



Growing order intake and increasing share of subscription agreements

Planned strategic investments yield results in both business units, with continued growth and a strong order backlog at the end of the period. The growth has also strengthened the Group's cash flow. The sawmill industry is showing confidence in RemaSawco's solutions with increased order intake as recognition of this. In the Motion Analysis business unit, the transition of the business model is accelerating, towards an increasing share of subscription agreements. This ensures a more stable revenue flow and performance going forward.

Second quarter April–June	Interim period January–June
<ul style="list-style-type: none"> Order intake amounted to MSEK 37.3 (20.5) Net sales amounted to MSEK 44.3 (44.7) Gross margin amounted to 67 (70) percent EBITDA amounted to MSEK 4.1 (4.8) Earnings per share amounted to SEK 0.00 (0.00) 	<ul style="list-style-type: none"> Order intake amounted to MSEK 93.4 (51.9) Net sales amounted to MSEK 82.5 (83.0) Gross margin amounted to 68 (70) percent EBITDA amounted to MSEK 8.5 (7.1) Earnings per share amounted to SEK 0.00 (-0.07)

Financial overview

	Apr–June 2024	Apr–June 2023	Jan–June 2024	Jan–June 2023	Full year 2023
Order intake, MSEK	37.3	20.5	93.4	51.9	150.0
Order backlog, MSEK	83.4	52.5	83.4	52.2	73.3
Net sales, MSEK	44.3	44.7	82.5	83.0	160.7
Capitalized development expenditure, MSEK	4.1	2.1	7.3	3.8	10.0
Gross margin, %	67	70	68	70	70
EBITDA, MSEK	4.1	4.8	8.5	7.1	15.5
EBITDA margin, %	8.5	10.3	9.5	8.2	9.1
Operating profit (EBIT), MSEK	-0.5	0.3	-0.4	-4.3	-5.3
Profit after tax, MSEK	-0.3	0.1	-0.4	-5.9	-6.8
Cash flow from operating activities, MSEK	12.9	-6.8	21.5	-10.8	1.7
Solidity, %	59	65	59	65	63
Average number of employees	70	68	69	67	67
Earnings per share	0.00	0.00	0.00	-0.07	0.08



A WORD FROM THE CEO

Johan Friberg, CEO and President

Growth in both of the Group's business units continued in the second quarter, with order intake rising by 82 percent. The growth is partly due to a normalization in the sawmill market as well as general growth in both business areas during the quarter. During the first half of the year, order intake increased by 80 percent to MSEK 93.4 (51.9). Net sales are in line with the previous year and EBITDA amounted to MSEK 8.5 (7.1). At the same time, cash flow was strengthened.

I am pleased to note that the Motion Analysis business unit is rapidly undergoing the planned and previously communicated business model transformation towards an increased share of subscription agreements and support services. During a transition period, an increased share of subscription agreements will result in lower revenues as these are distributed over the entire agreement period. It will also temporarily decrease the operating profit. However, in the long term, the transition to subscription services is desirable, as it guarantees increasing revenues. The higher the pace of the transition, the faster we will achieve the desired outcome.

The RemaSawco business unit continued to experience favorable order intake in the second quarter, while the delivered product mix resulted in a significantly higher EBITDA margin.

Sawmill market stabilizes

In recent quarters, we have seen several positive signs in the sawmill industry, including an increased willingness to close contracts. We assess that the market continues to face challenges, but in the longer term the forest industry plays an important role in the green transition and the need for modernization will increase.

RemaSawco invests to be positioned as the preferred partner, delivering the most advanced and value-creating equipment so that our customers can be profitable. Therefore, during

the quarter, the business unit launched a new timber sorting product. The product combines the company's extensive experience in optimization early in the sawmill process with new technology and modern analysis tools. This takes sawmill production to new levels of business management, efficiency and profitability.

