requirements</b> As the market leader in hearing-protected communication, INVISIO is in a position to influence standards and requirements, thereby raising the company's competitiveness while increasing end-user protection.	Impact/Risk	Own operations	Short, medium and long term
<b>Corruption and bribery</b> A risk would arise were INVISIO to be unable to ensure compliance with laws and rules on anti-corruption and bribery. This could lead to fines and lost competitiveness, as well as negative impact on communities.	Impact/Opportunity	Own operations	Short, medium and long term

tionships with employees, suppliers, customers and others.

If employees witness behaviors that are not in line with INVISIO's codes of conduct, values and policies, they are encouraged to contact their line manager, their safety representative or the HR department. It is also possible to report cases anonymously via an external, web-based whistleblowing service, which is set up in accordance with the legal requirements of the EU whistleblowing directive.

The whistleblowing service is also available to external parties, such as suppliers and distributors, through INVISIO.com.

## Targets and outcomes

### Cases of corruption and bribery

	2024	2023	2022
Number of reported incidents	0	0	0
Number of confirmed cases of corruption	0	0	0
Number of convictions for breach of the law against corruption and bribery	0	0	0



# The INVISIO share and ownership structure

## Share capital

At the close of 2024, INVISIO AB (publ) had share capital of SEK 45,590,194, divided between 45,590,194 shares with a quotient value of SEK 1.00. Each share confers one vote and each person entitled to vote may vote at the general meeting of shareholders for the full number of shares owned and represented. All shares confer the same right to participate in the company's assets and profit. Full share capital development is presented on INVISIO's website, <https://corp.invisio.com/the-share/share-capital-development>.

## Market trading

The INVISIO share has been listed on Nasdaq Stockholm since May 29, 2015, and has been included in the Mid Cap segment since 2016. The highest closing price paid during 2024 was SEK 295.50 on December 4 and the lowest was SEK 184.20 on January 19. The closing price on December 30 was SEK 275.50, equal to a market capitalization of SEK 12.6 billion. In 2024, the per-day trading average totaled SEK 10.6 million, with an average of 459 trades executed per day. The total trading volume for the full year was SEK 2.7 billion.

## Shareholders

The number of registered shareholders at year-end was 6,146 [5,442], according to Euroclear data. The 10 largest shareholders accounted for 63.1 percent of the company's shares on the balance sheet date. Swedish and Danish ownership accounted for 34.7 and 33.5 percent respectively of the voting rights and capital.

## Proposed dividend

The INVISIO board of directors proposes to the 2025 annual general meeting that a dividend of SEK 2.30 per share (1.30) be distributed for 2024. According to the dividend policy adopted by the board, dividends must take account of INVISIO's long-term growth and earnings trend as well as

capital needs and financial targets. The target is for the dividend over time to amount to 25 to 50 percent of profit after tax.

## Employee stock option program

The 2022 and 2023 annual general meetings resolved to offer employees an incentive program based on stock options – the employee stock option programs 2022/2025 and 2023/2026. The programs are for all group employees. To ensure the availability of INVISIO shares for the programs, stock options were issued for the wholly-owned Danish subsidiary INVISIO A/S. During the year no employee stock option program expired. The development of INVISIO's share capital is described at <https://corp.invisio.com/the-share/share-capital-development>.

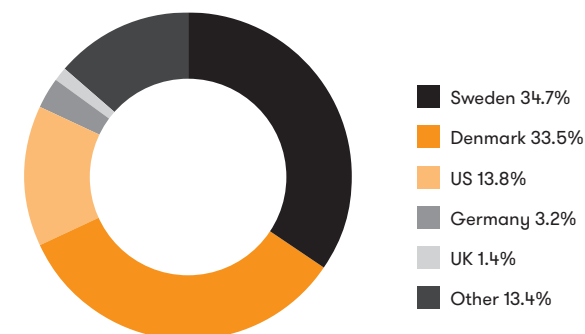
See Note 7 for further information.

## INVISIO's 10 largest shareholders as at December 31, 2024

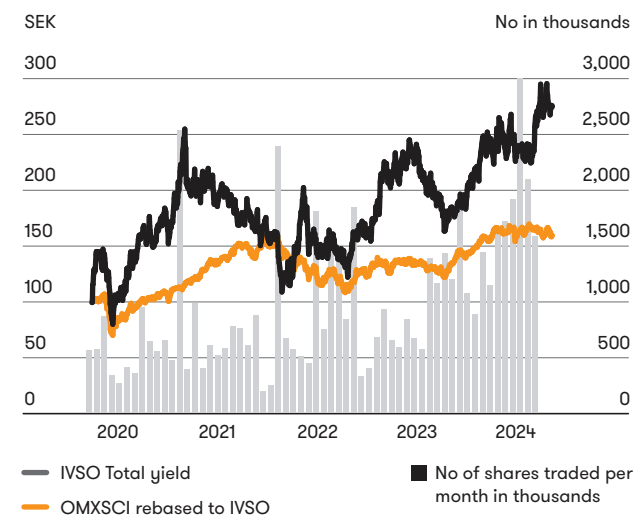
Owner	Number of shares	Percentage of votes and capital
William Demant Fonden	8,067,620	17.7%
Swedbank Robur Fonder	4,346,437	9.5%
SEB Investment Management	4,305,950	9.4%
Arbejdsmarkedets Tillaegspension (ATP)	2,653,000	5.8%
Capital Group	1,794,697	3.9%
Handelsbanken Fonder	1,782,100	3.9%
C WorldWide Asset Management	1,585,333	3.5%
Vanguard	1,557,816	3.4%
Novo Holdings A/S	1,432,816	3.1%
Fidelity Investments (FMR)	1,261,389	2.8%
<b>Total</b>	<b>28,787,158</b>	<b>63.1</b>

Source: Compiled and processed data from Modular Finance Holding and Nasdaq Stockholm.

## Ownership by country

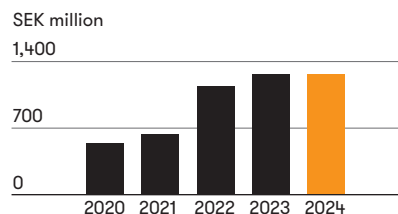


## Share price and trading 2020–2024



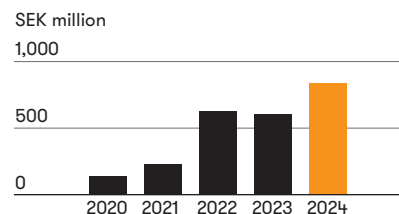
# Explanation of central key figures

## Order intake



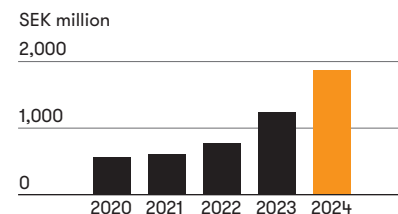
- Order intake consists only of confirmed orders.
- Order intake can fluctuate between quarters and the company's development should therefore be evaluated over a longer time perspective than any single quarter.
- Since the tendency is for customers to prefer to place more medium-sized orders instead of one large order, fluctuations in order intake between individual quarters have decreased somewhat.

## Order book



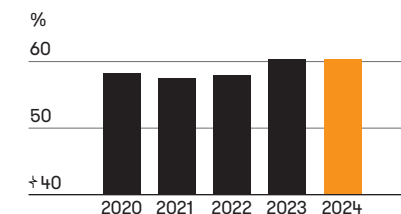
- The order book contains only confirmed orders that are as yet undelivered.
- INVISIO branded products are usually delivered within two to six months. For Racial Acoustics solutions, it is not uncommon for an initial part-delivery to be made within six months followed by subsequent deliveries after one to three years.

## Revenue



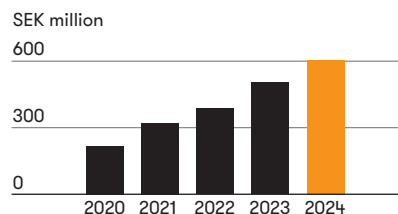
- Revenue follows a more even path than order intake, reflecting improved forecasting and production and delivery planning.
- The target is to increase average annual revenue by at least 20 percent per year. In 2020–2024 average annual revenue increased by 28 percent (CAGR). Two years of the covid pandemic had a negative effect on revenue.

## Gross margin



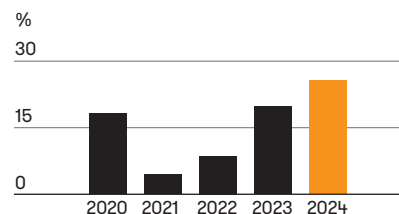
- Central drivers of the gross margin are the product mix and the ratio of direct sales to sales through distribution partners.
- Sales through distribution partners and products from third parties tend to have a slightly lower gross margin.

## Operating expenses



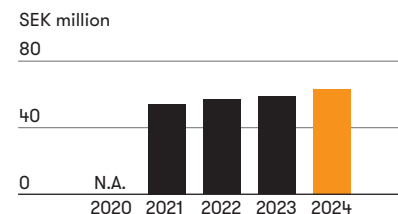
- Operating expenses comprise the costs of selling, marketing, administration and R&D.
- Personnel costs account for a significant proportion of operating expenses. For that reason, total costs are slow to change when sales grow, which means that increased sales have a direct impact on the operating margin.

## Operating margin



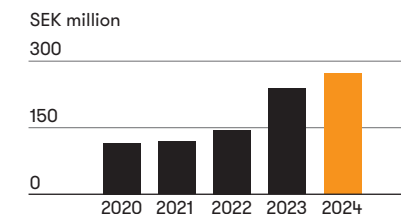
- The operating margin is highly dependent on revenue size, as the development of cost of goods sold is in direct relation to revenue, while operating expenses tend to have a flatter curve.
- The operating margin should exceed 15 percent over time. For 2020–2024 the average margin was 14.5 percent, despite two years of lower profitability due to the covid pandemic.

## Goodwill



- Goodwill arose in connection with the acquisition of Racial Acoustics in 2021.
- Impairment testing is performed annually. An impairment loss is recognized when there is an indication that the value of an asset has decreased. No impairment loss has been recognized since the acquisition of Racial Acoustics. Hence, impairment has had no effect on financial performance.

## Inventories



- The inventory level has risen in recent years as a direct result of management's strategy. A large inventory gives a competitive advantage because it enables fast deliveries.
- The cost of maintaining the inventory is limited because the stock consists of standard products with a long life. The degree of obsolescence is normally very low.

# Corporate governance report

INVISIO AB (publ.) ("INVISIO") is a Swedish public limited liability company with its registered office in Stockholm. In addition to the parent company, the group consists of the wholly-owned subsidiaries INVISIO A/S (Denmark), INVISIO Communications SAS (France), INVISIO Communications Inc (USA), INVISIO Srl (Italy), Nextlink IPR AB, Nextlink Patent AB, Racal Acoustics Inc. (USA) and Racal Acoustics Ltd (UK). The group's head office is in Copenhagen. INVISIO has applied the Swedish Code of Corporate Governance ("the code") since the group's shares began trading in May 2015 and reports no deviations from the code for 2024.

## Principles for corporate governance

Governance of the company and group is based on the articles of association, the Swedish Companies Act, the Nasdaq Stockholm Rule Book for Issuers and the code, as well as internal regulations and policies.

This corporate governance report is prepared as a separate document from the formal annual report. The responsibility for governance and control of the INVISIO group is divided between the shareholders at the annual general meeting of shareholders, the board of directors and the CEO. An overview of the group's organization, governance and control, including external and internal policy instruments, is shown in the illustration on the right.

## Shareholders

### Voting rights

The INVISIO share has been listed on Nasdaq Stockholm since May 2015. The company's share capital at December 31, 2024, was SEK 45,590,194 (45,590,194), divided into 45,590,194 shares (45,590,194), each with a quotient value of 1.00.

All shares have equal voting rights and there is no limit to the number of votes each shareholder may use at an annual general meeting.

## Ownership structure

As at December 31, 2024, INVISIO had 6,146 shareholders (5,442). The total holding of William Demant Fonden was 17.7 percent of the capital and votes. No other shareholder's holding exceeded 10 percent.

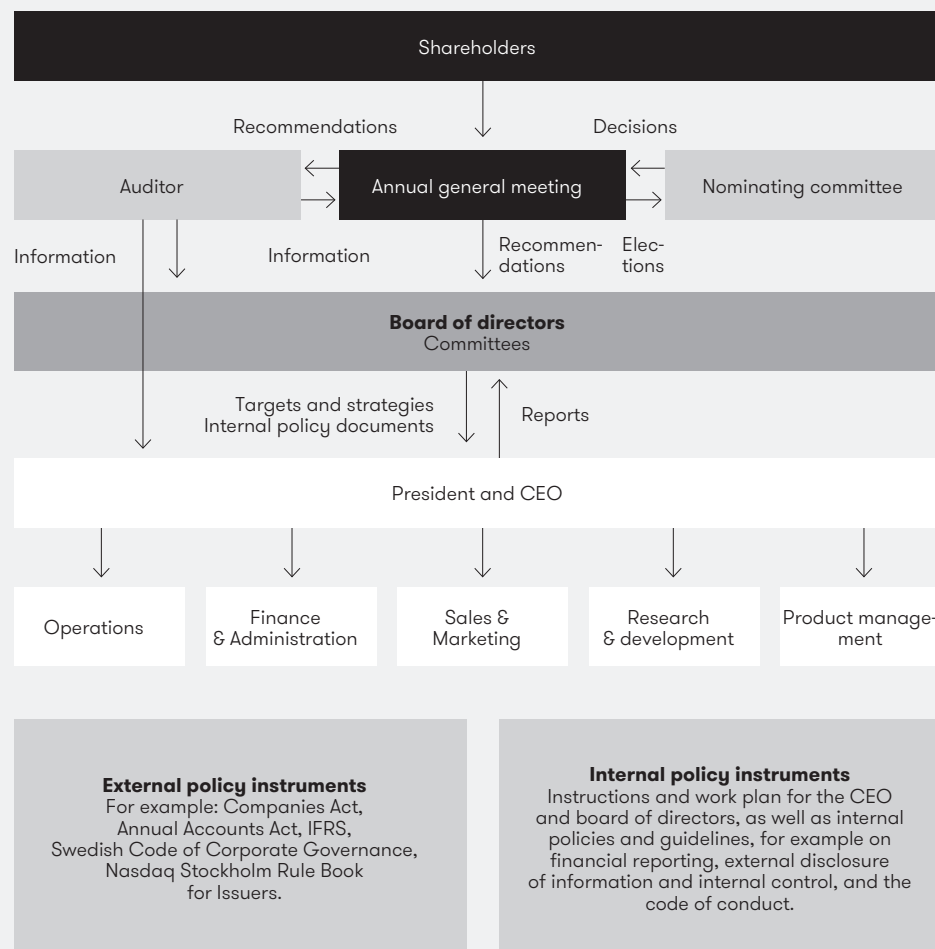
## Annual general meeting

The annual general meeting (AGM) is the company's highest decision-making body. The AGM must be held within six months of the close of the fiscal year and is usually held in April or May in Stockholm. At the AGM, resolutions are adopted concerning: adoption of the company's income statement and balance sheet; appropriation of the company's profit or loss; discharge of the directors and CEO from liability to the company; the election of directors, the board chair and auditor; the setting of board and auditors' fees; and other items of business that are incumbent upon the AGM pursuant to the Swedish Companies Act, INVISIO's articles of association or the code. An extraordinary general meeting of shareholders will be held where the board finds reason to do so in accordance with the Swedish Companies Act. The articles of association do not contain any special provisions concerning amendment of the articles by the general meeting of shareholders.

## AGM 2024

The AGM for the 2024 fiscal year was held on May 7, 2024. Participating shareholders and proxies represented 32,004,746 shares, corresponding

## Overview of corporate governance at INVISIO





to 70 percent of the total number of shares and votes. A number of the resolutions that were passed are set out below.

- The AGM adopted the income statement and balance sheet included in the annual report and resolved in accordance with the board's proposed appropriation of earnings and granted discharge from liability to the directors and the CEO.
- The AGM resolved to re-elect Annika Andersson, Martin Krupicka, Ulrika Hagdahl, Niklas Hansen, Charlott Samuelsson and Hannu Saastamoinen as directors. Annika Andersson was reelected as Chair of the Board of Directors.
- The AGM voted in accordance with the nominating committee's proposed board fee. For more information, please refer to "Remuneration of the board and committees," presented below.
- The AGM resolved in accordance with the board's proposal on guidelines for remuneration to the CEO and other senior executives as presented on pages 52–53.
- The AGM resolved to authorize the board to issue shares corresponding to a maximum dilution of 10 percent, with a view to the possible raising of capital for expansion, investment and company acquisitions.

The AGM minutes can be found on the INVISIO website <https://corp.invisio.com/corporate-governance/annual-general-meeting>.

#### Nominating committee for the 2025 AGM

Director	Representing	Voting share, % <sup>1)</sup>
Elisabet Jamal	SEB Investment	9.3
Bergström (chair)	Management	
Casper Lorenzen	William Demant Invest	17.7
Jesper Birch-Jensen	Swedbank Robur Fonder	9.7
Annika Andersson	Member by virtue of being board chair	Not applicable

1) Source: Modular Finance, December 31, 2024.

The AGM for the 2024 fiscal year will be held in Stockholm on May 6, 2025, at 16:00.

#### Nominating committee

The main function of the nominating committee is to present proposals to the AGM on the composition of the board, for approval by the AGM. The work of the nominating committee starts by studying the evaluation of the board's work as commissioned by the board. The nominating committee then nominates directors and chair for the coming mandate period. Furthermore, the nominating committee presents proposals for the election of auditor and remuneration to the board and auditors.

#### Composition of the nominating committee

According to a resolution of the 2020 AGM, the nominating committee is to be appointed for the period until a new nominating committee has been appointed, for drafting and presentation of recommendations to the shareholders at the AGM regarding:

- chair of the AGM;
- number of directors;
- election of directors and board chair;
- remuneration of the board chair, directors and committee members;
- election of auditor;
- remuneration of the auditor; and
- other matters that may be incumbent on a nominating committee pursuant to the code.

The nominating committee is to consist of four members and be tasked as follows: INVISIO's nominating committee is to safeguard all shareholders' interests and ensure professional preparation of a number of matters that are important for the company's board work that are resolved by the general meeting of shareholders.

Three nominating committee members are normally to be appointed by the company's three largest shareholders. The fourth is the board chair. Prior to the AGM, the board chair must contact the three largest shareholders, based on shareholder data as at August 31, and call a first meeting of the nominating committee at the latest seven months before the AGM.

If any of the largest shareholders decline to appoint a member to the nominating committee, the board chair is to invite the shareholder next in size to appoint a member. The analysis of ownership is to be based on Euroclear's list of registered shareholders and on any other circumstances that are known to the board chair. In the event that a member voluntarily resigns from the nominating committee, the shareholder that appointed the outgoing member must appoint a successor, provided that the ownership structure has not materially changed.

If the ownership structure of the company has materially changed, the nominating committee can decide to change its composition so that the committee reflects the ownership of the company appropriately. Even if changes are made to the company's ownership structure, no changes need to be made to the composition of the nominating committee if the changes are minor or if a change occurs less than three months before the AGM, unless such changes are justified by special circumstances.

The member representing the largest shareholder by voting power is the chair of the nominating committee, unless otherwise agreed by the members. However, neither the board chair nor another director may chair the nominating committee.

The nominating committee is encouraged to contact large shareholders that have not appointed a member to the nominating committee as well as representatives of small shareholders to ascertain their views on matters pertaining to the nominating committee.

The nominating committee's terms of reference apply until a future general meeting of shareholders resolves to amend them.

The members of the nominating committee and the shareholders appointing them are presented in the adjacent table. In 2024 the nominating committee held three meetings and maintained contacts between meetings.

#### Remuneration of the nominating committee

No remuneration is payable to nominating committee members. However, the nominating committee has the right to charge the company reasonable costs for engaging recruitment consultants, if such consultants are deemed necessary to obtain a suitable selection of board candidates.

#### Board of directors

The board of directors is responsible for INVISIO's organization and for the management of the company's affairs.

#### Composition of the board of directors

In accordance with the articles of association, INVISIO's board of directors is to consist of a minimum of three and a maximum of eight members. The directors represent a group with technical, commercial and economic knowledge and with experience of business development, growth, sustainability and internationalization. They are well suited to their role and focused on conducting business sustainably in all respects.

The company applies rule 4.1 of the code as its diversity policy. The rule states that the composition of the board of directors must demonstrate diversity and breadth of qualifications, experience and background. Further, the company is to strive for gender balance. The board of directors has three female and three male directors, which, in the nominating committee's opinion, is compatible with the gender balance requirement. For further information on the directors, refer to pages 54–55.