Motion Analysis accelerates transition to subscription agreements

Motion Analysis continues to reap success in its market segments. In the first half of the year, order intake increased by 47 percent compared to the same period last year. The transition to subscription sales kicked into high gear in the second quarter, and around 70 percent of the quarter's order intake consisted of subscription and support services. These are recognized as revenue monthly over the agreed contract period, resulting in a decrease in net sales and EBITDA during a transition period. The period's EBITDA was also burdened by continued expansion of the sales organization. Cash flow is maintained as agreements are invoiced in advance. From now on, we will keep separate accounts for the order backlog for subscription and support services within the business unit. I believe that this metric, together with the order intake, illustrates both short- and long-term development of the business unit. At mid-year, the order backlog for subscription and support services amounted to MSEK 14.3 (8.7), an increase of 65 percent compared to the same period last year.

Continued investments

The development in the first half of the year encourages us to continue on our current path, with investments in the product portfolio, the business model, and organizational improvements. The market rewards us for the investments we make, and a rising order intake gives us proof of a job well done and is a carrot to continue on our current path.

THE GROUP'S DEVELOPMENT IN THE SECOND QUARTER

Order intake, net sales, and profit

Order intake amounted to MSEK 37.3 (20.5). Order backlog as of June 30, 2024, amounted to MSEK 83.4 (52.5).

Net sales amounted to MSEK 44.3 (44.7). Capitalized development expenditure amounted to MSEK 4.1 (2.1) and relates to both business units.

Gross margin amounted to 67 (70) percent.

EBITDA amounted to MSEK 4.1 (4.8). Other external costs decreased, which mainly is attributable to an increase in capitalized external consultancy costs related to the RemaSawco business unit's product development. An increased share of subscription agreements will, during a transition period, result in lower operating profit for the Motion Analysis business unit, which delivers high-margin services. An expansion of our own operations in North America increased personnel costs slightly.

Depreciation/amortization amounted to MSEK -4.6 (-4.5), and net financial items amounted to MSEK 0.0 (-0.4).

Result after taxes amounted to MSEK -0.3 (0.1).

Financial position, investments, and cash flow

The Group's investments in non-current assets during the quarter amounted to MSEK 7.4 (2.2) of which MSEK 4.1 (2.1) was related to capitalized development projects. Capitalization of development projects takes place in both business units.

The operational cash flow during the quarter amounted to MSEK 5.5 (-9.0). Solidity as of June 30, 2024, amounted to 59 (65) percent. Net indebtedness amounted to 0.1 (0.1) times.

Available cash and cash equivalents including the undrawn part of the overdraft facilities amounted to MSEK 26.0 (19.0) as of June 30, 2024.

THE GROUP'S DEVELOPMENT DURING THE INTERIM PERIOD

Order intake amounted to MSEK 93.4 (51.9). Order backlog as of June 30, 2024, amounted to MSEK 83.4 (52.5).

Net sales amounted to MSEK 83.4 (52.2). Capitalized development expenditure amounted to MSEK 7.3 (3.8) and relates to both business units.

Gross margin amounted to 68 (70) percent.

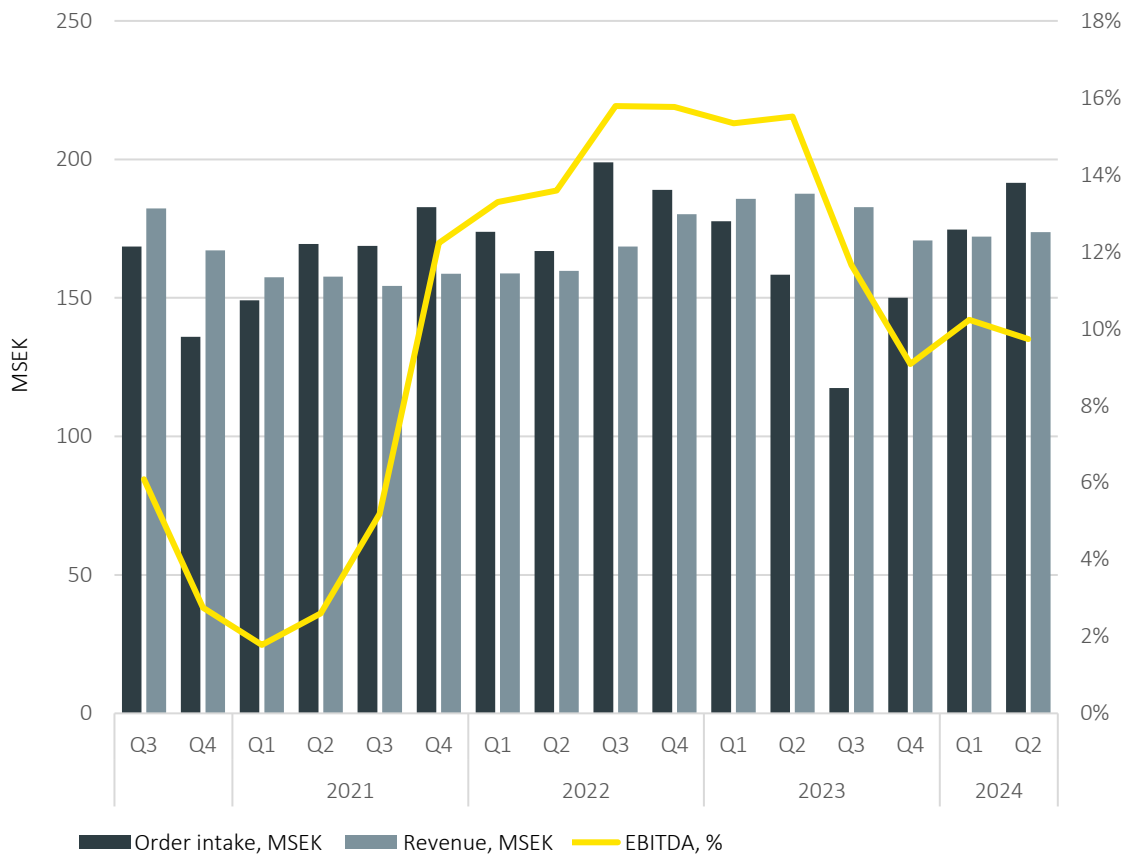
EBITDA amounted to MSEK 8.5 (7.1). Other external costs decreased, which mainly is attributable to an increase in capitalized external consultancy costs related to the RemaSawco business unit's product development. Personnel costs increased as a result of the expansion of our own operations in North America.

Depreciation/amortization amounted to MSEK -8.9 (-11.4). The difference relates mainly to a write-down in the first quarter of 2023 in connection with the termination of a lease contract for office and production premises in Finland.

Net financial items amounted to MSEK -0.3 (-1.9). Most of the difference arises from a one-off item in the first quarter of 2023 related to a write-down of a receivable.

Result after taxes amounted to MSEK -0.4 (-5.9).

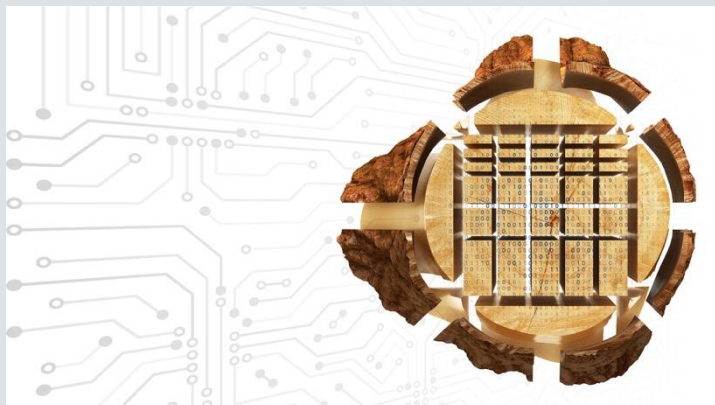
ROLLING 12-MONTH ORDER INTAKE, REVENUE AND EBITDA



The Group's rolling 12-month EBITDA margin during the second quarter amounted to approximately 10 percent. The Group's long-term EBITDA target of delivering a stable 15 percent EBITDA margin requires growth in net sales. The pace of the ongoing change in the Motion Analysis business unit, to a higher proportion of subscription and support agreements, may also affect how quickly the long-term goal is achieved. The changed business model will eventually translate into growth in both net sales and EBITDA results.



**BUSINESS UNIT:
REMASAWCO**



RemaSawco provides solutions to optimize production in the sawmill industry. The product portfolio includes proprietary software that, with the help of laser, 3D scanning, X-ray, and automation, measures and analyzes timber and boards throughout the sawmill process to maximize value exchange, minimize waste, and thus increase customer profitability.