The articles of association do not include any particular provisions on appointment or dismissal of directors.

#### Independence of the board

The board's composition meets the code's requirements on independent members. The independence assessments for each member are presented on pages 54–55.

#### The board's work plan

The board follows an annual work plan. This is adopted at the first board meeting and thereafter updated as necessary. The work plan describes the responsibilities and duties of the board and its committees and the internal division of duties and working methods, including that between the board and the CEO. The current work plan was adopted on May 7, 2024.

#### The work of the board

Under the adopted work plan, the board must meet at least six times per year in addition to the first board meeting.

In 2024 the board held 10 meetings, including the inaugural meeting. Directors' attendance is shown in the table below.

Standing items at board meetings are business conditions, financial conditions and performance monitoring. Important matters during the year included business objectives, strategic focus, R&D initiatives and organization, and acquisitions.

The CEO and CFO participate regularly in board meetings. Other senior executives attend board meetings as presenters, if necessary. The presenter at board meetings is normally the CEO. The secretary is the CFO.

#### Evaluation of the work of the board

For 2024, the evaluation took place partly through a questionnaire that was compiled by an independent party, and partly through separate interviews with all directors, conducted by the nominating committee. These interviews were performed by Elisabet Jamal Bergström, representing SEB Investment Management, Jesper Borch-Jensen, representing Swedbank Robur Fonder, and Casper Lorentzen, representing William Demant Invest.

#### Directors' attendance at board meetings

Director	Attendance
Annika Andersson, chair	10
Ulrika Hagdahl	10
Nicklas Hansen	10
Martin Krupicka	9
Hannu Saastamoinen	9
Charlott Samuelsson	10

#### Committees

##### Audit committee

The first board meeting after the 2024 AGM resolved that the audit committee would consist of a maximum of three directors.

The committee is to meet as necessary, though at least three times per calendar year. Meetings are to be minuted. The following board members were elected to the audit committee: Annika Andersson, Nicklas Hansen and Ulrika Hagdahl (Committee Chair). The duties and responsibility of the audit committee include:

- monitoring the company's financial reporting and submitting recommendations and proposals to ensure reporting reliability;
- monitoring the effectiveness of the company's internal control and risk management regarding financial reporting;
- staying informed about the audit of the annual accounts and the consolidated accounts, as well as the conclusions of the Supervisory Board of Public Accountants' quality control;
- being able to report how the audit contributed to the reliability of financial reporting;
- examining and monitoring the external auditor's impartiality and independence, paying particular attention to whether the external auditor provides the company with services other than auditing; and
- assisting with the preparation of proposals for the AGM resolution on the election of auditor.

For a new election of auditor, the committee's recommendation must include at least two alternatives for the audit engagement, and the committee must give reasons for its preferred alternative. In its recommendation, the committee must base its reasoning on the results of the compulsory selection procedure arranged by the company in line with the committee's responsibilities.

##### Remuneration committee

The board at its first meeting after the 2024 AGM appointed a remuneration committee consisting of Annika Andersson (committee chair) and Hannu Saastamoinen. The remuneration committee's duties and responsibilities include preparing matters for board decisions on issues related to remuneration principles, remuneration and other terms of employment for company management, and following and evaluating programs (both current and those completed during the year) for variable remuneration for company management, following and evaluating the application of the guidelines for remuneration of senior executives (which by law must be determined by the AGM) and of remuneration structures and remuneration levels at the company. In 2024, the remuneration committee met three times and in addition maintained contact between meetings. All members participated in these meetings.

##### Cybersecurity committee

In 2022 the board decided to establish a cybersecurity committee, consisting of Charlott Samuelsson (committee chair), Annika Andersson and Ulrika Hagdahl. The duties and responsibilities of the committee include:

- monitoring the company's IT security work; and
- monitoring the efficiency of the company's security work and IT risk management.

In addition, the committee is tasked with working to make cybersecurity risks a part of strategic decision-making and a priority in business operations, and to raise awareness and understanding of cybersecurity issues among directors.

The cybersecurity committee consists of a maximum of three directors, who appoint a chair. The committee is required to meet as necessary, but no less than three times per calendar year. During the period, three meetings were held and were all minuted.

##### Remuneration of the board and committees

The 2024 AGM resolved that board fees totaling SEK 750,000 would be paid to the board chair and SEK 300,000 to each of the other directors. In addition, a fee of SEK 145,000 is payable to the chair of the audit committee and SEK 63,000 to the chair of the remuneration committee and SEK 63,000 each to a maximum of two members of the audit committee and SEK 42,000 to one member of the remuneration committee. The cybersecurity committee chair receives remuneration of SEK 63,000, the other two members SEK 42,000 each. Remuneration of directors is described in more detail in Note 8.

##### Auditor

INVISIO's auditor audits the annual report, consolidated accounts and bookkeeping, as well as the administration of the board and CEO. The auditor works according to an audit plan and reports any findings to the audit committee at audit meetings and board meetings. At the AGM, the auditor presents the auditor's report, which describes the audit work and the auditor's conclusions. Apart from this, the auditor also normally participates in three audit committee meetings and one board meeting during the autumn and one in the spring. On behalf of the

board the auditor also reviewed the interim report for January–September 2024.

The company's audit firm, PricewaterhouseCoopers AB, was reelected at the 2024 AGM for the period until 2025. The auditor in charge is authorized public accountant Johan Rönnbäck.

##### Remuneration of the auditor

The 2024 AGM resolved that the fee to the auditor would be payable in accordance with an approved invoice. Remuneration of the auditors is described in more detail in Note 6.

##### President/CEO and management

The President/CEO is responsible for the day-to-day administration of INVISIO in accordance with the board's guidelines and instructions. The current instruction to the CEO was adopted by the board on May 7, 2024. The CEO prepares information and decision-making documentation for the board meetings.

The CEO is assisted by a group management team consisting of the heads of the company's functions: Finance & Administration, Marketing & Sales, Research & Development, Product Management, and Operations. All members of the management team are based at INVISIO's headquarters in Copenhagen, apart from the SVP Sales North America, who works in the US. Management holds weekly meetings at which operational issues are discussed. A more detailed presentation of the CEO and the management team is given on pages 56–57.

##### Remuneration to the CEO and other senior executives

The 2024 AGM resolved in accordance with the board's proposal to adopt the following guidelines for remuneration to the CEO and other senior executives, valid until further notice, though not beyond the 2028 AGM.

INVISIO'S ability to recruit and retain talented employees hinges on successful implementation of the company's business strategy and the safeguarding of the company's long-term interest and sustainability.

The group therefore endeavors to offer total remuneration that enables it to attract and retain senior executives.

Remuneration of senior executives, both in the short and long term, must be based on the individual's performance and responsibility, as well as the profitability of INVISIO and its subsidiaries. The interests and rewards of senior executives must also be linked to those of shareholders.

Variable cash remuneration covered by these guidelines must aim to promote the company's business strategy and long-term interests, including its sustainability. Remuneration of senior executives may consist of:

- fixed salary;
- short-term variable remuneration;
- the possibility to participate in long-term share or share-price related incentive programs; and
- pension and other benefits.

Senior executives' fixed salaries are revised annually and must be competitive and based on the individual's skills, responsibilities and performance.

Variable cash remuneration is to be based on how well the targets set for the respective areas of responsibility and for INVISIO and its subsidiaries have been met. The outcome is to be linked to measurable targets (qualitative, quantitative, general and individual). The target components, weightings and levels may vary from year to year to reflect business priorities. They generally balance the group's financial targets and non-financial targets (for example, operational, strategic, environmental, social or other sustainability-related targets). The measurement period for variable remuneration is based as a rule on performance over a period of about 12 months.

The targets within the senior executives' respective areas of responsibility aim to promote INVISIO's short- and long-term development. When the measurement period for meeting the criteria for payment of variable cash remuneration has ended, a decision is to be made on the extent to which the criteria have been fulfilled.

The remuneration committee is responsible for the assessment concerning variable cash remuneration to senior executives. The board of directors has the right to disregard the fulfillment of the criteria and adjust payment of variable remuneration upwards or downwards on the basis of actual progress during the year. Additional variable cash remuneration

may be payable in extraordinary circumstances, provided that such arrangements are made solely at individual level as remuneration for extraordinary work input over and above the individual's ordinary duties. Total variable remuneration may not exceed 60 percent of fixed salary nor be used as a basis for calculation of pension or vacation pay, to the extent permitted by applicable law.

Remuneration of the CEO and other senior executives is described in more detail in Notes 7 and 8, in the administration report and in the remuneration report.

#### Long-term incentive program

The 2022 and 2023 AGMs resolved, in accordance with a proposal by the board of directors, to establish employee stock option programs 2022/2025 and 2023/2026. The programs are described further in Note 7.

#### Severance periods

According to his employment contract, the CEO has a 12-month severance period in the event of termination by the company. The severance period in the event of termination by the CEO is eight months.

According to their respective employment contracts, other senior executives have a six-month severance period in the event of termination by the company. In the event that a senior executive issues termination, the severance period is three months.

#### Internal control and risk management referring to financial reporting

Internal control and risk management in respect of financial reporting is a central component of INVISIO's corporate governance. The objective is to provide reasonable assurance concerning the reliability of interim reports, year-end reports and annual reports and to ensure that these reports are prepared in accordance with applicable laws, accounting standards and other rules.

INVISIO bases risk management and internal control on the Internal Control – Integrated Framework issued in 2013 by the Committee of the Sponsoring Organizations of the Treadway Commission (COSO). According to COSO, internal control is a

process with the following components: control environment; risk assessment; control activities; information; and communication and monitoring.

#### Control environment

The control environment forms the basis of internal control and risk assessment within INVISIO and consists of the values and culture communicated and acted on by the board and management, as well as the company's organizational structure, leadership, authority, decision-making channels, and its employees' expertise. This includes several internal policy documents, which have been adopted by the board. An overview of the company's organization, governance and control, including external and internal policy instruments, can be found on page 50.

The board of directors has overall responsibility for internal control and reporting and is tasked with monitoring INVISIO's financial reporting and the effectiveness of this process. See the previous page under "Audit committee" for more information.

#### Risk assessment

The board delegates operational responsibility for risk assessment and internal control to management. INVISIO's management group conducts annual systematic risk assessments. This involves assessing the risks that are removed or added, as well as selecting prioritized processes. Process descriptions are prepared as decision-making data for the board. They include information on the purpose, risks, controls and effectiveness of the process. The company's risk management is described further in the administration report and in Note 2.

#### Control activities

In accordance with the internal control policy, the CFO is responsible for coordination, management and follow-up of internal control, including financial reporting. The CFO, together with the accounting department and others, ensures that process descriptions and internal frameworks are prepared and is responsible for reporting on the progress of internal control and risk management to the board and the audit committee.

To ensure good internal control in financial reporting, the company has established control

activities for each main process, aimed at preventing, discovering and correcting errors and non-compliance. Among the areas of control are approval of business transactions, business-system reliability, compliance with laws and other requirements for listed companies, segregation of duties, application of accounting standards, and other areas that include material elements of assessment.

#### Information and communication

The board of directors has an information policy for external communications to ensure that the market receives relevant, reliable, correct and current information on the company's development and financial position. The board also has an insider policy to safeguard the integrity of disclosures.

The company's internal policy instruments in the form of policies, guidelines and manuals for internal and external communication are regularly updated and communicated internally via relevant channels, such as intranet, internal meetings, email and the company's document management system.

#### Monitoring

The CFO has the operational responsibility for monitoring risk management and internal control with respect to financial reporting. This includes monitoring monthly financial reports against targets and plans, monitoring the CEO's business reports to the board and monitoring reports from the company's auditor. In addition, the main processes and associated control activities are regularly evaluated to ensure adequacy and effectiveness. The results are reported to the board and the audit committee.

INVISIO does not have a dedicated internal audit function. The board of directors has evaluated the need for this function and concluded that it is not warranted by the size of the organization and the scope of its activities.



## Board of directors



### **Annika Andersson**

Chair of the Board since 2019

Member since 2014

Year of birth: 1958

Annika Andersson is a professional board director. She has longstanding experience of the financial industry, including from the Fourth Swedish National Pension Fund where she worked as portfolio manager and held responsibility for shareholder issues, information and sustainability.

### **Other engagements**

Board chair of Sequitor Engineering AB and director of the First Swedish National Pension Fund.

### **Education**

MSc Business Administration and Economics, Stockholm School of Economics.

### **Holding<sup>1)</sup>**

24,500 shares.

### **Independence**

Independent in relation to the company, its management and major shareholders.

Member of the audit committee and cybersecurity committee and chair of the remuneration committee.

1) Source: Modular Finance, INVISIO, December 31, 2024



### **Ulrika Hagdahl**

Director since 2018

Year of birth: 1962

Ulrika Hagdahl previously built up and successfully ran Orc Software, where she held the position of CEO among other roles from 1990 to 2000.

### **Other engagements**

Member of the board of Resolution Games AB and AB Idre Golf Ski & Spa.

### **Education**

MSc (Engineering), Royal Institute of Technology, Stockholm.

### **Holding<sup>1)</sup>**

3,400 shares.

### **Independence**

Independent in relation to the company, its management and major shareholders.

Chair of the audit committee and member of the cybersecurity committee.



### **Nicklas Hansen**

Member since 2023

Year of birth: 1986

Nicklas Hansen works as chief investment officer at William Demant Invest A/S.

### **Other engagements**

Director of Jeudan A/S and board observer at Vision RT Ltd.

### **Education**

MSc Finance and Accounting, Copenhagen Business School.

### **Holding<sup>1)</sup>**

0 shares

### **Independence**

Independent in relation to the company and its management. William Demant Invest A/S owned a total of 17.7 percent of the shares in INVISIO at the close of 2024. Nicklas Hansen is investment director at William Demant Invest A/S and is thus not independent in relation to one of the company's major shareholders.

Member of the audit committee.



### Martin Krupicka

Director since 2018

Year of birth: 1973

Since 2009 Martin Krupicka has been CEO of Brokk Group, part of Lifco AB. He has previously worked on company strategy and mobile services at Microsoft in the US and as a management consultant at Connecta and Accenture.

#### Other engagements

CEO of Brokk Group. Chair of board of Ahlberg Cameras AB, Aquajet Systems AB and Darda GmbH.

#### Education

MSc (Engineering) Linköping Institute of Technology, MBA Harvard Business School.

#### Holding<sup>1)</sup>

500 shares.

#### Independence

Independent in relation to the company, its management and major shareholders.

<sup>1)</sup> Source: Modular Finance, INVISIO, December 31, 2024



### Hannu Saastamoinen

Director since 2022

Year of birth: 1960

Hannu Saastamoinen is a professional board director and works as a senior advisor at Investment AB Latour in Finland. From 2013 to 2020 he was CEO of Swegon Group. Before that, he held leading positions at Munters, Huurre Group, TAC Svenska, United Technologies Carrier Corp and Electrolux, among others.

#### Other engagements

Chair of board of K. Hartwall Oy and MTC Flextex Oy. Director of Nordic Waterproofing Holding AB, Oy VEHO AB, M&G Group B.V., Rototec Group AB and Bemsig AB.

#### Education

Master's degree from Helsinki School of Economics.

#### Holding<sup>1)</sup>

1,500 shares.

#### Independence

Independent in relation to the company, its management and major shareholders.

Member of the remuneration committee



### Charlott Samuelsson

Director since 2019

Year of birth: 1963

Charlott Samuelsson is senior vice president and head of the Pattern Generator business area at Mycronic AB, a company where she has held various leading positions since 2000.

#### Other engagements

**Education** MSc (Engineering) Chalmers University of Technology.

**Holding<sup>1)</sup>** 4,000 shares.

**Independence:** Independent in relation to the company, its management and major shareholders.

Chair of the cybersecurity committee.

#### Auditor

PricewaterhouseCoopers AB

### Johan Rönnbäck

Authorized Public Accountant

INVISIO's auditor since 2024

# Management

**Lars Højgård Hansen**

*President and Chief Executive Officer since 2007*

Hired: 2006

Year of birth: 1963

Lars Højgård Hansen has longstanding experience of international sales and marketing, mainly in technology companies and has previously held several leading marketing positions at Sony Ericsson Group and GN.

**Education:** Graduate Diploma (HD) Copenhagen Business School, Executive MBA Lund University School of Economics and Management.

**Holding<sup>1)</sup>:** 365,000 shares and 48,000 options.

**Thomas Larsson**

*CFO*

Hired: 2012

Year of birth: 1964

Thomas Larsson has extensive experience of various financial and accounting roles both at listed and private companies, including Pharmacia and Doro Nordic, in different development phases. His most recent role was CFO of Systemtextgruppen.

**Education:** MSc (Business Administration) Växjö University.

**Holding<sup>1)</sup>:** 245,638 shares and 24,000 options.

**Carsten Aagesen**

*SVP Global Sales & Marketing*

Hired: 2007

Year of birth: 1968

Carsten Aagesen has wide-ranging experience of international sales and marketing from leading positions at GN and Apple, among others. His previous roles include marketing director at GN's mobile division and marketing manager at Apple Nordic & Benelux.

**Education:** Cand.merc. (MSc in Economics and Business Administration) Marketing and Strategic Management, Copenhagen Business School.

**Holding<sup>1)</sup>:** 7,000 shares and 24,000 options.

1) Source: Modular Finance, INVISIO, December 31, 2024



**Joakim Birgersson***SVP Operations*

Hired: 2018

Year of birth: 1964

Joakim Birgersson has many years' experience of the safety and hearing protection industry and has held leading positions in small and large manufacturing companies, such as Sordin and Peltor. His most recent position was corporate vice president and general manager Europe at MSA Safety.

**Education:** Mechanical engineer. University studies. Diploma in Marketing.

**Holding<sup>1)</sup>:** 25,000 shares and 24,000 options.

**Ray Clarke***SVP Sales North America*

Hired: 2017

Year of birth: 1961

Ray Clarke has many years of experience in the defense and security sector, where he has held various leading positions. He has led global sales, marketing and business development teams in technology-intensive companies such as Draeger, Mine Safety Appliances and Revision Military.

**Education:** BSc, West Virginia University.

**Holding<sup>1)</sup>:** 5,000 shares and 24,000 options.

**Jan Larsen***SVP R&D*

Hired: 2007

Year of birth: 1962

Jan Larsen has broad experience of product development for various types of hearing and acoustics applications and has held a number of leading positions in R&D at GN, Oticon A/S, Bernafon AG, UnoMedical A/S and Ortofon A/S.

**Education:** Electrical engineer with Diploma degree, Technical University of Denmark, Copenhagen, and Graduate Diploma (HD-O) Copenhagen Business School.

**Holding<sup>1)</sup>:** 49,255 shares and 24,000 options.

1) Source: Modular Finance, INVISIO, December 31, 2024

## Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders of INVISIO AB (publ),  
corporate identity number 556651-0987

### Engagement and responsibility

It is the board of directors that is responsible for the corporate governance statement for the year 2024 on pages 50–57 and that the statement has been prepared in accordance with the Annual Accounts Act.

### The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

### Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Malmö, April 4, 2025  
PricewaterhouseCoopers AB

Johan Rönnbäck  
Authorized Public Accountant

## Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in INVISIO AB (publ),  
Corporate Identity Number 556651-0987

### Engagement and responsibility

It is the board of directors that is responsible for the statutory sustainability report for the year 2024 on pages 27–47 and that the report has been prepared in accordance with the Annual Accounts Act.

### The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

### Opinion

A statutory sustainability report has been prepared.

Malmö, April 4, 2025  
PricewaterhouseCoopers AB

Johan Rönnbäck

# Remuneration report

## Introduction

This remuneration report gives an account of how the guidelines for senior executives' remuneration adopted by the 2024 AGM were implemented in 2024. The report also gives an account of details of remuneration to the CEO and contains a summary of INVISIO's outstanding incentive programs. The report was prepared in accordance with the Swedish Companies Act (2005:551) and the Swedish Code of Corporate Governance.

Further information on remuneration of senior executives required under chapter 5, sections 40–44 of the Annual Accounts Act (1995:1554) can be found in Note 8. For more information about the work of the remuneration committee in 2024, refer to the corporate governance report.

Remuneration of the board of directors is not covered by this report. That remuneration is decided annually by the AGM and is reported in Note 8.

## Development of the company

The development of the company and significant events for the year are described in the CEO's presentation on pages 4–5.