Performance during the period

Order intake continued to increase in the second quarter compared to the previous year, and we can see a doubling in order intake in the first half of the year. Capitalized development expenditure is increasing as a consequence of intensive work related to the development of new products and concepts. Net sales increased slightly and EBITDA increased to MSEK 7.4 (3.0). The improved result is partly explained by the delivered product mix with a higher share of license sales, which means a higher EBITDA margin, and partly by lower costs for external consultants. The market continues to be characterized by higher timber prices and low timber availability, which negatively affects our customers' profitability.

	Apr–June 2024	Apr–June 2023	Jan–June 2024	Jan–June 2023	Full year 2023
Order intake, MSEK	26.8	15.1	70.0	36.0	110.6
Net sales, MSEK	37.8	34.0	64.8	64.0	121.2
Capitalized development expenditure, MSEK	1.9	0.9	3.2	1.7	4.0
EBITDA, MSEK	7.4	3.0	9.0	4.7	7.0
EBIDTA margin, %	18.6	8.6	13.2	7.2	5.6

Product development

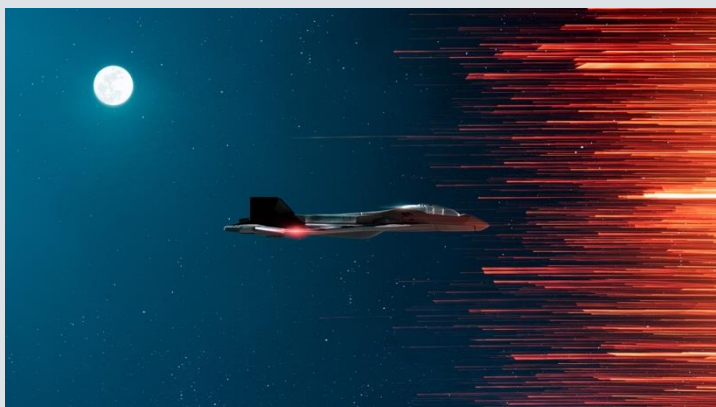
As part of our basic development, the business unit has implemented improvements on all product lines. The business unit's focus on further developing the timber sorting product and creating a new service concept has continued with high intensity. RemaSawco places great emphasis on developing the range of products in timber sorting. This will be the focal point of the RemaSawco ecosystem in the future. RemaSawco launched a new solution for timber sorting to the market during the quarter.

Image

SYSTEMS

MOTION ANALYSIS

BUSINESS UNIT: MOTION ANALYSIS



Motion Analysis Systems offers its customers software for the analysis of high-speed film, a niche where the Company is the world leader. The software is sold under the product names TEMA and TrackEye®.

Performance during the period

The business unit has intensified its efforts to shift the business model to subscription sales. Furthermore, the business unit has strengthened its organization in North America to enable a higher proportion of in-house direct sales. Market conditions have been favorable, and order intake during the first half of the year increased by almost 50 percent compared to the same period last year. In case of sales of subscription and support agreements, the revenue is distributed over the entire agreement period, where the agreement period may vary. This will lead to a temporary decrease in net sales and operating profit EBITDA, while the business model ensures increasing revenues and results in the longer term. The period's EBITDA has also been negatively affected by increased costs for expansion of the sales organization.

Due to the effects of the change in business model, management has decided to keep separate accounts for the order backlog of subscription and support agreements for the business unit. We assess that this metric, together with the order intake, shows the development both in the short and longer term. The part of the business unit's total order backlog that relates to subscription and support services has grown by 65 percent compared with the same period last year to MSEK 14.3 (8.7).

	Apr–June 2024	Apr–June 2023	Jan–June 2024	Jan–June 2023	Full year 2023
Order intake, MSEK	10.5	5.4	23.4	15.9	39.4
Order backlog subscription and support services, MSEK	14.3	8.7	14.3	8.7	8.6
Net sales, MSEK	6.5	10.7	17.7	19.0	39.5
Capitalized development expenditure, MSEK	2.2	1.2	4.1	2.1	6.0
EBITDA, MSEK	-1.8	3.9	2.3	5.5	14.2
EBITDA margin, %	-20.7	32.8	10.6	26.1	31.2

Product development

The business unit remains focused on delivering the first commercial release of the new platform by the end of 2024. The business unit has started implementing machine learning algorithms in its software to effectively adapt to new requirements and improve the performance of its products.

OTHER INFORMATION

Parent Company

The Parent Company's net sales for the second quarter amounted to MSEK 0.8 (1.0). Operating profit amounted to MSEK -1.5 (-2.1). Result after taxes amounted to MSEK -1.5 (-2.1). Investments in fixed assets amounted to MSEK 0.0 (0.0). The Parent Company's available liquid funds as of June 30, 2024, amounted to MSEK 0.2 (0.0). The Parent Company's equity as of June 30, 2024, amounted to MSEK 105.8 (101.2) and the solidity was 99 (99) percent.

Significant events after the period

The RemaSawco business unit has received an order of approximately MSEK 7.5 from a larger group. The order of just under MSEK 2.2 communicated on July 1 was received from the customer, a Canadian partner, on June 30 and is included in the order intake for the second quarter.

Personnel

The average number of employees was 70 (68). The number of employees at the end of the period was 70.

Number of shares

The number of shares on June 30, 2024, amounted to 89,207,818.

Accounting policies

Image Systems applies the International Financial Reporting Standards (IFRS) as adopted by the EU. The interim report for the Image Systems Group is prepared in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act. Disclosure in accordance with IAS 34, Interim Financial Reporting, is provided in notes as well as elsewhere in the interim report.

The interim report for the Parent Company, Image Systems AB, is prepared in accordance with the Swedish Annual Accounts Act as well as the Swedish Financial Reporting Board's recommendations RFR 2 Accounting for Legal Entities.

Image Systems applies the ESMA (European Securities and Markets Authority) Guidelines on Alternative Performance Measures. Definitions of indicators are provided on page 15 and relevant reconciliations on page 14.

Risks and uncertainties

The Group's significant risks and uncertainties include business risks related to agreements with customers and suppliers as well as other external factors such as currency fluctuations. The Group's significant financial and business-related risks are discussed at depth in the management report and under Note 3 in the 2023 Annual Report. No significant new or changed risks or uncertainties have been identified during the quarter.

This interim report has not been reviewed by the Company's auditors

Financial calendar

Interim report January–September 2024 November 8, 2024

Year-end report 2024 February 7, 2025

Long-term financial objectives

Image Systems aims to create long-term value growth for its shareholders. To achieve this, the Board of Directors has set long-term financial objectives:

EBITDA >15%

Solidity >50%

Dividend 20% of the profit after taxes

The Board of Directors and the Chief Executive Officer confirm that the interim report provides a true and fair overview of the Parent Company's and the Group's operations, financial position, and performance and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Linköping, Sweden, July 19, 2024

Anders Fransson
Chairman of the Board

Jörgen Hermansson
Director

Catharina Lagerstam
Director

Jan Molin
Director

Matilda Wernhoff
Director

Johan Friberg
Chief Executive Officer

The information in this report is disclosed pursuant to the EU Market Abuse Regulation (MAR) and the Swedish Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, at 08:00 AM on July 19, 2024.

Financial reports are available on the Company's website <http://www.imagesystemsgroup.se>

Questions will be answered by:

Johan Friberg, CEO and President, telephone +46 (0)13-200 100, e-mail johan.friberg@imagesystems.se

Image Systems AB, Snickaregatan 40, 582 26 Linköping, Sweden. Corporate registration number 556319-4041