## INVISIO's remuneration principles and application of guidelines in 2024

The company's ability to recruit and retain qualified personnel hinges on successful implementation of INVISIO's business strategy and the safeguarding of the company's long-term interests and sustainability. For this purpose INVISIO needs to offer competitive total remuneration. The company's guidelines for remuneration make it possible to offer senior executives such remuneration. Under the guidelines, remuneration to the CEO and other senior executives must be competitive and based on the individual's expertise, responsibilities and performance and may consist of the following components: fixed salary; short-term variable cash remuneration; the opportunity to partici-

pate in long-term share-price related incentive programs; and pension and other benefits. The variable cash remuneration is to be based on how well the targets for the respective senior executive's areas of responsibility and for INVISIO and its subsidiaries are met. The outcome is to be linked to measurable targets (qualitative, quantitative, general and individual). The target components, weightings and levels may vary from year to year to reflect business priorities and they generally balance the group's financial targets and non-financial targets [for example, operational, strategic, environmental, social or other sustainability-related targets].

The guidelines can be found on pages 86–87. The remuneration guidelines, adopted unanimously by the 2024 AGM, have been fully complied with. No deviations from the guidelines have been approved, no remuneration has been repaid, and no exceptions to the guidelines' procedures have been applied. The

auditor's statement on compliance with the guidelines is available on INVISIO's website.

## Option programs

The 2022 and 2023 AGMs resolved, in accordance with a proposal by the board of directors, to establish an employee stock option program 2022/2025, and an employee stock option program 2023/2026. The programs were issued without charge to the beneficiary. The right to subscribe for shares in INVISIO under the provisions of the employee options (through stock options) is exercised at a price corresponding to the average INVISIO share price in a given measurement period. All employees of the company and its subsidiaries are included in the programs.

The purpose of the employee stock option programs is to link remuneration of employees, including the CEO, to INVISIO's long-term performance and value creation for shareholders and in that way connect the long-term incentives of the employees and CEO to shareholder interests.

For all employee stock options to entitle the holder to acquire INVISIO shares it is a requirement that the holder be employed throughout the vesting period and that the share price for INVISIO exceeds SIXPRX by 20 percentage points. If the INVISIO share price exceeds SIXPRX by 10 percentage points, half of the employee stock options will confer entitlement to acquire shares in INVISIO. If the INVISIO

## Total remuneration to the CEO

2024, SEK million	Fixed salary	Other benefits <sup>1)</sup>	Variable remuneration	Pension	Total remuneration	Percentage fixed/variable remuneration (%)
Lars H. Hansen, CEO	4.8	0.0	2.9	0.1	7.8	63/37
<b>Total</b>	<b>4.8</b>	<b>0.0</b>	<b>2.9</b>	<b>0.1</b>	<b>7.8</b>	

<sup>1)</sup> Refers to health insurance and mobile telephony.

share price exceeds SIXPRX by more than 10 but less than 20 percentage points, the stock options will entitle the holder to acquire shares in INVISIO on a linear basis between 50 and 100 percent. If the INVISIO share price does not exceed SIXPRX by 10 percentage points, all stock options will lapse. For more information on the option programs refer to Note 7.

### Performance criteria

The CEO's annual variable cash remuneration is based on how well targets have been met. The targets aim to promote INVISIO's short- and long-term development. The measurement period for variable remuneration is based as a principal rule on performance over a period of 12 months. Annual variable remuneration may not exceed 60 percent of the fixed salary or be used as a basis for calculation of pension or vacation pay, to the extent permitted by applicable law. The performance criteria in 2024 were order intake and operating margin and applied to all INVISIO employees.

In 2024 both performance criteria were exceeded and the maximum variable remuneration was allocated.

For details of performance criteria and outcomes please refer to the table on the right.

### Employee stock option program for the CEO

Employee stock option program	Exercise price (SEK)	Share price on allocation date	Allocation date	Vesting period	Exercise date	Opening balance options (number)	Allocated options for the year (number/value <sup>1)</sup> )	Exercised options for the year (number/value <sup>2)</sup> )	Closing balance options (number)
2022/2025	184.10	154.40	May 6, 2022	May 6, 2022 – May 8, 2025	May 15, 2025 – June 30, 2025	24,000	–	–	24,000
2023/2026	219.40	228.00	May 9, 2023	May 9, 2023 – May 8, 2026	May 15, 2026 – June 30, 2026	24,000	–	–	24,000
<b>Total</b>						<b>48,000</b>	<b>–</b>	<b>–</b>	<b>48,000</b>

1) The value of allocated options is calculated by the difference between the share price on the allocation date and the exercise price.

2) The value of exercised options is calculated by the difference between the weighted average share price during the exercise period and the exercise price.

### Variable remuneration to the CEO

	Criteria	Weighting	Threshold	Maximum level	Outcome	Allocated bonus
Lars H. Hansen, CEO	Order intake	60%	SEK 1,296 million	SEK 1,584 million	SEK 1,971 million	SEK 1.7 million
	Operating margin	40%	17.0%	21.0%	22.3%	SEK 1.2 million

### Annual change in remuneration and company's profit and loss, five-year review

	2020 vs 2019	2021 vs 2020 <sup>1)</sup>	2022 vs 2021 <sup>2)</sup>	2023 vs 2022	2024 vs 2023	2024 (SEK million)
Group operating profit	–28%	–74%	162%	273%	66%	402.3
Order intake	–17%	19%	82%	12%	55%	1,970.7
Remuneration of CEO	–24%	134%	0%	28%	–25%	7.8
Average remuneration to employees in the group	–6%	21%	3%	17%	–20%	1.2

1) In 2021 a total of 442,000 options were exercised, of which 35,000 related to the CEO. The value of exercised options is calculated by the difference between the weighted average share price during the exercise period and the exercise price. Excluding the options, remuneration of the CEO and other employees increased by 6 percent and 9 percent respectively relative to the previous year.

2) In 2022 a total of 508,200 options were exercised, of which 35,000 related to the CEO. The value of exercised options is calculated by the difference between the weighted average share price during the exercise period and the exercise price. Excluding the options, remuneration of the CEO and other employees increased by 61 percent and 16 percent respectively relative to the previous year.

3) In 2023 a total of 541,500 options were exercised, of which 35,000 related to the CEO. The value of exercised options is calculated by the difference between the weighted average share price during the exercise period and the exercise price. Excluding the options, remuneration of the CEO and other employees increased by 16 percent and 11 percent respectively relative to the previous year.





# Financial statements

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# Administration report

The board of directors and the CEO of INVISIO AB (publ.) ("INVISIO"), corporate identity number 556651-0987, hereby submit the annual report and consolidated accounts for the 2024 fiscal year. Unless otherwise indicated, all amounts are stated in millions of Swedish kronor (SEK). Figures in parentheses refer to the prior year.

## Operations

INVISIO develops and sells advanced communication systems that enable professionals in noisy and mission-critical environments to communicate and work effectively while protecting their hearing. The company combines specialist knowledge in acoustics and hearing with broad engineering know-how in software, materials technology and system integration. Sales operations are conducted primarily from the head office in Copenhagen and sales offices in the US, France, the UK, Italy and Thailand, and secondarily via a global partner network. Business is normally conducted through procurement processes.

## Revenue and profit

- Revenue for 2024 was SEK 1,806.7 million (1,238.5), an increase of 46 percent from 2023. Excluding the SEK 235 million delivery of third-party radios announced on March 12, 2024, revenue grew 32 percent. Revenue from international markets arises mainly in USD, EUR and GBP. In comparable currencies, revenue totaled SEK 1,810.5 million.
- Order intake for the year was SEK 1,970.7 million (1,273.5). Excluding the above-mentioned radio order, order intake was SEK 1,729.8 million.
- The order book totaled SEK 830.8 million (602.8) at year-end
- Gross profit was SEK 1,007.0 million (747.3) and the gross margin was 55.7 percent (60.3). Excluding the radio order, the gross margin was 60.9 percent.
- Operating expenses totaled SEK 604.7 million (504.5). The increase was attributable to the company's growth strategy.

- Development costs of SEK 57.8 million (32.4) were capitalized during the year. Amortization of capitalized development costs of SEK 22.6 million (24.5) was included in operating expenses.
- Operating profit was SEK 402.3 million (242.9) and the operating margin was 22.3 percent (19.6).
- Net financial income was SEK 5.1 million (-1.0).
- Profit before tax was SEK 407.4 million (241.9) and profit for the year was SEK 306.4 million (178.4).
- Earnings per share were SEK 6.72 (3.91).

## Inherently uneven order flow and revenue

INVISIO's market is characterized by large procurement processes that are often subject to long lead times that reflect the need for extensive testing, both in independent laboratories and by end users. This means that order intake and revenue for individual quarters may vary and have an effect on the full-year figures. However, a broader product portfolio and customer base as well as higher revenue have produced a somewhat more stable revenue curve.

A continuing clear trend during the year was the increasing number of medium-sized orders.

## Cash flow and investments

Group cash flow for 2024 was SEK 8.3 million (101.3). The main reason for this decrease was high sales volume at the end of Q4. Cash flow from operating activities was SEK 157.0 million (204.7).

Cash flow from investing activities totaled SEK -77.9 million (-55.0).

Capitalized development costs were SEK -57.8 million (-32.4) and net investment in property, plant and equipment was SEK -11.5 million (-21.0). Cash flow from financing activities was SEK -70.7 million (-48.5). The dividend paid was SEK -59.3 million (-31.5).

At year-end, inventories were SEK 272.3 million (238.2). The increase in inventories was mainly due to future deliveries scheduled for 2025.

## Cash and cash equivalents and financial position

The group had cash and cash equivalents at year-end of SEK 242.4 million (224.9). Group equity at year-end was SEK 1,029.0 million (720.4), giving an equity/assets ratio of 72 percent (68).

## Significant events in 2024

The year was characterized by strong revenue generated by the group's long-term and focused efforts to advance its market position. In recent years INVISIO has increased the resourcing of R&D and sales teams and also taken several important steps towards more software-based solutions using AI. In addition, the group has worked actively to broaden and deepen the product portfolio. This progress continued in 2024.

Significant events during the year included the launch of the new X7 in-ear headset and the new products associated with the intercom system - INVISIO Control and INVISIO Link. Sales of the X7 headset and INVISIO Control began in 2024. Broader sales and marketing of INVISIO Link will accelerate in 2025.

During the year, sales and marketing efforts were extended to the new target group of military fire services. This work will intensify in 2025.

INVISIO today is a considerably stronger company than it was just a few years ago. In conjunction with its scalable business model, INVISIO is well equipped to meet the business opportunities offered by an active market.

During the first half of the year, the UK subsidiary Racal Acoustics Ltd suffered a cyber attack by an international criminal ransomware group. The attack was isolated to Racal's local IT ecosystem in the UK, which technicians were able to recover from backups. Operations in all of INVISIO's business units continued without interruption or disruption. Deliveries and other customer commitments were unaffected by the attack. Related costs were limited.

### Orders of strategic or material significance:

- In Q1 INVISIO received a major SEK 230 million order for the intercom system worth and a SEK 235 million order for radio systems for vehicles from a customer in Europe. The order also included a maintenance and spare parts package. In addition, INVISIO acted as main contractor for all the communications systems ordered by the customer, including in-vehicle radios and installation and user training services. For the third-party radio component of this delivery, INVISIO's gross margin was below 10 percent.
- In August, INVISIO received an order worth approximately SEK 170 million for the Racal Acoustics headsets RA4000 Magna™ and RA5001 Raptor. The customer was a United States Department of Defense organization.
- In 2024, INVISIO and the US Defense Innovation Unit developed a solution for wireless tactical communication. The work, undertaken in close collaboration with end users, led to the development of the INVISIO Link product. During the year a first test order valued at USD 3.5 million was received.
- In December, a SEK 115 million order was secured for the intercom system and associated personal system from an existing European customer. Most of the deliveries were completed in 2024.

### Racal Acoustics branded in-vehicle communication systems

Racal Acoustics branded in-vehicle communication systems continued to perform strongly in 2024. The primary drivers included growing activity in the military vehicle market. An additional contributory factor was the disappearance from the market of the previous main competitor.

### Strong interest in the intercom system

Interest in the intercom system continued to be strong in 2024. Orders received provided clear confirmation that this solution meets NATO countries' high demands on modern communication systems. At the same time, several evaluation projects are continuing with potential customers in Europe and the US and with equipment manufacturers and fitters of heavy vehicles, boats and helicopters.

### Continued focus on public safety organizations

Market penetration of the public safety sector, which includes law enforcement, fire services and coastguards, continued during the year. Interest is high and the previously completed reinforcement of the sales organization and an increase in the number of distribution partners has yielded results.

In addition, INVISIO's position in the US and European markets was further strengthened by several orders from leading law enforcement organizations.

### Increased penetration of the fire service sector

The group increased its penetration of defense organization fire services, a new target market, in 2024. INVISIO already has several fire department customers in Scandinavia. Based on knowledge of existing customers in this segment, the scale of users' needs and the similarity of users to other target groups, the group has decided to increase its market presence in the segment. The focus is long-term and immediate results should not be expected.

### Growth in new markets

It is INVISIO's strategy to address new geographical markets in Asia, the Middle East and South America. Before the covid pandemic, the company achieved success in selected countries in Asia. The sales outlook improved substantially in 2024 and the activity level is now back at the same level as before the pandemic.

INVISIO sees the same pattern here as in more established markets, where orders from defense and police special forces pave the way for more business with other parts of the organization.

### Employees

To maintain a high rate of innovation and to capitalize on market opportunities, INVISIO increased headcount in the R&D organization and sales and marketing departments during the year. The number of group employees increased by 25 in 2024. Restated as full-time positions, headcount was 273 (248) at year-end.

Of these individuals, 228 were male (206) and 45 female (42). One employee (1) was employed in the parent company.

The percentage of women in the organization is relatively low, as is the case for most technology companies. The long-term goal is to achieve greater gender parity within the organization.

The employee net promotor Score (eNPS) survey, which was carried out in early 2025, gave INVISIO a score of 50 (50), which is very high. Scores between 0 and 20 are good, between 20 and 50 are very good and anything over 50 is regarded as "excellent". Participation was 70 percent.

Staff turnover was 7 percent (6). Short-term sickness absence in relation to the total number of hours worked was also low at 1.7 percent (1.6). More information can be found on page 40.

### Organization

The group consists of the parent company INVISIO AB and the wholly-owned subsidiaries INVISIO A/S (Denmark), INVISIO Communications SAS (France), INVISIO Communications Inc. (USA), INVISIO Srl (Italy), Nextlink IPR AB, Nextlink Patent AB, Racal Acoustics Inc. (USA) and Racal Acoustics Ltd (UK). INVISIO AB is a non-operational limited liability company whose shares are traded on Nasdaq Stockholm, Sweden. The company's legal registered office is in Stockholm, Sweden.

The main operations occur in the subsidiary INVISIO A/S in Copenhagen, Denmark, where the head office is located. The subsidiaries' role is mainly direct sales and market support to partners and resellers.

### Background

INVISIO began operating in 1999 as Nextlink.to A/S, a Danish entity. In 2003 Nextlink AB (publ) was formed, to which the shareholders in Nextlink.to A/S transferred all their shares in 2004. Nextlink.to A/S thereby became a wholly-owned subsidiary of Nextlink AB (publ). This company changed its business name in 2008 to Invisio Headsets AB (publ) and in 2010 to Invisio Communications AB (publ) and in 2020 to INVISIO AB (publ).

The parent company's shares were listed in 2004 on the then Nordic Growth Markets OTC list. In 2006, trading moved to First North and then, in 2009, to First North Premier. In 2015, the shares were listed on Nasdaq Small Cap. Since 2016 the shares have been traded on Nasdaq Mid Cap.

### Research and development

Product development and technical innovation are important parts of INVISIO's growth strategy. The company has for a long time invested between 12–15 percent of revenue in product development.

Development is performed internally and builds on extensive knowledge of acoustics, electronics, mechanics, software and system integration. The Copenhagen region is considered to be one of the world's leading clusters in acoustics and hearing.

Development work is frequently undertaken in close collaboration with customers and users.

INVISIO constantly evaluates new innovations and technical solutions that may be suitable for patenting, and takes the potential commercial value into account in each and every case. This forms an integrated part of the product development process.

Administration report, cont.

The group has two development centers. The facility in Harrow, UK, focuses on developing solutions for environments with continuous high noise levels, as found in heavy vehicles. The center serves the Racal Acoustics brand. The head office in Copenhagen concentrates on developing systems for users in the field, internal communication in and around vehicles, and system integration of body-worn soldier system devices.

### Manufacturing

The company's products are mainly manufactured by contract manufacturers in Europe. To comply with customer requirements, each product has two designated production alternatives. The company works continuously to find the most optimum conditions for effective manufacture.

Prototypes and small-volume product adaptations are manufactured in both Copenhagen and Harrow.

### Continued high focus on cybersecurity

Since 2022, the organization has intensified its efforts in cybersecurity, establishing a dedicated cybersecurity committee that reports to the board. A number of exercises and training sessions have been held to review procedures and processes from a cybersecurity perspective.

Through this committee the board has actively engaged in the company's efforts to protect important information, enhance preparedness for increased cyber threats and ensure compliance with relevant regulatory codes.

Particular attention has been given to the cyber incident that occurred at the UK subsidiary in 2024. Thanks to the company's preventive work the incident caused no interruption or disruption to any business unit.

### The share and shareholders

Information about the INVISIO share and shareholders can be found on page 48.

### Financial instruments

INVISIO's use of financial instruments is presented in Notes 1 and 2.

### Environmental protection

The company conducts no operations that require permits or notification under the Swedish Environmental Code. The sustainability section of this annual report can be found on pages 26–47.

### Parent company

The parent company recorded revenue of SEK 6.5 million (0.1) in 2024. The operating loss was SEK –14.8 million (–12.5). Net financial income totaled SEK 146.4 million (50.4), of which dividends from subsidiaries were SEK 144.6 million (52.5). Cash and bank balances were SEK 84.2 million (39.6) at year-end. Equity stood at SEK 439.9 million (356.6), which gave an equity/assets ratio of 98 percent (98). The parent company had 1 employee (1).

### Corporate governance report

The corporate governance report is prepared as a separate document from the formal annual report and can be found on pages 50–57.

### Sustainability report

In accordance with the Annual Accounts Act chapter 6, section 11, INVISIO prepares the sustainability report separately from the annual report. The sustainability report is on pages 26–47.

### Risks and risk management

Technological edge, close customer relations and long-term framework agreements are factors that help reduce the company's risk level.

Risk management is an important part of governance and control and affects INVISIO's ability to achieve its objectives. INVISIO carries out a structured annual analysis of the group's overall risk exposure. Risks can generally be divided into market-related, operating and financial risks.

Market risks and financial risks are managed mostly at board and management level. In the first instance, operating risks are managed at management and business area management level, but can also be managed at board level if they are of strategic importance. Pages 67–69 describe the most significant risks (without ranking) and how they are managed. Detailed information about INVISIO's financial risks can be found in Note 2.

### Guidelines for remuneration to senior executives

The last adopted remuneration guidelines for senior executives are shown in Note 8 and the remuneration report on pages 59–60 and will remain in force until further notice, though no longer than until the 2025 AGM. The guidelines cover remuneration of senior executives of the INVISIO group and also of directors of the parent company to the extent that they receive remuneration outside their

board assignments. The guidelines do not include remuneration approved by the general meeting of shareholders.

### Guidelines' promotion of the business strategy, long-term interests and sustainability

INVISIO's strategy for profitable growth is to increase market share in existing markets, broaden the product portfolio through innovative development, expand into new geographies and conduct the business cost-effectively.

INVISIO's financial targets are that revenue should increase by an average of 20 percent per year and that the operating margin should exceed 15 percent over time.

Successful implementation of the business strategy and the safeguarding of the company's long-term interests, including its sustainability, assume INVISIO's ability to recruit and retain qualified employees. INVISIO must therefore endeavor to offer total remuneration that enables the group to attract and retain senior executives. Remuneration to senior executives of INVISIO, both in the short and long term, must be based on the individual's performance and responsibility, as well as the earnings of INVISIO and its subsidiaries and it must link the interests and rewards of the senior executives with those of the shareholders. Variable cash remuneration covered by these guidelines must aim to promote the company's business strategy and long-term interests, including its sustainability.

### Forms of remuneration and similar benefits

Remuneration of senior executives may consist of fixed salary, short-term variable cash remuneration, the opportunity to participate in long-term stock or stock-price related incentive programs, and pension and other benefits.

### Fixed salary

Senior executives' fixed salaries are to be revised annually and must be competitive and based on the individual's skills, responsibilities and performance.

### Variable remuneration

Senior executives' variable cash remuneration is to be based on how well the targets set for each individual's area of responsibility, and for INVISIO and its subsidiaries, have been met.

The outcome is to be linked to measurable targets (qualitative, quantitative, general and individual). The target components, weightings and levels may vary from year to year to reflect business



priorities and generally balance the group's financial targets and non-financial targets (for example, operating, strategic, environmental, social or other sustainability-related targets).

The measurement period for variable remuneration is based as a rule on performance over a period of about 12 months. The targets within each senior executive's area of responsibility aim to promote INVISIO's short- and long-term development. When the measurement period for meeting the criteria for payment of variable cash remuneration is over, an assessment and a decision are made on the extent to which the criteria have been fulfilled. The remuneration committee is responsible for the assessment regarding variable cash remuneration to senior executives.

The board of directors has the right to disregard criteria fulfillment and to adjust variable remuneration payments upwards and downwards on the basis of actual progress during the year. Additional cash remuneration may be payable in extraordinary circumstances, provided that such arrangements are made solely at individual level as remuneration for extraordinary work input in addition to ordinary duties. Total variable remuneration may not exceed 60 percent of an individual's fixed salary nor be used as a basis for calculating pension or vacation pay, to the extent permitted by applicable law.

### Share or share price related incentive programs

The general meeting may, independently of these guidelines, decide on share and share price-related incentive programs for senior executives and other employees. The annual general meetings in 2022 and 2023 decided to introduce employee stock option programs, which, in common with previous programs, included all group employees. These programs were approved by the general meeting and are thus not subject to these guidelines. The purpose of the employee stock option programs is to link part of employee remuneration to INVISIO's long-term performance, hence connecting employees' interests with those of shareholders. The programs are described further in Note 7.

### Pensions and other benefits

The pension terms of senior executives shall be based on defined contribution pension solutions and follow or correspond to, and thus be limited to, general pension plans in accordance with the ITP plan. When it comes to employment terms that follow non-Swedish rules, adjustments can be made for pensions and other benefits to comply with local laws or practices. The goal is to meet the overall purpose

of these guidelines in so far as is possible. Senior executives' non-monetary benefits are to facilitate the work performance of senior executives and be proportionate to what may be regarded as reasonable in relation to market practice where the respective senior executive operates.

### Severance

The CEO has a 12-month severance period of notice in the event of termination by the company, and eight months in the event of termination by the CEO. Other senior executives have a six-month severance period in the event of termination by the company, and three months in the event of termination by the executive.

### Salary and conditions of employment for employees

When preparing the board's proposals for these remuneration guidelines, employees' salary levels and employment conditions were taken into account by including data on their total remuneration, the components of that remuneration, and the increase in remuneration and its rate of growth over time. This information was provided to the remuneration committee and the board for decision-making when evaluating the reasonableness of the guidelines and the constraints that follow from them.

### Evaluation of the guidelines and the auditor's statement regarding compliance

In accordance with the Swedish Code of Corporate Governance, the board monitors and evaluates the application of the remuneration guidelines for senior executives, as adopted by the AGM. In accordance with the Swedish Companies Act chapter 8, section 54, the company's auditor has expressed an opinion on compliance with the remuneration guidelines for senior executives that for 2024. The board's evaluation and the auditor's review have resulted in the conclusion that in 2024 INVISIO complied with the guidelines adopted by the AGM.

### Significant post year-end events

In early 2025 INVISIO acquired the UltraLYNX™ product line from the UK company Ultra PCS. The acquisition considerably enhances the group's ability to integrate units from different manufacturers and thus strengthen the modern soldier system. As part of the transaction, six employees from Ultra PCS joined INVISIO. The purchase price was USD 3.5 million.

The UltraLYNX™ software-defined solution enables seamless integration of devices from different manufacturers, including those that were not originally designed to function together. The product line thus creates an ecosystem that provides audio, data connectivity and power, reducing the cognitive and physical burden on users. The acquisition enhances INVISIO's ability to deliver integrated tactical body-worn systems capable of handling audio, power and data, along with advanced computing power.

### Update of estimated market size

INVISIO estimates that the addressable market for the company's products and systems has an annual value of about SEK 25 billion. This is an increase of almost 80 percent from the previous estimate of SEK 14 billion and mainly reflects an increasingly mature market and INVISIO's extensive product development.

A growing number of countries and organizations are implementing equipment modernization programs, partly driven by increased digitalization and outdated hardware. Tactical communication systems with hearing protection receive higher priority than in the past because they improve both operating efficiency and user safety. Increased geopolitical uncertainty has also spurred market growth.

Extensive product development has led to higher average prices per user and system. INVISIO's extensive product development continually improves system scope, capacity and technical content, leading to higher average prices per user and system. In addition, inflation has contributed to general price rises since the last estimate.

### Outlook

INVISIO currently has a substantially stronger market position and in many respects is a more mature company compared to a few years ago. The forward-looking investments of recent years have been successful. Revenue and order intake trajectories are clear proof of this. INVISIO is thus well equipped to benefit from the opportunities offered by current market conditions.

The company's assessment is that increasing geopolitical uncertainty, combined with increased defense budgets and military appropriations, will contribute to continued increased demand for the company's products.

INVISIO stands by its financial targets: that revenue will increase by an average of 20 percent per year and that the operating margin will exceed 15 percent over time.

Administration report, cont.

### Proposed appropriation of earnings

According to the board's dividend policy, dividend size must take into account INVISIO's long-term growth and earnings trend, as well as capital requirements and financial targets. It is INVISIO's objective that the dividend over time will be between 25 and 50 percent of profit after tax. It is proposed that remaining profit be carried forward.

The board of directors proposes to the 2025 AGM that a dividend of SEK 2.30 per share be distributed for the 2024 fiscal year (1.30).

In the latest five-year period, SEK 190 million has been distributed to shareholders, equivalent to a dividend payout ratio of 48 percent of the company's total profit after tax of SEK 400 million. Including this year's proposed dividend, the dividend payout ratio is 42 percent.

Parent company (SEK)

#### At the disposal of the AGM:

Retained earnings	121,132,828
Share premium reserve	119,969,278
Profit for the year	131,580,923

#### The board of directors and the CEO propose that the earnings above be appropriated as follows:

Dividend to shareholders, SEK 2.30 per share	104,857,446
To be carried forward	267,825,582

### Board of directors' statement on the proposed appropriation of earnings

In the opinion of the board of directors, the proposed dividend does not impede the company from fulfilling its obligations in the short or long term. When assessing the size of the proposed dividend the board considered the requirements which are imposed by the nature, scope and risks associated with the operations and the company's need to strengthen the balance sheet and liquidity and financial position in general.

The proposed dividend will result in an equity/assets ratio for the parent company and the group of 98 percent and 70 percent respectively. Liquidity continues to be good. The proposed dividend can therefore be justified under the provisions of the prudence concept specified in the Swedish Companies Act, chapter 17, section 3, paragraphs 2-3.

# Risks and risk management

Risks and risk-taking form a natural part of INVISIO's business. A good understanding of the risks and continuous monitoring of changes in the risk profile create the right conditions to enable relevant consideration of risks in decision-making. An important part of managing operations is therefore to ensure continuous risk analysis as well as appropriate and effective management of risks that may significantly negatively impact on INVISIO's achievement of objectives. INVISIO carries out a structured annual analysis of the group's overall risk exposure.

INVISIO groups risks into four categories: market risks; operating risks; sustainability and climate-change risks; and financial risks. Market risks and financial risks are managed mostly at board and management level. In the first instance, operating risks are managed at management and business area management level, but can also be managed at board level if they are of strategic importance. The following describe the most significant risks (without ranking) and how they are managed. Detailed information about INVISIO's financial risks can be found in Note 2.

## MARKET RISK

### Legislation and political decisions

INVISIO products are sold in a large number of markets. Changes to legislation and regulations in countries where the company operates or where the company's products are sold may adversely affect operations. Purchases from defense and law enforcement organizations are influenced by political decisions and are dependent on tax revenues and appropriations. Developments in these respects may indirectly impact INVISIO.

**Treatment:** The company carefully follows developments in the markets and countries where INVISIO operates. Collaboration with business partners contributes to a better understanding of developments in the respective markets. Operations in countries such as Italy, France, the UK, the US and Thailand mean better opportunities to monitor and assess local events that are of importance to INVISIO's customers and hence to the company.

### Demand fluctuations for INVISIO's products

INVISIO's order intake fluctuates between quarters, which may impact the full year as order inflow is subject to long-term decision-making processes. Sales are largely via public procurement processes, normally with long lead times. If INVISIO is awarded a procurement contract, the first order may take a long time before delivery, and order intake may vary over time. This entails a risk of uneven order intake and revenue variations in both the short and long term.

**Treatment:** The company strives to gain more customers and to broaden its product portfolio in order to diversify purchasing patterns and reduce the risk of uneven order and revenue inflow. An expanding customer base has reduced order fluctuations to some extent. In addition, the number of medium-sized orders has increased in recent years – a direct consequence of the broader product portfolio and a growing customer base. As well as driving higher revenue, this also improves order intake stability.

### Competition

Competition and innovation characterize the communications equipment market for defense, law enforcement and security entities. If INVISIO cannot adapt its business activities and its products to market developments, there is a risk of the company losing competitiveness, which would alter its growth potential.

**Treatment:** INVISIO assesses that it has a technological advantage over its competitors. Since inception, the company has developed knowledge and experience in a number of technologies that are difficult for competitors to copy. A close relationship to customers and the existence of multi-year contracts give an important competitive advantage. The company monitors competitors closely.

## Risks and risk management

**OPERATING RISKS****Ability to manage growth**

INVISIO is encountering growth in demand for its products that may place demands on management and the operating and financial infrastructure. Effective planning and management processes are highly important to guarantee manufacture, component supply and delivery. If the company is not successful in adapting its organization, processes and capacity to respond to higher demand, it may negatively impact the company's revenue, profits and financial position.

**Treatment:** The company adapts its capacity to increased demand on an ongoing basis. This is done through investment, employment and increasing capacity at existing or new suppliers. The company has a strong financial position and well-developed systems aimed at maintaining good internal control at a high level of growth.

**Dependence on key personnel**

INVISIO has a distinctly high-tech profile and is therefore dependent on being able to recruit and retain employees with a high level of knowledge, creativity and industry experience.

**Treatment:** The growth strategy includes having highly motivated key personnel. To attract and retain key people, INVISIO develops working methods and management focused on a strong team spirit, a knowledge-based culture and a favorable work environment. Participation and shared core values for all employees are heavily emphasized. INVISIO also strives to offer attractive remuneration in the form of incentive and option programs that include all employees, over and above key personnel.

**Market acceptance of newly developed products**

INVISIO intends to constantly develop and launch new products on the market. There is always a risk that new products will not be received as expected by the market, or that competing solutions that enter the market may have more impact.

**Treatment:** The business areas Marketing, Product Management, R&D and Operations work together on planning new products and, in line with the business strategy, build on identified customer needs and requirements. The company follows market developments through close relationships with its customers and also gathers strategic intelligence aimed at early discovery of trends and events that may be relevant.

**Customer dependency**

A limited number of customers account for a large proportion of INVISIO's revenue. One customer accounted for more than 10 percent of total annual revenue. Revenue from this customer accounted for 10 percent of the total. In the previous year one customer accounted for more than 10 percent of annual revenue. Revenue to this customer accounted for 16 percent of the total. The loss of any large customer could in the short term have a significantly negative impact on INVISIO's business, financial position and performance.

**Treatment:** The company's growth strategy builds on increasing market share and expanding to new geographical markets and product areas.

**Niche product portfolio**

INVISIO operates in a global niche in the communication equipment market. Unfavorable development for this market segment would have negative consequences for INVISIO.

**Treatment:** The company endeavors to continually broaden the product portfolio, primarily through in-house development. Acquisition of complementary technologies in related areas may be considered.

**Dependency on suppliers**

INVISIO's products are mainly manufactured by contract manufacturers in Europe. The company depends on its suppliers' compliance with agreed requirements relating, for example, to quantity, quality and delivery. Incorrect delivery or non-delivery can lead to delayed delivery to customers and consequent loss of revenue.

**Treatment:** INVISIO has broadened its base of contract manufacturers as volumes have grown. As part of its quality management system, the company has procedures for selecting and evaluating potential and existing contract manufacturers with the objective of minimizing quality shortcomings and supply disruptions.



### IT and cyber risks

Increased digitalization implies greater exposure to interruption and disruption in IT systems, which can have major consequences. Moreover, breaches in the IT environment or deficiencies in management of customer data, employee data or business-critical information can lead to reduced confidence and negatively impact group's earnings.

**Treatment:** Working with management and external experts, INVISIO's cybersecurity committee has intensified efforts to safeguard the company's IT system against breaches and disruptions. This work will continue unabated in the future.

## RISKS RELATED TO SUSTAINABILITY AND CLIMATE CHANGE

### Climate change and compliance

INVISIO's overall environmental and social impact is deemed to be limited and not of a significant nature. For example, INVISIO's operations are not considered to have any significant climate impact. Nor is climate change assessed to have any great negative impact on INVISIO's operations, either financially or operationally.

The greatest sustainability-related risk is deemed to be lack of compliance with the group code of conduct by suppliers and partners in areas like ethics and anti-corruption. INVISIO's products are manufactured largely by external contract manufacturers. Correspondingly, revenue in some geographical markets is through collaboration with external parties.

These arrangements constitute a potential risk, as they entail a lower degree of continual transparency in critical processes compared to in-house production. Violations or alleged violations may mean serious negative consequences for the business operations, including reputational damage to the company, fines, or imprisonment of employees.

**Treatment:** A central part of INVISIO's sustainability activities involves working in accordance with, and ensuring compliance with, relevant policy documents, standards and certifications. These include the codes of conduct for employees and suppliers, the anti-corruption policy, the quality policy and various quality management systems.

To minimize the risk of non-compliance with policies and regulatory codes, INVISIO has decided to only initiate partnerships with actors deemed to have the best prospects of being able to meet INVISIO's requirements and ambitions in this area. INVISIO's partnerships are long-term by nature and continue over many years. The company consciously chooses not to change suppliers too often. This gives INVISIO close knowledge of and insight into partners' operations, which reduces the risk of suppliers' non-compliance with the code of conduct. Follow-up is quarterly, with annual reviews. Responsibility for implementing controls lies with a working group with representatives from Supply Chain, Manufacturing and Quality Assurance. Results are reported to group management quarterly.

Together with external expertise, the company is also adapting reporting and necessary processes to meet the upcoming and comprehensive sustainability rules that will be introduced next year.

### Lack of transparency

Expectations of companies by customers and the public have increased in recent years. This applies not least to the degree of transparency as to how operations impact, and are impacted by, sustainability-related aspects in the rest of the world.

INVISIO is expected to engage extensively in sustainability and to be open about both positive and negative impacts. Lack of transparency or confidence in this area, for example due to poor quality or deficient working conditions at suppliers, may impact INVISIO's long-term development, financially as well as from an employer perspective, potentially also limiting investors' ability or desire to invest in the INVISIO share.

**Treatment:** INVISIO aims to make its external communications transparent in relation to both opportunities and challenges. The communications policy, adopted by the board of directors, establishes fundamental values in the form of openness and transparency. The group's financial reports, primarily the annual report, describe activities in the four sustainability focus areas in more detail.

## FINANCIAL RISK

### Currency risk

Revenue in international markets arises mainly in USD, EUR and GBP, which means that INVISIO's revenue and results are affected by changes in these currencies.

**Treatment:** The company hedges large orders to offset any currency fluctuations in the short term.

## Consolidated income statement and statement of comprehensive income

January–December (SEK million)	Note	2024	2023
	1, 2		
Revenue	3	1,806.7	1,238.5
Cost of goods sold	4	-799.7	-491.2
<b>Gross profit</b>		<b>1,007.0</b>	<b>747.3</b>
<b>Operating expenses</b>			
Selling and marketing costs	4, 6, 7, 8	-297.1	-255.4
Administrative expenses	4, 6, 7, 8	-145.5	-107.6
Research and development costs	4, 6, 7, 8	-162.0	-141.6
<b>Operating profit</b>		<b>402.3</b>	<b>242.9</b>
<b>Financial items</b>			
Financial income		5.6	8.8
Financial expenses		-0.5	-9.8
<b>Net financial items</b>		<b>5.1</b>	<b>-1.0</b>
<b>Profit before tax</b>		<b>407.4</b>	<b>241.9</b>
Income tax	9	-101.0	-63.5
<b>Profit for the year</b>		<b>306.4</b>	<b>178.4</b>
(Attributable to parent company shareholders)			
<b>OTHER COMPREHENSIVE INCOME</b>			
<i>Items that may subsequently be reclassified to profit or loss</i>			
Translation differences from foreign operations for the period		50.4	-4.7
<b>Total comprehensive income for the year</b>		<b>356.8</b>	<b>173.7</b>
(Attributable to parent company shareholders)			

January–December (SEK million)	Note	2024	2023
Earnings per share, SEK	22	6.72	3.91
Earnings per share after dilution, SEK	22	6.69	3.91
Gross margin, %		55.7	60.3
Operating margin, %		22.3	19.6
Profit margin, %		17.0	14.4
Depreciation incl. in operating expenses	11, 12, 13, 14	-61.1	-65.3

> The central key figures are explained on page 98.

## Consolidated statement of financial position

December 31 (SEK million)	Note	2024	2023
	1, 2		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	10	62.9	58.0
Capitalized development costs	11	150.9	110.7
Other intangible assets	12	67.9	67.7
Property, plant and equipment	13	36.7	32.9
Rights of use, leases	14	30.0	34.2
Deferred tax assets	9	13.2	2.6
Long-term deposits for rent		4.8	4.3
<b>Total non-current assets</b>		<b>366.3</b>	<b>310.4</b>
<b>Current assets</b>			
Inventories	15	272.3	238.2
Trade receivables	16	466.8	219.5
Other receivables	17	17.6	17.1
Prepaid expenses and accrued income	18	58.6	42.8
Cash and cash equivalents		242.4	224.9
<b>Total current assets</b>		<b>1,057.7</b>	<b>742.5</b>
<b>TOTAL ASSETS</b>		<b>1,424.0</b>	<b>1,053.0</b>

December 31 (SEK million)	Note	2024	2023
	1, 2		
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
Share capital	19	45.6	45.6
Other contributed capital		392.2	392.2
Translation difference		116.4	66.0
Retained earnings including profit for the year		474.7	216.6
<b>Total shareholders' equity</b>		<b>1,029.0</b>	<b>720.4</b>
<b>Non-current liabilities</b>			
Lease liabilities	14	27.8	26.9
Deferred tax liabilities	9	40.7	37.6
<b>Total long-term liabilities</b>		<b>68.5</b>	<b>64.4</b>
<b>Current liabilities</b>			
Trade payables <sup>1)</sup>		100.6	97.1
Lease liabilities	14	9.1	10.9
Current tax liabilities	9	47.0	44.5
Other liabilities		7.2	6.8
Accrued expenses and deferred income	21	147.1	98.0
Warranty provision		15.4	10.8
<b>Total current liabilities</b>		<b>326.5</b>	<b>268.1</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>1,424.0</b>	<b>1,053.0</b>

1) All trade payables mature within three months.

## Consolidated statement of changes in equity

December 31 (SEK million)	Note	Share capital	Other contributed capital	Translation differences	Retained earnings including profit for the year	Total shareholders' equity <sup>1)</sup>
	1, 2, 19					
<b>OPENING BALANCE AT JANUARY 1, 2023</b>		<b>45.0</b>	<b>334.2</b>	<b>70.6</b>	<b>60.1</b>	<b>510.0</b>
Profit for the year		-	-	-	178.4	178.4
Translation differences from foreign operations for the period		-	-	-4.7	-	-4.7
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-4.7</b>	<b>178.4</b>	<b>173.7</b>
<b>Transactions with shareholders</b>						
New issue through exercise of employee stock options	7	0.5	58.1	-	-	58.6
Employee stock option program	7	-	-	-	9.6	9.6
Dividend		-	-	-	-31.5	-31.5
<b>Total transactions with shareholders</b>		<b>0.5</b>	<b>58.1</b>	<b>-</b>	<b>-21.9</b>	<b>36.7</b>
<b>CLOSING BALANCE AT DECEMBER 31, 2023</b>		<b>45.6</b>	<b>392.2</b>	<b>66.0</b>	<b>216.6</b>	<b>720.4</b>
Profit for the year		-	-	-	306.4	306.4
Translation differences from foreign operations for the period		-	-	50.4	-	50.4
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>50.4</b>	<b>306.4</b>	<b>356.8</b>
<b>Transactions with shareholders</b>						
Employee stock option program	7	-	-	-	11.0	11.0
Dividend		-	-	-	-59.3	-59.3
<b>Total transactions with shareholders</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-48.3</b>	<b>-48.3</b>
<b>CLOSING BALANCE AT DECEMBER 31, 2024</b>		<b>45.6</b>	<b>392.2</b>	<b>116.4</b>	<b>474.7</b>	<b>1,029.0</b>

1) Equity is entirely attributable to the parent company's shareholders.



## Consolidated cash flow statement

January–December (SEK million)	Note	2024	2023
	1, 2		
<b>Operating activities</b>			
Profit before tax		407.4	241.9
Adjustments for non-cash items	23	70.9	75.0
Income tax paid		-99.4	-33.3
<b>Cash flow from operating activities before changes in working capital</b>		<b>378.9</b>	<b>283.6</b>
Changes in inventories		-17.5	-98.5
Changes in trade receivables		-226.7	-28.4
Changes in other operating receivables		-20.4	-20.4
Changes in trade payables		-1.3	34.2
Changes in other operating liabilities		44.1	34.3
<i>Cash flow from changes in working capital</i>		<i>-221.9</i>	<i>-78.9</i>
<b>Cash flow from operating activities</b>		<b>157.0</b>	<b>204.7</b>
<b>Investing activities</b>			
Capitalization of development costs	11	-57.8	-32.4
Change in other intangible assets		-8.2	-
Purchases of property, plant, and equipment	13, 14	-11.5	-21.0
Acquisition of financial assets		-0.4	-1.6
<b>Cash flow from investing activities</b>		<b>-77.9</b>	<b>-55.0</b>

January–December (SEK million)	Note	2024	2023
<b>Financing activities</b>			
New issue through exercise of employee stock options		-	58.6
Amortization of loans	20	-	-65.0
Amortization of lease liabilities	14	-11.5	-10.6
Dividend paid		-59.3	-31.5
<b>Cash flow from financing activities</b>		<b>-70.7</b>	<b>-48.5</b>
<b>CASH FLOW FOR THE YEAR</b>		<b>8.3</b>	<b>101.3</b>
Cash and cash equivalents at start of year		224.9	127.1
Translation differences in cash and cash equivalents		9.2	-3.4
<b>Cash and cash equivalents at year-end</b>		<b>242.4</b>	<b>224.9</b>
<b>Supplementary disclosures to the cash flow statement</b>			
Interest received from operating activities during the year		2.6	2.6
Interest paid from operating activities during the year		-0.3	-1.9

## Parent company income statement

January–December (SEK million)	Note	2024	2023
	1, 2		
Revenue	5	6.5	0.1
Administrative expenses	4, 5, 6, 7, 8	-21.3	-12.5
<b>Operating loss</b>		<b>-14.8</b>	<b>-12.5</b>
<b>Financial items</b>			
Profit from interests in group companies		144.6	52.5
Financial income		1.8	0.8
Financial expenses		-	-2.9
<b>Net financial items</b>		<b>146.4</b>	<b>50.4</b>
<b>Profit before tax</b>		<b>131.6</b>	<b>38.0</b>
Income tax	9	-	-
<b>Profit for the year<sup>1)</sup></b>		<b>131.6</b>	<b>38.0</b>

1) Comprehensive income corresponds to profit for the year.

## Parent company balance sheet

December 31 (SEK million)	Note	2024	2023
	1, 2		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Other intangible assets	12	8.2	–
Participations in group companies	24	329.1	318.1
<b>Total non-current assets</b>		<b>337.3</b>	<b>318.1</b>
<b>Current assets</b>			
Receivables from group companies		24.3	3.5
Other receivables		1.8	0.3
Prepaid expenses and accrued income		0.9	1.3
Cash and bank balances		84.2	39.6
<b>Total current assets</b>		<b>111.2</b>	<b>44.8</b>
<b>TOTAL ASSETS</b>		<b>448.5</b>	<b>362.9</b>

December 31 (SEK million)	Note	2024	2023
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
<b>Restricted equity</b>			
Share capital	19	45.6	45.6
Statutory reserve		21.6	21.6
<b>Total restricted shareholders' equity</b>		<b>67.2</b>	<b>67.2</b>
<b>Non-restricted equity</b>			
Share premium reserve		120.0	120.0
Retained earnings		121.1	131.5
Profit for the year		131.6	38.0
<b>Total unrestricted shareholders' equity</b>		<b>372.7</b>	<b>289.4</b>
<b>Total shareholders' equity</b>		<b>439.9</b>	<b>356.6</b>
<b>Current liabilities</b>			
Trade payables <sup>1)</sup>		1.0	1.3
Liabilities to group companies		2.5	2.5
Other liabilities		0.3	0.3
Accrued expenses and deferred income	21	4.9	2.2
<b>Total current liabilities</b>		<b>8.7</b>	<b>6.3</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>448.5</b>	<b>362.9</b>

1) All trade payables mature within three months.

## Parent company changes in equity

December 31 (SEK million)	Note	Restricted equity		Non-restricted equity		Total shareholders' equity
		Share capital	Statutory reserve	Share premium reserve	Retained earnings including profit for the year	
<b>OPENING BALANCE AT JANUARY 1, 2023</b>		<b>45.0</b>	<b>21.6</b>	<b>61.9</b>	<b>153.3</b>	<b>281.9</b>
Profit for the year <sup>1)</sup>		–	–	–	38.0	38.0
New issue through exercising employee stock options	7	0.5	–	58.1	–	58.6
Employee stock option program	7	–	–	–	9.6	9.6
Dividend		–	–	–	–31.5	–31.5
<b>CLOSING BALANCE AT DECEMBER 31, 2023</b>		<b>45.6</b>	<b>21.6</b>	<b>120.0</b>	<b>169.4</b>	<b>356.6</b>
Profit for the year <sup>1)</sup>		–	–	–	131.6	131.6
Employee stock option program	7	–	–	–	11.0	11.0
Dividend		–	–	–	–59.3	–59.3
<b>CLOSING BALANCE AT DECEMBER 31, 2024</b>		<b>45.6</b>	<b>21.6</b>	<b>120.0</b>	<b>252.7</b>	<b>439.8</b>

1) Comprehensive income corresponds to profit for the year.



## Parent company cash flow statement

January–December (SEK million)	Note	2024	2023
	1, 2		
<b>Operating activities</b>			
Profit before tax		131.6	38.0
Adjustments for non-cash items	23	0.2	–
<b>Cash flow from operating activities before changes in working capital</b>		<b>131.8</b>	<b>38.0</b>
Changes in operating receivables		–166.4	–18.9
Changes in operating liabilities		2.4	1.0
<i>Cash flow from changes in working capital</i>		<i>–164.1</i>	<i>–17.9</i>
<b>Cash flow from operating activities</b>		<b>–32.3</b>	<b>20.1</b>
<b>Investing activities</b>			
Change in other intangible assets	12	–8.4	–
<b>Cash flow from investing activities</b>		<b>–8.4</b>	<b>0.0</b>
<b>Financing activities</b>			
New issue through exercising employee stock options		–	58.6
Amortization of loans	20	–	–65.0
Dividends from subsidiaries		144.6	52.5
Dividend paid		–59.3	–31.5
<b>Cash flow from financing activities</b>		<b>85.3</b>	<b>14.5</b>
<b>CASH FLOW FOR THE YEAR</b>		<b>44.6</b>	<b>34.6</b>
Cash and cash equivalents at start of year		39.6	5.0
<b>Cash and cash equivalents at year-end</b>		<b>84.2</b>	<b>39.6</b>
Interest received during the year		1.5	0.8
Interest paid during the year		0.0	–1.4

# Notes

## Note 1 General information, accounting policies and valuation principles

### General information

The INVISIO group ("INVISIO") consists of the parent company INVISIO AB (publ) and the wholly-owned subsidiaries INVISIO A/S (Denmark), INVISIO Communications Inc. (USA), INVISIO Communications SAS (France), INVISIO Srl (Italy), Nextlink IPR AB, Nextlink Patent AB, Rascal Acoustics Inc. (USA) and Rascal Acoustics Ltd (UK). The parent company's registered address is in Malmö, Sweden, at post-code 20121.

### Basis of preparation

The consolidated accounts are prepared in accordance with the Swedish Annual Accounts Act and International Financial Reporting Standards (IFRS) and interpretation statements from the International Financial Reporting Standards Interpretations Committee (IFRIC) as adopted by the EU.

The consolidated accounts are also prepared in accordance with Swedish law through application of the Swedish Financial Reporting Board recommendation RFR 1, "Supplementary accounting rules for groups."

The parent company's annual accounts are prepared in accordance with Swedish law, applying the Swedish Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2, "Accounting for legal entities."

### New and amended standards adopted by the group

None of the standards, amendments and interpretations which are effective for the fiscal year beginning on January 1, 2024, have had any significant impact on the group's financial statements.

### New standards, amendments and interpretations of existing standards not applied in advance by the group

IFRS 18 was published on April 9, 2024. It is a new standard for presentation and disclosure in financial statements. IFRS 18 will replace IAS 1 "Presentation of financial statements" and will be effective for

fiscal years beginning on or after January 1, 2027. During 2025 INVISIO will evaluate the effect of the new standard.

Apart from IFRS 18, none of the new standards and amendments of interpretations and existing standards which are effective for fiscal years starting on or after January 1, 2024, are expected to have any significant impact on the group's financial statements.

### Consolidated accounts

The consolidated accounts include the parent company INVISIO AB (publ) and its subsidiaries. Subsidiaries are companies over which the group has a controlling interest. The financial statements for INVISIO and its subsidiaries included in the consolidated accounts refer to the same period and are prepared in accordance with the accounting policies applicable to the group.

The consolidated accounts are prepared in accordance with the historical cost method, except financial assets and liabilities (including derivative instruments), which are measured at fair value or amortized cost. All inter-company business transactions, revenue, expenses, and gains or losses arising from transactions between companies covered by the consolidated accounts are fully eliminated. A subsidiary is included in the consolidated accounts by the acquisition method from the acquisition date, which is the date on which the parent company gains a controlling interest, and is included in the consolidated accounts until the date on which the controlling interest ceases.

The acquisition method is used when recognizing the group's business combinations. The transferred consideration for the acquisition of a subsidiary consists of the fair value of transferred assets, liabilities and shares issued by the group. The purchase price also includes the fair value of all assets or liabilities that are a consequence of an agreement on contingent purchase price. Acquisition-related expenses are recognized as expenses when they arise. Identifiable acquired assets and transferred liabilities in a business combination are initially measured at fair value on the acquisition

date. For every acquisition, the group decides whether all holdings without a controlling interest in the acquired company are recognized at fair value or at the proportional percentage of the net assets of the acquired company. The difference by which the transferred compensation, any holdings without controlling interest, and the fair value on the acquisition date of previously acquired shareholdings exceeds the fair value of the group's share of identifiable acquired net assets is reported as goodwill. In the case of a "bargain purchase" when the purchase price is less than the fair value of the acquired subsidiary's assets, the difference is reported directly in other comprehensive income.

### Foreign subsidiaries

Items included in the financial statements of the group's various entities are valued in the functional currency used in the economic environment in which the respective companies operate. The consolidated accounts are presented in the parent company's functional currency, the Swedish krona (SEK)

The results and financial position of all group companies with a functional currency other than SEK are restated as follows: assets and liabilities for each of the balance sheets are restated at the closing day rate; and income and expenses for each of the income statements are restated at the average exchange rate. All foreign exchange differences arising are recognized in other comprehensive income. When translating subsidiaries the following exchange rates were used:

Currency	Income statement	Balance sheet
DKK	1.5327 (1.5403)	1.5398 (1.4888)
EUR	11.4322 (11.4765)	11.4865 (11.096)
GBP	13.5045 (13.1979)	13.8475 (12.768)
USD	10.5614 (10.6128)	10.9982 (10.0416)

### Estimates and assumptions

Estimates and assumptions are evaluated constantly based on historical experience and other factors, including expectations of future events regarded as reasonable in the circumstances.

The group makes estimates and assumptions about the future that do not always correspond to the actual outcome. The estimates and assumptions that involve a significant risk of material adjustment to the carrying amounts of assets and liabilities within the next fiscal year are outlined below.

### Impairment loss on intangible assets

If there is an indication of impairment loss, the recoverable amount of the asset is calculated. For goodwill and other intangible assets with an indefinite useful life and intangible assets not yet available for use, the recoverable amount is calculated annually or as soon as there is an indication of impairment. If it is not possible to determine an asset's largely independent cash flows, and its fair value less selling expenses cannot be used, the asset will be grouped in a cash-generating unit for impairment testing.

An impairment loss is recognized when the carrying amount of an asset or cash-generating unit exceeds the recoverable amount. An impairment loss is recognized as an expense in the income statement. When an impairment loss is identified for a cash-generating unit, the impairment loss is in the first instance allocated to goodwill. Remaining impairment loss is thereafter allocated to other assets of the unit on a pro rata basis.

The recoverable amount is the higher of fair value less selling costs and value in use. When calculating value in use, future cash flows are discounted using a discount factor that takes into account risk-free rates and the risk connected with the specific asset. For sensitivity analyses of goodwill and capitalized development costs, see Notes 10 & 11.

### Warranty provision

A provision is made when the group has a legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources is required to settle the obligation and the amount can be reliably measured. Reported provisions refer to any future commitments for warranties for products sold. The amount is calculated on a continuous basis during the year, based on previous outcomes and current sales, plus a supplement for other known circumstances. At December 31, 2024, warranty provision was SEK 15.4 million (10.8). If sales had been 10 percent lower or higher than the

actual outcome, all other variables being constant, the warranty provision at December 31, 2024, would have been SEK 1.5 million (1.1) lower or higher.

### Leases

When the lease term is established, management takes into account all available information that gives a financial incentive to exercise an extension option, or not to exercise an option to terminate a lease. The option to extend a lease is only included in the lease term if it is reasonably certain that the lease will be extended (or not terminated). The leases that are mainly affected by this assessment relate to premises in Copenhagen and London where INVISIO can either extend the lease one month at a time (after the expiry of the original lease term in mid-2028 and mid-2025 respectively) or decide to terminate the lease prematurely (including a break-up fee). The assessment as at December 31, 2024, was that the group would not exercise the option to terminate these leases prematurely. Moreover, INVISIO does not consider it to be reasonably certain that it will exercise the extension option.

### Revenue

The group applies IFRS 15, "Revenue from contracts with customers."

The group develops and sells advanced communication systems with hearing protection. Revenue mainly consists of two flows: sales through purchase orders; and sales through programs. Sales through purchase orders involve the group's customers submitting separate purchase orders and approving the group's standardized sales agreements. Sales through programs usually involve a larger framework agreement with the customer, for example forming part of a modernization program for personal communication equipment for military personnel.

Regarding sales through purchase orders, the group uses standardized terms of sale and delivery for all sales. Each order is a specific performance obligation, since the goods are regarded as distinct. Enforceable rights and obligations arise only when a purchase order is made. Revenue is recognized when the performance obligation is satisfied, meaning at a given point in time. For sales through purchase orders, control mainly passes when INVISIO makes the goods available to the customer (ex works) or has delivered the goods to a determined place (DAP).

Sales through programs have several similarities with sales through purchase orders. The difference is that there is some form of underlying framework agreement or distribution agreement. When a

framework agreement is signed, neither the seller nor the buyer is obliged to deliver or buy a certain quantity. Enforceable rights and obligations arise only when a purchase order is made. Revenue is recognized when the performance obligation is satisfied, meaning at a given point in time. For sales through programs, control passes at different times depending on what has been agreed with the specific customer. Usually control passes when INVISIO makes the goods available to the customer (ex works) or has delivered the goods to a determined place (DAP). Sales through programs may include training in connection with the purchase. Training revenue is recognized on performance of the service and usually before the first delivery of goods.

No revenue stream includes any financing component as the credit period is short, often about 30 days.

The group's obligation to repair or replace defective products in line with normal guarantee rules is recognized as a provision.

### Segment reporting

The business has only one segment. Operating segments are recognized in line with the internal reports submitted to the chief operating decision maker. The chief operating decision maker is the function responsible for allocating resources and assessing the operating segment's performance. In the group, this function has been identified as the management team.

### Remuneration to employees

#### Variable remuneration

The group recognizes a liability and a cost for variable compensation based on the achievement of sales and performance targets.

### Pension obligations

The group exclusively operates defined-contribution pension plans, which are expensed on a current basis. The company has no obligations after the pension premium is paid.

### Share-based benefits

The group has two ongoing share-based remuneration plans that are settled by shares. The fair value of the requisite service that entitles employees to options allocations is expensed. The total amount to be expensed during the vesting period is based on the fair value of the allocated options, excluding any impact of non-market related vesting conditions. Non-market related vesting conditions are taken into account when assuming how many options are expected to be

## Note 1 (cont.) General information, accounting policies and valuation principles

redeemable. Every balance sheet date the company revises its estimates of how many options are expected to be redeemable. Any impact of the revision on the original estimates is recognized in corresponding adjustments made to equity. For more information on the employee stock option programs, see Note 7.

### Current and deferred tax

Tax expense for the period consists of current and deferred tax. Current tax is calculated on the basis of the tax rules applicable or adopted on the balance sheet date in the countries where the company's subsidiaries operate and generate taxable income.

Deferred tax is recognized using the balance sheet method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated accounts. Deferred tax is calculated on the basis of the tax rates and rules applicable or adopted on the balance sheet date and expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized only in so far as it is probable that future taxable profit will be available, against which the temporary differences can be offset.

Deferred tax assets and liabilities are offset when there is a legal right to offset current tax assets against current tax liabilities and when deferred tax assets and tax liabilities relate to income tax levied by the same tax agency on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### Financial instruments

The group applies IFRS 9, "Financial instruments." The group's financial assets and liabilities consist of trade receivables, other receivables, deposits for rent, cash and cash equivalents, trade payables, liabilities to credit institutions and other liabilities.

### Initial recognition

Financial assets and liabilities are recognized when the group becomes party to the instrument's contractual terms and conditions. Purchases and sales of financial assets and liabilities are recognized on the trade date, the date on which the group commits to purchase or sell the asset.

Financial instruments are initially recognized at fair value plus (for an asset or financial liability not recognized at fair value via the income statement) transaction costs directly attributable to

acquisition or issue of a financial asset for liability, for example fees and commissions.

### Financial assets – classification and measurement of debt instruments

A business must classify a financial asset in three different ways depending on the company's business model for managing financial assets and the qualities of the contractual cash flows from the asset. The three categories are: fair value through profit or loss; amortized cost; and fair value through other comprehensive income. The group only holds debt instruments that are classified and measured through amortized cost.

#### *Financial assets are measured at amortized cost*

The classification of investments in debt instruments depends on the group's business model for managing financial assets and the contractual terms for the assets' cash flows. The group reclassifies debt instruments only in cases where the group's business model for the instruments changes.

The group's financial assets held to collect contractual cash flows are recognized at amortized cost where these cash flows only consist of principal and interest. Interest income from these financial assets is recognized as financial income applying the effective interest method. Impairment losses are recognized on a separate line in the income statement.

The group's financial assets measured at amortized cost consist of trade receivables, other receivables, deposits for rent and cash and cash equivalents.

### Financial assets and liabilities – classification and measurement of derivative instruments

Derivatives are recognized and measured in the balance sheet at fair value, both initially and on subsequent remeasurement at the close of each reporting period. All changes in fair value of derivative instruments are recognized directly in the income statement among financial items.

### Derecognition of financial assets

Purchases and sales of financial assets are recognized on the trade date. Financial assets are derecognized when the rights to receive cash flows from the instrument have expired or have been transferred and the group has transferred substantially all risks and benefits of ownership.

Gains and losses arising on derecognition from the balance sheet are recognized directly in profit or loss in financial items.

### Financial liabilities – classification and measurement

The group's financial liabilities are measured after initial recognition at amortized cost, applying the effective interest method, and financial liabilities are measured at fair value through profit or loss.

The group's financial liabilities measured at amortized cost consist of trade payables, other liabilities, accrued expenses and liabilities to credit institutions.

### Derecognition of financial liabilities

Financial liabilities are removed from the balance sheet when the obligations have been discharged, annulled or otherwise extinguished. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the payment made, including transferred assets that are not cash or assumed debts, is recognized in other comprehensive income.

When the terms and conditions for a financial liability are renegotiated, and not derecognized from the balance sheet, a gain or loss is recognized in other comprehensive income. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

### Offset of financial instruments

Financial assets and liabilities are offset and recognized net in the balance sheet only when there is a legally enforceable right to set off the recognized amounts and an intention to settle them net or simultaneously realize the asset and settle the liability. The legal right may not be contingent on a future event and must be legally enforceable on the company and the counterparty, both in the normal course of business or in the event of default, insolvency or bankruptcy.

### Impairment losses on financial assets

#### *Assets carried at amortized cost*

The group estimates future expected credit losses linked to assets recognized at amortized cost. The group reports a credit reserve for these expected credit losses on each reporting date.

The group applies the simplified approach for expected credit losses, meaning that the reserve will correspond to the expected loss over the entire life of the trade receivable.



The credit reserve is based on the expected credit losses and consists of a general reserve and an individual assessment. For the general reserve, a percentage rate is calculated based on historical credit losses and forward-looking assumptions. For the individual assessment, the customer's current situation and other relevant circumstances, such as credit risk characteristics, days past due and historic position are taken into account. Expected credit losses are recognized in the consolidated statement of comprehensive income in the item "Other external costs."

### Goodwill

Goodwill is measured at acquisition cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and tested at least annually for impairment (see the accounting policy for impairment loss on intangible assets). Goodwill arising on acquisition of associated companies is included in the carrying amount of the holdings.

### Capitalized development costs

The group conducts product-specific development activities. Expenses arising from development projects are recognized as intangible assets when it is probable that the project will be successful in terms of its commercial and technical potential and when the expenses can be reliably measured. Expenses directly associated with development of products intended for sale are recognized as intangible assets.

Development expenditure includes salary and other expenses for employees arising through product development, as well as directly attributable external expenses such as molds, testing and type approval. Other development expenditure is expensed as it arises. Development expenditure already expensed is not recognized as an asset in subsequent periods.

Capitalized development expenditure has a limited useful life and is amortized on a straight-line basis from the time commercial production of the product is started. Amortization is over the expected useful life of 3–7 years.

### Other intangible assets

Other intangible assets consist of customer contracts, technology, trademarks arising from business acquisitions and capitalized business systems. Other intangible assets are recognized at fair value on the acquisition date and thereafter at acquisition cost less accumulated depreciation/amortization and impairment. Amortization is

on a straight-line basis over the asset's estimated life and is 15 years for technology, seven years for customer relations, eight years for trademarks and five years for business systems.

### Property, plant and equipment

Property, plant and equipment is recognized at acquisition cost less planned depreciation based on an estimation of the useful life of the asset. Any gains/losses on divestment are recognized in profit or loss. The residual value and useful life of the asset is determined at every year-end closing and is adjusted as necessary. Property, plant and equipment have a limited useful life and are amortized on a straight-line basis over the expected useful life of 3–10 years.

### Impairment losses on non-financial assets

The carrying amounts of the group's assets, with the exception of financial assets held at fair value and whose changes in value are recognized in profit or loss, are tested whenever there is the need to assess whether there is indication of impairment loss. If such an indication exists, the recoverable amount of the asset is calculated. An impairment loss is recognized when the carrying amount of an asset exceeds the recoverable amount. An impairment loss is charged to the income statement. See below for more details on calculation of the recoverable amount of an asset.

### Reversal of impairment losses

Impairment losses are reversed if a subsequent increase in the recoverable amount can be objectively related to an event that has occurred after the impairment loss was recognized, and that a change has been made in the assumptions on which the calculation of the recoverable amount was based.

An impairment loss is reversed only to the extent that the asset's carrying amount after reversal does not exceed the carrying amount the asset would have had if no impairment loss had been recognized, taking into account the depreciation that would then have applied.

### Provisions

A provision is recognized when an obligation exists as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

### Inventories

Inventories are measured at the lower of cost and net realizable value on the balance sheet date. Cost is determined using the first-in, first-out principle. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Provision for obsolescence is based on the items' age and recoverable amount.

### Cash and cash equivalents

Cash and cash equivalents include cash and immediately available bank balances.

### Receivables and liabilities in foreign currency

Group companies' receivables, liabilities and provisions in foreign currency are translated at the exchange rate on the closing date. Foreign exchange effects are recorded in the income statement as financial income or expense.

### Cash flow statement

The cash flow statement was prepared in accordance with the indirect method. This means that cash flow was adjusted for transactions that did not entail any payments in or out during the period.

### Calculation of recoverable amount

The recoverable amount for all assets, excluding assets categorized as loan receivables and trade receivables, which are recognized at amortized cost, is the higher of fair value less selling expenses and value in use. When calculating value in use, future cash flows are discounted using a discount factor that takes into account risk-free rates and the risk connected with the specific asset. For an asset that does not generate cash flows that are largely independent of other assets, a common recoverable amount is calculated for the cash-generating unit to which the asset belongs.

### Leases

The group applies IFRS 16, "Leases." Leases in which INVISIO is the lessee are mainly for rented premises and vehicles. Leases are normally signed for fixed periods of 2–10 years for rented premises and three years for vehicles. Extension and premature termination options may exist, as described below. Terms and conditions are negotiated separately for each contract and include a large number of different contract terms.

## Note 1 (cont.) General information, accounting policies and valuation principles

Lease contracts are recognized as rights of use with a corresponding liability on the date that the leased asset is available for use by INVISIO. The right of use and lease liability are recorded on separate lines on the balance sheet as “Right of use, leases” and “Lease liability.” Each lease payment is allocated between amortization of the debt and interest expense. Interest expense is allocated over the lease term so that each accounting period is charged with an amount equivalent to a fixed interest rate on the debt recognized in the respective period. The right of use is depreciated on a straight-line basis over whichever is shorter of the useful life of the asset and the term of the lease.

Assets and liabilities arising from leases are initially recognized at present value. Lease liabilities include the present value of the following lease payments:

- fixed charges (including in-substance fixed payments);
- variable lease payments based on an index or rate, initially measured using the index or the rate on the starting date;
- the guaranteed residual value the lessee expects to have to pay to the lessor;
- the exercise price of a purchase option, if it is reasonably certain that the lessee will exercise the option; and
- penalty payments for terminating the lease, if the lease term provides for the lessee to exercise this option.

Lease payments are discounted using the implicit interest rate, if it can be determined, or else the incremental borrowing rate.

Assets with right of use are measured at acquisition cost and include the following:

- the amount of the original lease liability;
- lease payments made on or before the starting date, less any benefits received in connection with signing the lease agreement;
- initial direct costs; and
- costs of restoring the asset to the condition required by the terms and conditions of the lease.

INVISIO applies an exemption in IFRS 16 that expenses payments for short-term and low-value leases in the income statement. Short-term leases are those with a term of 12 months or less. Low-value leases mainly relate to low-value IT equipment. The group recognizes each lease component separately from non-lease components.

Options to extend and terminate leases are included in a number of the group's lease agreements for rented premises. These conditions

are used to maximize flexibility in the management of the agreements. The majority of the options to extend and terminate lease agreements can only be exercised by the group and not by lessors. Assessments concerning exercise of options to extend or terminate lease agreements are reviewed if any significant event or change in circumstances arises that impacts these assessments and the change is within the lessee's control.

### Related-party transactions

Regarding salaries and other remuneration, costs, obligations, benefits and severance payment agreements in respect of the board and CEO, see Note 8. Inter-company transactions are presented in Note 5. Other disclosures on related-party transactions are presented in Note 26.

### Parent company's accounting policies

The parent company prepares its financial statements in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2, “Accounting for legal entities.” The same accounting policies are applied as for the group, as far as this is possible, subject to the Annual Accounts Act and the Safeguarding Pension Obligations Act, taking into account the connection between accounting and taxation. The differences between the group's and the parent company's accounting policies mainly concern the following two principles:

#### Leases

The parent company does not apply IFRS 16, “Leases,” in accordance with the exception in the Swedish Financial Reporting Board's recommendation RFR 2. Lease payments are expensed on a straight-line basis over the lease term. Hence, no right of use or lease liability is recognized in the balance sheet.

#### Subsidiaries and associated companies

Investments in subsidiaries and associated companies are recognized in the parent company in accordance with the cost method. All dividends from subsidiaries and associated companies are recognized in the parent company's income statement. Under special circumstances, such dividends may indicate depreciation and that an impairment test should be performed.

## Note 2 Financial risk management and capital risk

### Financial risk factors

The group's operations expose it to financial risks such as interest rate risk, currency risk, credit risk, financing risk and liquidity risk. INVISIO's financial policy, which is approved annually by the board, sets out the guidelines for managing these financial risks within the group.

The financial policy includes investments and borrowings. The focus is to reduce unfavorable effects on the group's earnings, equity and cash flow caused by changes in interest and currency rates. INVISIO must also be able to meet its payment obligations, which is why credit, interest and liquidity risks must be minimized. The group may not create added value through financial risk taking. Taking into account the constraints of the financial policy, the aim is to achieve the highest return possible on invested funds.

#### Interest rate risk

Interest rate risk is the risk of the value of financial instruments varying due to changes in market interest rates. The group's and the parent company's interest-bearing financial assets consist of bank balances.

The group has no interest-bearing financial liabilities and thus is not exposed to any material interest rate risk.

#### Currency risk

Currency risk is defined as the risk of a reduction in earnings and/or a reduction in cash flow due to changes in currency exchange rates.

Changes in foreign exchange rates impact the group's earnings and equity in different ways:

- Earnings are impacted when sales and purchases are in different currencies (transaction exposure)
- Earnings are impacted when assets and liabilities are in different currencies (translation exposure)
- Equity is impacted when foreign subsidiaries' net assets are converted into Swedish kronor (translation exposure in the balance sheet).

#### Transaction exposure

INVISIO has considerable international exposure, with a large portion of revenue arising in EUR, GBP and USD. Sales in these currencies in 2024 were USD 63.5 million (47.1), EUR 42.5 million (47.0) and GBP 17.1 million (11.3). Components are primarily purchased in SEK, DKK, USD and GBP. Purchases in these currencies in 2024 totaled SEK 174.1 million (248.7), DKK 71.9 million (64.6), USD 29.3 million (11.8) and GBP 14.7 million (8.0). Currency risks are managed in accordance with the financial policy set by the board, which requires large sales orders received and confirmed to be hedged. During the year INVISIO received no sales orders that required hedging.

If the average SEK exchange rate versus EUR had strengthened or weakened by 10 percent, all other variables remaining constant, revenue and earnings after tax for 2024 would have been SEK 48.5 million (54.0) and SEK 20.8 million (25.2) lower or higher. If the average SEK exchange rate versus USD had strengthened or weakened by 10 percent, all other variables remaining constant, revenue and earnings after tax for 2024 would have been SEK 67.0 million (50.0) and SEK 26.9 million (24.5) lower or higher. If the average SEK exchange rate versus GBP had strengthened or weakened by 10 percent, all other variables remaining constant, revenue and earnings after tax for 2024 would have been SEK 23.1 million (14.9) and SEK 6.3 million (7.5) lower or higher.

#### Translation exposure

The group has cash and cash equivalents, trade receivables and trade payables in foreign currencies, above all in USD, EUR and GBP. At December 31, 2024, the net exposure in USD against SEK was SEK 250.6 million (156.3), in EUR against SEK was SEK 130.3 million (100.5) and in GBP against SEK was SEK 59.3 million (9.6) for these items. If the USD exchange rate versus SEK had been 10 percent higher or lower compared with the rate on December 31, 2024, the group's earnings after tax would have been SEK 19.9 million (12.4) higher or lower. If the EUR exchange rate versus SEK had been 10 percent higher or lower compared with the rate on December 31, 2024, the group's earnings after tax would have been SEK 10.3 million (8.0) higher or lower. If the GBP exchange rate had been 10 percent higher or lower compared with the rate on December 31, 2024, the group's earnings after tax would have been SEK 4.7 million (0.8) higher or lower. As part of hedging transaction exposure, related trade receivables are also hedged. In other respects INVISIO does not work actively with translation exposure.

#### Translation exposure in the balance sheet

The group's net assets are largely in DKK and GBP. If the DKK exchange rate had been 10 percent higher or lower compared with that on December 31, 2024, the group's equity would have been SEK 36.5 million (30.2) higher or lower. If the GBP exchange rate had been 10 percent higher or lower compared with that on December 31, 2024, the group's equity would have been SEK 25.3 million (13.3) higher or lower.

#### Credit risk

Credit risk is the risk that a party to a transaction with a financial instrument fails to fulfill its obligations. INVISIO's customers have a good capacity to service debt because they are mainly government agencies in charge of procurement for law enforcement, security and defense forces. In order to limit credit loss risk, the group's credit policy includes guidelines and provisions for credit checking new customers, payment terms and procedures and processes for managing unpaid receivables. For an age analysis of trade receivables, see Note 16.

The group works with several reputable banks that are subject to supervision by Finansinspektionen (the Swedish Financial Supervisory Authority) or the equivalent foreign authority and that have high creditworthiness. During the year INVISIO held deposits mainly with SEB, SBAB, Société Générale, BPM Banco, HSBC and JP Morgan Chase Bank.

#### Financing and liquidity risk

Financing risk is the risk that the refinancing of loans falling due is hindered or made more costly, resulting in the group having difficulty in meeting its payment commitments. Liquidity risk is the risk of not being able to make payments when they fall due. Treatment of liquidity risk is based on prudence, which entails retaining sufficient liquidity, access to financing and sufficient agreed lines of credit. At December 31, 2024, cash and cash equivalents totaled SEK 242.4 million (224.9). All trade and other payables mature within three months, with the exception of lease liabilities. See Note 14 for a maturity analysis of lease liabilities.

#### Management of capital

The group's goal for its capital structure (shareholders' equity and liabilities) is to safeguard the group's ability to continue its operations, so that it can generate a return for its shareholders and

benefit other stakeholders and to ensure an optimal capital structure in relation to the cost of capital. Dividends to shareholders, share buybacks, new share issues and asset sales are examples of measures that the group may use in order to adjust the capital structure.

#### FINANCIAL INSTRUMENTS, DECEMBER 31

Financial assets	2024	2023
Measured at amortized cost:		
– Trade receivables	466.8	219.5
– Deposits for rent	4.8	4.3
– Other receivables	17.6	17.1
– Cash and cash equivalents	242.4	224.9
<b>Total financial assets</b>	<b>731.6</b>	<b>465.8</b>
Financial liabilities	2024	2023
Measured at amortized cost:		
– Trade and other payables	100.6	178.3
<b>Total financial liabilities</b>	<b>100.6</b>	<b>178.3</b>

For the group's financial instruments the carrying amount corresponds to the fair value since the interest is in parity with current market rates or the items are current.

## Note 3 Revenue by geographical area

Geographical area	Revenue		Share of total revenue		Non-current assets		Share of total assets	
	2024 (SEK million)	2023 (SEK million)	2024 (%)	2023 (%)	2024 (SEK million)	2023 (SEK million)	2024 (%)	2023 (%)
Sweden	45.2	23.7	2%	2%	8.2	–	2%	–
USA	605.5	427.0	34%	34%	3.1	0.2	1%	0%
United Kingdom	230.0	288.5	13%	23%	186.7	168.4	51%	54%
Denmark	430.4	36.2	24%	3%	168.0	141.4	46%	46%
Rest of Europe <sup>1)</sup>	387.2	302.7	21%	24%	0.3	0.4	0%	0%
Rest of the world <sup>2)</sup>	108.6	160.4	6%	13%	–	–	–	–
<b>Total</b>	<b>1,806.7</b>	<b>1,238.5</b>	<b>100%</b>	<b>100%</b>	<b>366.3</b>	<b>310.4</b>	<b>100%</b>	<b>100%</b>

1) Rest-of-Europe countries account for less than 10 percent of revenue.

2) In 2023, Canada accounts for 47 percent and Australia for 41 percent of rest-of-the-world revenue.

One customer accounted for more than 10 percent of total annual revenue. Revenue from this customer accounted for 10 percent of the total. In the prior year, one customer accounted for more than 10

percent of annual revenue. Revenue from this customer accounted for 16 percent of the total. The largest customers may vary from year to year.

## Note 4 Costs by nature of expense

Group	2024	2023
Cost of goods sold	799.7	491.2
Costs of employee benefits (Note 7)	340.2	282.0
Depreciation/amortization and impairment losses (Notes 11, 12, 13 & 14)	61.1	65.3
Other costs	203.3	157.1
<b>Total</b>	<b>1,404.4</b>	<b>995.7</b>

Parent company	2024	2023
Costs of employee benefits (Note 7)	4.9	4.4
Other costs	16.4	8.1
<b>Total</b>	<b>21.3</b>	<b>12.5</b>

## Note 5 Inter-company transactions

Of the parent company's invoicing, SEK 6.5 million (0.1) relates to services provided to subsidiaries. Invoicing by subsidiaries to the parent company totaled SEK 0.4 million (0.4).

## Note 6 Auditors' remuneration

	Group		Parent company	
	2024	2023	2024	2023
<b>PwC</b>				
Auditing assignments <sup>1)</sup>	1.7	1.3	1.1	0.9
Audit business in addition to audit assignment	–	–	–	–
Other services <sup>2)</sup>	0.0	0.1	–	–
<b>Total</b>	<b>1.7</b>	<b>1.4</b>	<b>1.1</b>	<b>0.9</b>
<b>Other auditors</b>				
Auditing assignments <sup>1)</sup>	1.0	1.4	–	–
Audit business in addition to audit assignment	–	–	–	–
Other services <sup>2)</sup>	–	–	–	–
<b>Total</b>	<b>1.0</b>	<b>1.4</b>	<b>–</b>	<b>–</b>

1) Audit assignment refers to fees for the statutory audit, that is, such work as is necessary to submit an auditor's report, as well as audit consulting services arising in connection with the audit assignment.

2) Other services refer primarily to consulting on accounting and tax matters.



## Note 7 Personnel

	2024		2023	
	Number	of which male	Number	of which male
Average number of employees				
Parent company	1	100%	1	100%
Subsidiaries	264	83%	215	82%
<b>Total</b>	<b>265</b>	<b>83%</b>	<b>216</b>	<b>82%</b>

	2024		2023	
	Number	of which male	Number	of which male
Gender breakdown, senior executives				
Board of directors	6	50%	6	50%
Remuneration to the CEO and other senior executives	6	100%	6	100%

	2024	2023
Salaries and other remuneration		
Parent company	4.0	3.6
Subsidiaries	348.9	283.8
Capitalized salaries for research and development	-34.6	-26.6
<b>Group total</b>	<b>318.3</b>	<b>260.8</b>

Social security costs excluding pension costs		
Parent company	0.7	0.6
Subsidiaries	12.2	11.6
<b>Group total</b>	<b>12.9</b>	<b>12.2</b>

Pension costs		
Parent company	0.2	0.2
Subsidiaries	8.9	8.8
<b>Group total</b>	<b>9.1</b>	<b>9.0</b>

<b>Total personnel costs</b>	<b>340.2</b>	<b>282.0</b>
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### Pensions

Neither the parent company nor the group's subsidiaries have any defined benefit pension plans for employees.

### Employee stock option program

The purpose of the employee stock option programs is to link a portion of employees' remuneration to INVISIO's long-term performance, thereby connecting employees' interests with those of shareholders. The programs target all employees of the group and its subsidiaries, divided into two different categories. Provided that the participants were employed by the group on the allocation date, they were offered free stock options that potentially entitled them to acquire shares in the company. For all employee stock options to entitle participants to acquire INVISIO shares, participants must have been employed within the INVISIO group throughout the vesting period and the INVISIO share price must have exceeded SIXPRX by 20 percentage points. If INVISIO's share price exceeds SIXPRX by 10 percentage points, half of the participants' share options confer the right to acquire shares in INVISIO. If the INVISIO share price exceeds SIXPRX by more than 10 but less than 20 percentage points, the share options confer the right to acquire shares in INVISIO on a linear basis between 50 and 100 percent. If the INVISIO share price does not exceed SIXPRX by 10 percentage points, all share options will lapse.

2022/2025 employee stock option program: The vesting period extends from May 6, 2022, to May 8, 2025, and the exercise period from May 15, 2025, to June 30, 2025. The costs during the year were SEK 3.6 million (3.8).

2023/2026 employee stock option program: The vesting period extends from May 9, 2023, to May 8, 2026, and the exercise period from May 15, 2023, to June 30, 2026. The costs during the year were SEK 7.4 million (5.0).

The market value of the employee stock option programs 2022/2025 and 2023/2026 was calculated on the basis of the Black & Scholes valuation model with the following inputs:

	2022/2025	2023/2026
Share price, SEK	155.04	224.50
Expected dividend per share, SEK	0.70	0.80
Volatility, %	45	46
Risk-free interest rate, %	1.45	2.71
Expected number of earned options, %	44	42
<b>Value per employee stock option, SEK</b>	<b>18.25</b>	<b>29.62</b>

	CEO	Other executives	Other employees	Total, number of options	Exercise price, weighted average, SEK
<b>Opening number of options as at January 1, 2024</b>	<b>48,000</b>	<b>120,000</b>	<b>1,272,700</b>	<b>1,440,700</b>	<b>201.80</b>
Allocated during the year	-	-	-	-	-
Forfeited/lapsed during the year	-	-	54,000	54,000	203.60
Exercised during the year	-	-	-	-	-
<b>Closing number of options as at December 31, 2024</b>	<b>48,000</b>	<b>120,000</b>	<b>1,218,700</b>	<b>1,386,700</b>	<b>204.14</b>

## Note 8 Remuneration to the board of directors and senior executives

	2024				2023			
	Fee/ Salary	Pension	Other remuneration	Total	Fee/ Salary	Pension	Other remuneration	Total
Board of directors <sup>1)</sup>								
Annika Andersson, Chair of the Board <sup>2)</sup>	0.9	–	–	0.9	0.8	–	–	0.8
Hannu Saastamoinen <sup>3)</sup>	0.3	–	–	0.3	0.3	–	–	0.3
Ulrika Hagdahl <sup>4)</sup>	0.5	–	–	0.5	0.4	–	–	0.4
Martin Krupicka	0.3	–	–	0.3	0.3	–	–	0.3
Charlott Samuelsson <sup>5)</sup>	0.4	–	–	0.4	0.3	–	–	0.3
Nicklas Hansen <sup>6)</sup>	0.4	–	–	0.4	0.2	–	–	0.2
<b>Total</b>	<b>2.7</b>	<b>–</b>	<b>–</b>	<b>2.7</b>	<b>2.4</b>	<b>–</b>	<b>–</b>	<b>2.4</b>
<b>Management</b>								
Lars H. Hansen, CEO <sup>7)</sup>	7.7	0.1	0.0	7.8	5.9	0.2	0.0	6.1
Other management <sup>8)</sup>	21.6	0.3	0.6	22.5	16.2	0.2	0.5	17.0
<b>Total</b>	<b>29.3</b>	<b>0.4</b>	<b>0.6</b>	<b>30.3</b>	<b>22.0</b>	<b>0.4</b>	<b>0.5</b>	<b>23.0</b>

- 1) The 2024 AGM resolved that board fees totaling SEK 750,000 would be paid to the chair of the board and SEK 300,000 to each of the other directors. In addition, a fee of SEK 145,000 would be payable to the chair of the audit committee and SEK 63,000 to the chair of the remuneration committee and SEK 63,000 to the chair of the cybersecurity committee and SEK 42,000 to members of the remuneration committee and the cybersecurity committee and SEK 63,000 each to two members of the audit committee.
- 2) Includes fee for work as member of the audit committee, cybersecurity committee and as chair of the remuneration committee.

- 3) Includes fee for work as member of the remuneration committee.
- 4) Includes fee for work as chair of the audit committee and as member of the cybersecurity committee.
- 5) Includes fee for work as chair of the cybersecurity committee.
- 6) Includes fee for work as member of the audit committee.
- 7) Variable salary may be a maximum of 60 percent of the fixed salary. Variable salary of SEK 2.9 million (2.6) was paid in 2024.
- 8) Variable salary of SEK 6.4 million (5.9) was paid in 2024.

### Guidelines for remuneration to senior executives

The last adopted guidelines for remuneration to senior executives are described below. The guidelines were adopted by the 2024 AGM and and apply until further notice, though no longer than until the 2028 AGM.

### The guidelines' promotion of the company's business strategy, long-term interests and sustainability

INVISIO' strategy for profitable growth is to increase penetration in existing markets, broaden the product portfolio through innovative development, address new user groups, expand into new geographies, and conduct the business sustainably and cost-effectively. INVISIO's financial targets are for revenue to increase by an average of 20 percent per year and for the operating margin to exceed 15 percent. For further information on the company's business strategy, see INVISIO's website [www.invisio.com](http://www.invisio.com).

Successful implementation of the business strategy and the safeguarding of the company's long-term interests and sustainable operation assume the ability to recruit and retain qualified employees. INVISIO must therefore endeavor to offer total remuneration that enables the group to attract and retain senior executives. Remuneration to senior executives of INVISIO, both in the short and long term, must be based on the individual's performance and responsibility, as well as the earnings of INVISIO and its subsidiaries and it must link the interests and rewards of the senior executives with those of the shareholders.

Variable cash remuneration covered by these guidelines must aim to promote the company's business strategy and long-term interests, including its sustainability.

### Forms of remuneration and similar benefits

Remuneration of senior executives may consist of:

- fixed salary;
- short-term variable remuneration;
- the possibility to participate in long-term share or share-price related incentive programs; and
- pension and other benefits.

#### Fixed salary

Senior executives' fixed salaries are revised annually and must be competitive and based on the individual's skills, responsibilities and performance.

#### Variable remuneration

Senior executives' variable cash remuneration is to be based on how well the targets set for their respective areas of responsibility, and for INVISIO and its subsidiaries, have been met. The same targets apply to the bonus program that includes all employees. The outcome is to be linked to measurable targets (qualitative, quantitative, general and individual). The target components, weightings and levels may vary from year to year to reflect business priorities. They generally balance the group's financial targets and non-financial targets (for example, operational, strategic, environmental, social or other sustainability-related targets). The measurement period for variable remuneration is based as a rule on performance over a period of about 12 months. The targets within the senior executives' respective areas of responsibility aim to promote INVISIO's short and long-term development.

When the measurement period for meeting the criteria for payment of variable cash remuneration has ended, a decision shall be made on the extent to which the criteria have been fulfilled. The remuneration committee is responsible for the assessment concerning variable cash remuneration to senior executives. The board of directors has the right to disregard the fulfillment of the criteria and adjust payment of variable remuneration both upwards and downwards on the basis of actual progress during the year.

Additional variable cash remuneration may be payable in extraordinary circumstances, provided that such arrangements are made solely at individual level as remuneration for extraordinary work input over and above the individual's ordinary duties. The total variable remuneration may not exceed 60 percent of fixed salary nor be used as a basis for calculating pension or vacation pay, to the extent permitted by applicable law.

#### Share or share-price-related incentive programs

The general meeting may, independently of these guidelines, decide on share and share price-related incentive programs for all employees, including senior executives.

The 2022 and 2023 AGMs resolved to introduce employee stock option programs. These were approved by the general meeting and are thus not subject to these guidelines. The purpose of the employee stock option programs is to link part of the employees' remuneration to INVISIO's long-term performance and in that way connect employee interests with shareholder interests. For more information on incentive programs, including the criteria on which outcomes are based, see INVISIO's website [www.invisio.com](http://www.invisio.com).

#### Pensions and other benefits

The pension terms of senior executives shall be based on defined contribution pension solutions and follow or correspond to, and thus be limited to, general pension plans in accordance with the ITP plan. As regards terms of employment that are subject to non-Swedish rules when it comes to pensions and other benefits, appropriate adaptations may be made to follow mandatory rules or established local practice, whereby the overall purpose of these guidelines is to be met in so far as is possible.

Senior executives' non-monetary benefits are to facilitate the work performance of senior executives and be proportionate to what may be regarded as reasonable in relation to market practice where the respective senior executive operates.

#### Severance

The CEO has a 12-month notice period in the event of termination by the company, and eight months in the event of termination by the CEO. Other senior executives have a six-month severance period in the event of termination by the company, and three months in the event of termination by the executive. No severance payment is payable on termination, only salary during the severance period.

#### Salary and conditions of employment for employees

When preparing the board's proposals for these remuneration guidelines, the salary and employment conditions of the company's employees were taken into account by including data on employees' total remuneration and the components of and increase in

remuneration and its growth rate over time in the information provided to the remuneration committee and the board for decision-making when evaluating the reasonableness of the guidelines and the constraints that flow from them.

#### Remuneration of directors in addition to board fees to be resolved by the general meeting

Elected directors shall, in specific cases, be entitled to receive a fee for services provided their respective area of expertise to the extent that these services fall outside the scope of their work as a director. A market-based fee, which must be approved by the board, is payable for these services and must comply with the remuneration guidelines for senior executives.

#### Decision-making process to determine, review and implement the guidelines

The board has a remuneration committee whose duties include preparing board decisions on proposed guidelines for remuneration of senior executives and any decisions on deviations from the guidelines. The board must propose new guidelines at least every fourth year and present the proposal to the AGM for approval. The guidelines shall apply until new guidelines have been adopted by the general meeting. The remuneration committee must also monitor and evaluate variable remuneration programs for management, the application of guidelines for remuneration of senior executives, and current remuneration structures and levels in the company. Remuneration committee members are independent in relation to the company and its management. The CEO and other management members may not be present when the board considers and decides on remuneration-related matters if these individuals are affected by the matters under discussion.

#### Deviations from the guidelines

The board is entitled to deviate, entirely or in part, from the above guidelines on remuneration of senior executives if it determines that there are special grounds for doing so in an individual case, and a deviation is necessary to satisfy the long-term interests of the company, including its sustainable operation or financial viability. Any such deviation must be reported in the remuneration report prior to the next AGM.

## Note 9 Income tax

	Group		Parent company	
Tax on profit for the year	2024	2023	2024	2023
Current tax on profit for the year	-107.1	-60.5	-	-
Deferred tax	6.2	-3.0	-	-
<b>Total current tax</b>	<b>-101.0</b>	<b>-63.5</b>	<b>-</b>	<b>-</b>

	Group		Parent company	
Differences between reported tax expense and tax expense based on current tax rate	2024	2023	2024	2023
Profit before tax	407.4	241.9	131.6	38.0
Tax 20.6% [20.6]	-83.9	-49.8	-27.1	-7.8
Tax effect of:				
- Foreign tax rates	-13.5	-6.8	-	-
- Non-taxable revenue	-	-	29.8	10.8
- Expenses not deductible for tax purposes	-3.5	-5.7	-	-
- Other	0.1	1.0	-	-
- Tax attributable to previous years	2.6	5.8	-	-
- Tax losses for which no deferred tax asset is recognized	-2.7	-3.0	-2.7	-3.0
- Change in tax rate for deferred tax	-	-5.0	-	-
<b>Tax on profit for the year according to income statement</b>	<b>-101.0</b>	<b>-63.5</b>	<b>-</b>	<b>-</b>
Effective tax rate, %	24.8	26.2	-	-

	Group		Parent company	
Deferred tax assets	2024	2023	2024	2023
Deferred tax asset attributable to other temporary differences	13.2	2.6	-	-
<b>Closing balance</b>	<b>13.2</b>	<b>2.6</b>	<b>-</b>	<b>-</b>

## Note 9 (cont.) Income tax

	Group		Parent company	
	2024	2023	2024	2023
Deferred tax liabilities				
Deferred tax liability attributable to capitalized development costs in Denmark	-26.4	-21.2	-	-
Debt attributable to temporary differences in other intangible assets	-14.9	-16.9	-	-
Deferred tax asset attributable to other temporary differences in Denmark	0.6	0.5	-	-
<b>Closing balance</b>	<b>-40.7</b>	<b>-37.6</b>	<b>-</b>	<b>-</b>

	Group		Parent company	
	2024	2023	2024	2023
Unutilized loss carryforwards				
Unutilized loss carryforwards for which no deferred tax asset has been recognized	177.7	164.7	174.8	161.8
Potential tax asset	36.6	33.9	36.0	33.3

Deferred tax assets are recognized for tax loss carryforwards in so far as it is likely that they can be utilized against future taxable profits. An individual assessment is made of each company with reference to historical performance and the possibility of utilizing the loss carryforwards.

The group's loss carryforwards were SEK 177.7 million (164.7) on December 31, 2024, of which no amount is capitalized.

Unutilized tax loss carry-forwards refer mainly to the parent company and cannot be used at present because the parent company is a holding company with no other business activities.

## Note 10 Goodwill

Group, December 31	2024	2023
<b>Opening carrying amount</b>	<b>58.0</b>	<b>56.2</b>
Foreign exchange differences for the year	4.9	1.8
<b>Closing carrying amount</b>	<b>62.9</b>	<b>58.0</b>

Goodwill is tested annually for impairment. The recoverable amount for the group's CGUs is determined on the basis of value-in-use calculations. These calculations are based on expected future cash flows based on financial forecasts and strategies approved by management, and cover a five-year period. The assumptions reflect the financial targets set by the board, market reports on future growth, and technology trends. Cash flows beyond the five-year period are extrapolated using an estimated growth rate. Material assumptions used for calculating value in use are terminal growth rate, projected operating margin and discount rate before tax.

The terminal growth rate used is 2 percent (2). The discount rate before tax used is 12.4 percent (12.5). This is to reflect the specific risks applicable to the segment the company operates within.

A decrease in the terminal growth rate of 3 percentage points (3) does not trigger any impairment loss. A decrease in the estimated operating margin of 2 percentage points (2) does not trigger any impairment loss. An increase in the discount rate of 3 percentage points (3) does not trigger any impairment loss.

Based on the above, it is not deemed necessary to recognize any impairment losses.

## Note 11 Capitalized development costs

Group, December 31	2024	2023
<b>Opening cost</b>	<b>243.6</b>	<b>213.3</b>
Internally developed assets	57.8	39.2
Impairment losses for the year	-	-6.8
Foreign exchange differences for the year	9.5	-2.0
<b>Closing accumulated acquisition value</b>	<b>310.9</b>	<b>243.6</b>
<b>Opening depreciation</b>	<b>-132.9</b>	<b>-109.8</b>
Depreciation for the year	-22.6	-24.5
Foreign exchange differences for the year	-4.5	1.4
<b>Closing accumulated depreciation</b>	<b>-160.1</b>	<b>-132.8</b>
<b>Closing carrying amount</b>	<b>150.9</b>	<b>110.7</b>

## Impairment testing

Intangible assets refer to internal development of products specifically for sale. A recoverable amount is estimated when there is an indication that the asset has decreased in value. Intangible assets under development are annually tested for impairment. The recoverable amount for the group's CGUs is determined on the basis of value-in-use calculations. Calculation is per project. These calculations are based on expected future cash flows based on financial forecasts and strategies approved by the management, and cover a five-year period. The assumptions reflect the financial targets set by the board, market reports on future growth, and technological trends. The discount rate after tax used is 11.0 per cent (11.0). This is to reflect the specific risks applicable to the segment the company operates within.

A change in discount rate of 3 percentage points (3) does not trigger any impairment loss (IAS 38). A change in estimated EBITDA of 2 percentage points (2) does not trigger any impairment loss. A change in estimated gross margin of 3 percentage points (3) does not trigger any impairment loss. Based on the above, it was not deemed necessary to recognize any impairment losses.

Expenditure recognized for research and development, excluding depreciation, totaled SEK 138.8 million (109.3).



## Note 12 Other intangible assets

Group, December 31	2024					2023				
	Trade-mark	Customer relations	Technology	Other <sup>1)</sup>	Total	Trade-mark	Customer relations	Technology	Other	Total
<b>Opening cost</b>	<b>14.0</b>	<b>63.9</b>	<b>27.8</b>	<b>-</b>	<b>105.6</b>	<b>13.8</b>	<b>62.9</b>	<b>27.4</b>	<b>-</b>	<b>104.1</b>
Purchases	-	-	-	8.4	8.4	-	-	-	-	-
Foreign exchange differences for the year	1.2	5.4	2.3	-	8.9	0.2	0.9	0.4	-	1.6
<b>Closing accumulated cost</b>	<b>15.2</b>	<b>69.3</b>	<b>30.1</b>	<b>8.4</b>	<b>123.0</b>	<b>14.0</b>	<b>63.9</b>	<b>27.8</b>	<b>-</b>	<b>105.6</b>
<b>Opening depreciation</b>	<b>-5.1</b>	<b>-26.6</b>	<b>-6.2</b>	<b>-</b>	<b>-37.9</b>	<b>-3.3</b>	<b>-17.2</b>	<b>-4.3</b>	<b>-</b>	<b>-24.8</b>
Depreciation for the year	-1.9	-9.6	-1.9	-0.2	-13.7	-1.8	-9.4	-1.9	-	-13.1
Foreign exchange differences for the year	-0.5	-2.5	-0.6	-	-3.5	-	0.1	-	-	0.1
<b>Closing accumulated depreciation</b>	<b>-7.5</b>	<b>-38.7</b>	<b>-8.7</b>	<b>-0.2</b>	<b>-55.2</b>	<b>-5.1</b>	<b>-26.6</b>	<b>-6.2</b>	<b>-</b>	<b>-37.9</b>
<b>Closing carrying amount</b>	<b>7.7</b>	<b>30.5</b>	<b>21.4</b>	<b>8.2</b>	<b>67.9</b>	<b>8.9</b>	<b>37.3</b>	<b>21.5</b>	<b>-</b>	<b>67.7</b>

Parent company, December 31	2024					2023				
	Trade-mark	Customer relations	Technology	Other <sup>1)</sup>	Total	Trade-mark	Customer relations	Technology	Other	Total
<b>Opening cost</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Purchases	-	-	-	8.4	8.4	-	-	-	-	-
<b>Closing accumulated cost</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.4</b>	<b>8.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Opening depreciation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation for the year	-	-	-	-0.2	-0.2	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing carrying amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.2</b>	<b>8.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

1) Other refers to activated costs for the adaptation and configuration of the business system. The asset is amortized linearly over a useful life of five years.

## Note 13 Property, plant and equipment

Group, December 31	2024	2023
<b>Opening cost</b>	<b>71.8</b>	<b>51.6</b>
Purchases	11.5	20.9
Sales and disposals for the year	-	-0.1
Foreign exchange differences for the year	6.7	-0.5
<b>Closing accumulated acquisition value</b>	<b>89.9</b>	<b>71.8</b>

Group, December 31	2024	2023
<b>Opening depreciation</b>	<b>-38.8</b>	<b>-30.7</b>
Depreciation for the year	-12.2	-8.5
Foreign exchange differences for the year	-2.2	0.4
<b>Closing accumulated depreciation</b>	<b>-53.2</b>	<b>-38.8</b>
<b>Closing carrying amount</b>	<b>36.7</b>	<b>32.9</b>

## Note 14 Leases

Group, December 31	2024	2023
<b>Opening cost</b>	<b>75.3</b>	<b>53.7</b>
Terminated rental contract	-20.4	-
Additional rights-of-use	7.9	22.5
Foreign exchange differences	0.9	-0.8
<b>Closing accumulated cost</b>	<b>63.7</b>	<b>75.3</b>
<b>Opening depreciation</b>	<b>-41.1</b>	<b>-30.8</b>
Impairment loss/reclassification	20.4	-
Depreciation for the year	-12.9	-12.3
Foreign exchange differences	-0.1	2.0
<b>Closing accumulated depreciation</b>	<b>-33.7</b>	<b>-41.1</b>
<b>Closing carrying amount</b>	<b>30.0</b>	<b>34.2</b>

The majority of the group's leases consist of tenancy agreements for premises, for which INVISIO does not consider it material to present depreciation and carrying amounts for underlying asset types.

The group has decided to exclude short-term leases and low-value leases. These were expensed directly during the year and the impact on earnings was not significant.

Maturity analysis of lease liabilities, December 31	2024	2023
Year 1	9.1	11.6
Year 2	12.1	8.3
Year 3	11.5	8.0
Year 4	5.8	7.8
Year 5	-	3.8
After 5 years	-	-
<b>Total lease liabilities</b>	<b>38.6</b>	<b>39.5</b>
Effect of discounting	-1.7	-1.8
<b>Total according to the balance sheet</b>	<b>36.9</b>	<b>37.7</b>
of which short-term debt	9.1	10.9
of which long-term debt	27.8	26.9

Total cash flow for leases during the year totaled SEK 11.5 million (10.6). The parent company had no leases in 2024.

Group, December 31	2024	2023
<b>Opening lease liability</b>	<b>37.7</b>	<b>24.8</b>
Additional lease liability	8.3	22.5
Amortization	-10.7	-9.2
Interest expense	0.1	-
Foreign exchange differences	1.5	-0.3
<b>Closing lease liability</b>	<b>36.9</b>	<b>37.7</b>

## Note 15 Inventories

Group, December 31	2024	2023
Finished products	216.1	158.1
Goods in progress	56.1	80.1
<b>Total</b>	<b>272.3</b>	<b>238.2</b>

During the year, product costs of SEK 731.7 million (443.0) were recognized as cost of goods sold. The impairment of inventories for the year amounted to SEK 5.1 million (0.6) and is recognized in cost of goods sold. No impairment of inventories to net realizable value has occurred during the year, nor in the previous year.

## Note 16 Trade receivables

Group, age analysis of trade receivables, Dec 31	2024	2023
Not past due	408.0	159.9
Past due 0–30 days	29.5	45.6
Past due 31–60 days	23.6	8.1
Past due >60 days	5.7	5.9
<b>Total past due</b>	<b>58.8</b>	<b>59.6</b>
<b>Total receivables</b>	<b>466.8</b>	<b>219.5</b>
Anticipated bad debt losses	–	–
<b>Trade receivables in the accounts</b>	<b>466.8</b>	<b>219.5</b>

Doubtful trade receivables	2024	2023
<b>Opening balance</b>	<b>–</b>	<b>–0.5</b>
Anticipated bad debt losses	–	–
Reversed amounts	–	0.5
Foreign exchange differences	–	0.0
<b>Closing balance</b>	<b>–</b>	<b>–</b>

INVISIO's customers have a good debt-servicing capacity because they are largely public agencies that manage procurement on behalf of law enforcement, security and defense forces. A general credit loss reserve is based on historical credit losses and forward-looking assumptions.

As INVISIO has no historical bad debt losses, and INVISIO's future customer base also consists of similar customers, the assessment has been made that the credit risk is very low and that the general credit loss reserve is not material as at December 31, 2024. An individual assessment of customers was carried out in which the customers' current situation and other relevant circumstances were taken into consideration. These assessments gave rise to a provision of SEK – million [–].

## Note 17 Other receivables

Group, December 31	2024	2023
VAT	15.7	13.5
Other	1.8	3.6
<b>Total</b>	<b>17.6</b>	<b>17.1</b>

## Note 18 Prepaid expenses and accrued income

Group, December 31	2024	2023
Advances to suppliers	42.7	27.0
IT expenses	3.1	3.4
Exhibition expenses	3.1	2.1
Insurance	3.3	3.0
Rent	4.6	3.7
Other prepaid expenses	1.7	3.6
<b>Total</b>	<b>58.6</b>	<b>42.8</b>

## Note 19 Share capital

At December 31, 2024, share capital totaled SEK 45.6 million (45.6), distributed among 45,590,194 shares (45,590,194) with a quotient value of SEK 1.00.

The number of outstanding stock options amounts to 1,386,700 (1,440,700), which entitle the holder to subscribe for 1,386,700 (1,440,700) shares, distributed over two (two) programs.

For more information on the stock options, see "the Invisio share" on page 48 and Note 7.

## Note 20 Liabilities to credit institutions

Group, December 31	2024	2023
<b>Opening carrying amount</b>	<b>–</b>	<b>65.0</b>
Amortization of loans	–	–65.0
<b>Closing carrying amount</b>	<b>–</b>	<b>–</b>

The table above presents the year's changes in the group's liabilities to credit institutions. The table includes current and non-current liabilities. The loan was repaid in 2023.

Parent company, December 31	2024	2023
<b>Opening carrying amount</b>	<b>–</b>	<b>65.0</b>
Amortization of loans	–	–65.0
<b>Closing carrying amount</b>	<b>–</b>	<b>–</b>

The table above presents the year's changes in the parent company's liabilities to credit institutions. The table includes current and non-current liabilities. The loan was repaid in 2023.

## Note 21 Accrued expenses and deferred income

Group, December 31	2024	2023
Salary and other remuneration	56.3	44.0
Vacation pay liability	28.6	24.8
Accrued trade payables	14.2	12.1
Social security contributions	3.1	1.0
Audit fees	1.7	0.6
Commission	17.1	1.4
Advance payments from customers	11.8	2.3
IT expenses	2.5	–
Other accrued expenses	11.8	11.6
<b>Total</b>	<b>147.1</b>	<b>98.0</b>
Parent company, December 31	2024	2023
Salary and other remuneration	0.6	0.5
Audit fees	1.4	0.3
Social security contributions	0.2	0.1
IT expenses	2.5	–
Other accrued expenses	0.2	1.2
<b>Total</b>	<b>4.9</b>	<b>2.2</b>

## Note 22 Earnings per share

### EARNINGS PER SHARE BEFORE DILUTION

Group	2024	2023
Profit after tax	306.4	178.4
Average number of shares outstanding, thousands	45,590	45,590
<b>Earnings per share before dilution</b>	<b>6.72</b>	<b>3.91</b>

Earnings per share before dilution are based on earnings after tax attributable to equity holders of the parent and a weighted average of the number of shares outstanding.

### EARNINGS PER SHARE AFTER DILUTION

Group	2024	2023
Profit after tax	306.4	178.4
Average number of outstanding shares after dilution, thousands	45,820	45,628
<b>Earnings per share after dilution</b>	<b>6.69</b>	<b>3.91</b>

Earnings per share after dilution are based on earnings after tax attributable to equity holders of the parent and a weighted average of the number of shares outstanding, plus a weighted number of shares which would be added if all potential shares giving rise to dilution were converted to shares. Only the option programs whose issue price (measured at fair value under IFRS 2) is less than the average share price for the period can lead to a dilutive effect. The average price for 2024 was SEK 239.88 (204.38).

## Note 23 Non-cash items

Group	2024	2023
Depreciation/amortization	61.1	58.4
Change in warranty provision	4.1	4.1
Employee stock option program	11.0	9.6
Foreign exchange differences	–5.2	2.8
<b>Total</b>	<b>70.9</b>	<b>75.0</b>
Parent company	2024	2023
Depreciation/amortization	0.2	–
<b>Total</b>	<b>0.2</b>	<b>–</b>



## Note 24 Participations in group companies

Company	Corporate identity number	Registered office	Number of shares	Share of equity, %	Book value
INVISIO A/S	20 75 82 36	Hvidovre, Denmark	672,590	100	104.9
INVISIO Communications Inc.	38-4018124	Delaware, USA	100	100	4.0
INVISIO Communications SAS	820 683 654	Paris, France	100	100	1.1
INVISIO Srl	MI – 2128807	Milan, Italy	10,000	100	0.3
Nextlink IPR AB	556691-0385	Stockholm	1,000	100	2.5
Nextlink Patent AB	556680-1774	Stockholm	1,000	100	0.1
Racal Acoustics Inc	74-3154816	Delaware, USA	1,000	100	5.0
Racal Acoustics Ltd	GB863378003	Harrow, UK	2,000,000	100	211.0

Parent company, December 31	<b>2024</b>	2023
<b>Opening carrying amount</b>	<b>318.1</b>	<b>308.5</b>
Employee stock option program	11.0	9.6
<b>Closing carrying amount</b>	<b>329.1</b>	<b>318.1</b>

## Note 25 Related-party disclosures

Inter-company transactions are with the parent company's wholly-owned subsidiaries, which are presented in Notes 5 and 24.

Remuneration to directors and senior executives is presented in Note 8.

No transactions took place with any of the company's shareholders.

## Note 26 Events after the close of the fiscal year

Early in 2025, INVISIO acquired the UltraLYNX™ product line. The acquisition enhances the company's ability to deliver integrated tactical body-worn systems capable of handling audio, power and data, along with advanced computing power.

INVISIO has also updated its assessment of the size of the addressable market, which is now estimated to have an annual value of SEK 25 billion. A detailed presentation of this update was published in a separate press release on February 13.

The consolidated income statement and balance sheet will be presented to the AGM on May 6, 2025 for adoption.

The board of directors and the CEO certify that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards IFRS as adopted by the EU and give

a true and fair view of the group's financial position and results of operations. The annual report has been prepared in accordance with generally accepted accounting principles and gives a true and fair representation of the parent company's financial position and results of operations.

The administration report for the group and parent company provides a fair review of the development of the group's and the parent company's business, financial position and performance and describes significant risks and uncertainties faced by the parent company and the companies that form part of the group.

Stockholm, April 3, 2025

Annika Andersson  
Chair of the Board

Ulrika Hagdahl  
Director

Martin Krupicka  
Director

Nicklas Hansen  
Director

Hannu Saastamoinen  
Director

Charlott Samuelsson  
Director

Lars Højgård Hansen  
President and CEO

Our audit report was submitted on April 4, 2025

PricewaterhouseCoopers AB

Johan Rönnbäck  
Authorized Public  
Accountant  
Auditor in charge

# Auditor's report<sup>1</sup>

To the annual general meeting of the shareholders of INVISIO AB (publ), corporate identity number 556651-0987

## Report on the annual accounts and consolidated accounts Opinions

We have audited the annual accounts and consolidated accounts of INVISIO AB (publ) for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 61-94 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the consolidated income statement and statement of comprehensive income and consolidated statement of financial position for the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014/EU) Article 11.

## Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014/EU) Article 5.1 have

been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

## Our audit approach

### Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where the Board of Directors and the Managing Director made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of the Board of Directors and the Managing Director override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

### Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

## Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

## Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-49, 59-60 and 98-103. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

1. This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

## KEY AUDIT MATTERS

## HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

**Valuation of Capitalized development expenditure**

*With reference to note 1 and note 3 in the annual report.*

The Group recognizes SEK 151 million related to capitalized development costs, classified as non-current assets in the balance sheet.

Expenses in development projects are recognized as assets when it is probable that the project will be successful in terms of its commercial and technical potential and when the costs can be reliably measured.

Under IFRS annual impairment testing is to take place where depreciation has not yet started. This impairment test is based on estimates and assumptions that are complex and contain a high degree of significant assumptions by the company management. Notes 1 and 11 present how the company management has made its estimates.

Our audit approach includes an examination of the calculation model used and challenging the material assumptions used by the company management in impairment testing, mainly concerning estimated future cash flows based on financial forecasts and strategies approved by the company management. The assumptions reflect the financial targets set up by the Board, market reports concerning future growth and technological trends.

We have also assessed the reasonableness of the budget presented by the company management and approved by the Board by evaluating historical outcomes against budgets adopted. We have tested the effects of changes in material assumptions such as operating profit and discount rate on safety margins and on the basis of these tests assessed the risk of impairment loss.

We also evaluated the company management's assessment of how the Group's calculation models are affected by changes in assumptions and compared this with the information presented in the annual report related to impairment testing.

We share the assessment of the company management concerning recognition of capitalized development costs.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Directors' responsibilities and tasks in general, among other things oversee the company's financial reporting process.

**Auditor's responsibility**

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

**Report on other legal and regulatory requirements****The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss**  
**Opinions**

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of INVISIO AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

**Basis for Opinions**

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards

are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the management of the company's affairs. This includes among other things continuous assessment of the company and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or

omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

### The auditor's examination of the Esef report Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for INVISIO AB (publ) for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

### Basis for Opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of INVISIO AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

PricewaterhouseCoopers AB, INVISIO AB (publ), was appointed auditor of INVISIO AB (publ) by the general meeting of the shareholders on May 7th 2024 and has been the company's auditor since April 11th 2008.

Malmö, April 4, 2025

PricewaterhouseCoopers AB

Johan Rönnbäck

Authorized Public Accountant



# Financial key figures, alternative performance measures and other definitions

INVISIO's financial statements include financial key figures that are specified in current financial reporting rules, alternative performance measures (APMs) in accordance with ESMA's definition, and other key figures related to the business. The APMs are regarded as relevant for an investor who wants better to understand the company's results and financial position. Definitions and reconciliation of the alternative performance measures that are not directly reconcilable with the financial statements can be found in this page spread. Reconciliation is against the closest comparable IFRS financial measure.

## Average number of shares outstanding

Weighted average of the number of shares outstanding during the period.

## Average number of shares outstanding after dilution

Weighted average of the number of outstanding shares during the period plus a weighted number of shares that would be added if all dilutive potential shares were converted to shares. Only the option programs whose issue price is less than the average market price of the shares during the period can lead to a dilutive effect.

## Earnings per share

Profit for the year divided by the average number of outstanding shares.

## Earnings per share after dilution

Profit for the year in relation to the number of shares outstanding after dilution.

## EBIT (operating profit)

Operating profit after depreciation and impairment losses. INVISIO defines EBIT as operating profit.

## EBITDA

Operating profit before depreciation and impairment losses.

## Equity/assets ratio

Equity as a percentage of total assets (balance sheet total).

## Equity per share

Equity divided by the number of outstanding shares adjusted for non-registered issues.

## Gross margin

Gross profit as a percentage of total income.

## Investments in R&D

Expenditure for research and development less amortization of intangible assets and capitalized development costs.

## Key figures excluding orders for third-party radio systems

The figures for reported revenue, gross profit, gross margin, order intake and order book excluding radio orders do not include the financial effects of reselling third-party products. Sales of these products, which have lower margins, are not part of INVISIO's core business.

## Net financial items

Financial income less financial expenses.

## Number of employees at close of period

The number of employees on the date of the last payroll payment for the period.

## Number of shares

Number of shares outstanding at the close of the period.

## Number of shares after dilution

Number of outstanding shares at the close of the period plus the number of shares that would be added if all potential dilutive shares were converted to shares. Only the option programs whose issue price is below the average market price of the shares during the period can lead to a dilutive effect.

## Operating expenses

Selling and marketing costs, administrative expenses and development costs.

## Operating margin

Operating profit as a percentage of total revenue.

## Operating profit excluding acquisition costs

Operating profit excluding non-recurring acquisition costs, which are one-off costs that arise in connection with acquisitions.

## Profit margin

Profit for the year as a percentage of total revenue.

## Shareholders' equity per share after dilution

Shareholders' equity divided by the number of shares outstanding after dilution.

## Reconciliation of alternative performance measures

January–December (SEK million)		2024	2023
Gross profit	A	1,007.0	747.3
Operating expenses	B	604.7	504.5
<b>EBIT (operating profit)</b>	<b>A–B</b>	<b>402.3</b>	<b>242.9</b>
EBIT (operating profit)	A	402.3	242.9
Depreciation/amortization and impairment, intangible assets and property, plant and equipment	B	61.1	65.3
<b>EBITDA</b>	<b>A+B</b>	<b>463.4</b>	<b>308.2</b>
Research and development costs	A	162.0	141.6
Amortization of capitalized development costs	B	22.6	24.5
Capitalized development costs	C	57.8	39.2
<b>Investments in R&amp;D</b>	<b>A–B+C</b>	<b>197.2</b>	<b>156.3</b>
31 December		2024	2023
Equity, SEK million	A	1,029.0	720.4
Number of shares, thousands	B	45,590	45,590
<b>Equity per share, SEK</b>	<b>A/B</b>	<b>22.57</b>	<b>15.80</b>
Equity, SEK million	A	1,029.0	720.4
Number of shares after dilution, thousands	B	47,031	46,237
<b>Equity per share after dilution, SEK</b>	<b>A/B</b>	<b>21.88</b>	<b>15.58</b>

## Five-year review

Income statements, January–December (SEK million)	2024	2023	2022	2021	2020
Total revenue	1,806.7	1,238.5	775.5	593.0	532.0
Cost of goods sold	-799.7	-491.2	-325.7	-252.6	-222.9
<b>Gross profit</b>	<b>1,007.0</b>	<b>747.3</b>	<b>449.7</b>	<b>340.4</b>	<b>309.0</b>
Operating expenses	-543.6	-439.2	-336.7	-270.5	-200.9
Depreciation/amortization and impairment losses	-61.1	-65.3	-47.8	-45.1	-12.7
<b>Operating profit</b>	<b>402.3</b>	<b>242.9</b>	<b>65.2</b>	<b>24.9</b>	<b>95.4</b>
Net financial items	5.1	-1.0	-2.7	-1.3	-10.5
<b>Profit before tax</b>	<b>407.4</b>	<b>241.9</b>	<b>62.5</b>	<b>23.5</b>	<b>84.9</b>
Income tax	-101.0	-63.5	-18.0	-9.0	-23.7
<b>Profit for the year</b>	<b>306.4</b>	<b>178.4</b>	<b>44.5</b>	<b>14.5</b>	<b>61.2</b>

Balance sheets, December 31 (SEK million)	2024	2023	2022	2021	2020
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets	281.6	236.4	238.9	236.4	94.8
Property, plant and equipment	36.7	32.9	20.8	17.1	4.1
Rights of use, leases	30.0	34.2	22.8	33.7	24.0
Financial assets	18.0	6.9	6.3	5.6	5.1
<b>Total non-current assets</b>	<b>366.3</b>	<b>310.4</b>	<b>288.9</b>	<b>292.9</b>	<b>128.0</b>
<b>Current assets</b>					
Inventories	272.3	238.2	144.4	117.5	115.7
Trade receivables	466.8	219.5	194.5	117.6	100.4
Other current receivables	76.1	59.9	45.0	27.3	14.0
Cash and cash equivalents	242.4	224.9	127.1	134.8	157.7
<b>Total current assets</b>	<b>1,057.7</b>	<b>742.5</b>	<b>511.0</b>	<b>397.1</b>	<b>387.8</b>
<b>TOTAL ASSETS</b>	<b>1,424.0</b>	<b>1,053.0</b>	<b>799.9</b>	<b>690.0</b>	<b>515.8</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>					
<b>Shareholders' equity</b>	<b>1,029.0</b>	<b>720.4</b>	<b>510.0</b>	<b>417.5</b>	<b>378.9</b>
<b>Non-current liabilities</b>					
Liabilities to credit institutions	-	-	45.0	65.0	-
Lease liabilities	27.8	26.9	16.1	26.5	19.6
Deferred tax liabilities	40.7	37.6	34.6	35.5	20.5
<b>Total long-term liabilities</b>	<b>68.5</b>	<b>64.4</b>	<b>95.6</b>	<b>127.0</b>	<b>40.1</b>
<b>Current liabilities</b>					
Liabilities to credit institutions	-	-	20.0	20.0	-
Trade payables	100.6	97.1	63.7	34.1	35.3
Lease liabilities	9.1	10.9	8.7	7.8	4.2
Other current liabilities	216.7	160.1	101.9	83.7	57.3
<b>Total current liabilities</b>	<b>326.5</b>	<b>268.1</b>	<b>194.3</b>	<b>145.6</b>	<b>96.8</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>1,424.0</b>	<b>1,053.0</b>	<b>799.9</b>	<b>690.0</b>	<b>515.8</b>

## Five-year review (cont.)

Cash flow statement, January–December (SEK million)	2024	2023	2022	2021	2020
Profit before tax	407.4	241.9	62.5	23.5	84.9
Adjustments for non-cash items	70.9	75.0	57.4	47.7	24.0
Income tax paid	–99.4	–33.3	–19.0	–9.0	–12.3
<b>Cash flow from operating activities before changes in working capital</b>	<b>378.9</b>	<b>283.6</b>	<b>100.9</b>	<b>62.2</b>	<b>96.7</b>
Cash flow from changes in working capital	–221.9	–78.9	–59.2	28.8	–11.1
<b>Cash flow from operating activities</b>	<b>157.0</b>	<b>204.7</b>	<b>41.7</b>	<b>91.0</b>	<b>85.6</b>
<b>Cash flow from investing activities</b>	<b>–77.9</b>	<b>–55.0</b>	<b>–33.5</b>	<b>–191.9</b>	<b>–25.4</b>
<b>Cash flow from financing activities</b>	<b>–70.7</b>	<b>–48.5</b>	<b>–25.1</b>	<b>73.0</b>	<b>–39.5</b>
<b>CASH FLOW FOR THE YEAR</b>	<b>8.3</b>	<b>101.3</b>	<b>–17.0</b>	<b>–27.9</b>	<b>20.7</b>

Key figures	2024	2023	2022	2021	2020
<b>Margins</b>					
Gross margin, %	55.7	60.3	58.0	57.4	58.1
Operating margin, %	22.3	19.6	8.4	4.2	17.9
Profit margin, %	17.0	14.4	5.7	2.4	11.5
<b>Capital structure</b>					
Equity/assets ratio, %	72.3	68.4	63.8	60.5	73.5
<b>Other</b>					
Number of employees at close of year	273	248	208	187	125
<b>The Invisio share</b>					
Number of shares at close of period, thousands	45,590	46,237	45,049	44,540	44,098
Earnings per share, SEK	6.72	3.91	0.99	0.33	1.39
Earnings per share after dilution, SEK	6.69	3.91	0.99	0.32	1.37
Equity per share, SEK	22.57	15.80	11.32	9.37	8.59
Shareholders' equity per share after dilution, SEK	21.88	15.58	11.32	9.26	8.28
Share price at close of period, SEK	275.50	195.60	164.60	163.80	250.00

# A history of steady growth

INVISIO's roots are in the "Danish Sound," an international industrial cluster with a long tradition of outstanding achievements in acoustics, hearing and mobile communication based on partnerships between businesses and universities. INVISIO was established in 1999 and until 2008 sold products to the consumer market as well as to professional users. Operations were then streamlined to focus on communication solutions for professional users.







Financial calendar

Interim report January–March 2025	May 6, 2025
Annual general meeting (AGM) 2025	May 6, 2024, at 16:00
Interim report January–June 2025	July 18, 2025
Interim report January–September 2025	October 23, 2025

The 2025 AGM will be held in Stockholm and the notice to attend can be found at <https://corp.invisio.com/corporate-governance/annual-general-meeting>

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