CONDENSED CONSOLIDATED INCOME STATEMENT

MSEK	Apr–June 2024	Apr–June 2023	Jan–June 2024	Jan–June 2023	Full year 2023
Net sales	44.3	44.7	82.5	83.0	160.7
Capitalized development expenditure	4.1	2.1	7.3	3.8	10.0
Total revenue	48.4	46.8	89.8	86.8	170.7
Raw materials and consumables	-14.7	-13.4	-26.2	-24.5	-47.9
Other external costs	-9.0	-10.0	-17.4	-19.3	-36.7
Personnel costs	-20.1	-19.0	-37.7	-36.2	-70.0
Depreciation/amortization of fixed intangible and tangible assets	-4.6	-4.5	-8.9	-11.4	-20.8
Other operating income	-	0.4	-	0.3	-
Other operating costs	-0.5	-	0.0	-	-0.6
Operating profit	-0.5	0.3	-0.4	-4.3	-5.3
Net financial items	0.0	-0.4	-0.3	-1.9	-2.1
Profit/loss before tax	-0.5	-0.1	-0.7	-6.2	-7.4
Tax	0.2	0.2	0.3	0.3	0.6
Profit/loss for the period	-0.3	0.1	-0.4	-5.9	-6.8
Of which attributable to the Parent Company shareholders	-0.3	0.1	-0.4	-5.9	-6.8
Earnings per share ¹⁾	0.00	0.00	0.00	-0.07	-0.08
Diluted earnings per share ¹⁾	0.00	0.00	0.00	-0.07	-0.08
Average number of shares, thousands	89,207.8	89,207.8	89,207.8	89,207.8	89,207.8
Average number of shares after dilution, thousands	89,207.8	89,207.8	89,207.8	89,207.8	89,207.8

¹⁾ Calculated on the basis of average number of shares

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	Apr–June 2024	Apr–June 2023	Jan–June 2024	Jan–June 2023	Full year 2023
Profit/loss for the period	-0.3	0.1	-0.4	-5.9	-6.8
Other comprehensive income					
Translation differences	0.0	0.0	0.0	0.2	-0.1
Total other comprehensive income	0.0	0.0	0.0	0.2	-0.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-0.3	0.1	-0.4	-5.7	-6.9
Of which attributable to Parent Company shareholders	-0.3	0.1	-0.4	-5.7	-6.9

CONDENSED CONSOLIDATED BALANCE SHEETS

MSEK	June 30, 2024	June 30, 2023	Dec 31, 2023
Fixed assets			
Goodwill	36.1	36.1	36.1
Customer relations	17.1	21.5	19.3
Capitalized development expenditure	47.1	35.3	38.6
Tangible fixed assets	2.1	1.2	1.1
Right-of-use assets	19.6	10.2	10.0
Deferred tax assets	19.1	19.1	19.1
Total fixed assets	141.1	123.4	124.2
Current assets			
Inventories	11.7	17.3	13.1
Trade receivables	21.6	27.7	33.2
Other receivables	8.1	5.1	5.9
Cash and cash equivalents	12.8	6.6	6.6
Total current assets	54.2	56.7	58.8
TOTAL ASSETS	195.3	180.1	183.0
Equity (attributable in full to Parent Company shareholders)	115.6	116.9	116.0
Non-current liabilities			
Lease liabilities	12.2	4.6	4.2
Deferred tax liabilities	5.2	5.8	5.5
Total non-current liabilities	17.4	10.4	9.7
Current liabilities			
Borrowings from credit institutions	5.3	7.2	5.4
Trade payables	15.4	13.7	12.2
Lease liabilities	6.4	4.8	5.0
Other current payables	35.2	27.1	34.7
Total current liabilities	62.3	52.8	57.3
TOTAL EQUITY AND LIABILITIES	195.3	180.1	183.0

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MSEK	June 30, 2024	June 30, 2023	Full year 2023
Opening balance sheet equity	116.0	122.6	122.9
Net profit for the year	-0.4	-5.9	-6.8
Other comprehensive income for the period		0.2	-0.1
Total comprehensive income for the period	-0.4	-5.7	-6.9
Closing balance sheet equity	115.6	116.9	116.0

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

MSEK	Apr–June 2024	Apr–June 2023	Jan–June 2024	Jan–June 2023	Full year 2023
Cash flow from operating activities before change in working capital	3.8	4.8	6.9	5.4	13.2
Change in working capital					
Change in inventories	1.3	-1.0	1.5	-3.6	0.5
Change in receivables	6.7	-3.6	9.4	-6.0	-11.8
Change in current liabilities	1.1	-7.0	3.7	-6.6	-0.2
Total change in working capital	9.1	-11.6	14.6	-16.2	-11.5
Cash flow from operating activities	12.9	-6.8	21.5	-10.8	1.7
Investing activities					
Acquisition of intangible fixed assets	-6.6	-2.1	-11.7	-3.8	-10.8
Acquisition of tangible fixed assets	-0.8	-0.1	-1.1	-0.2	-0.6
Cash flow from investing activities	-7.4	-2.2	-12.8	-4.0	-11.4
Operating cash flow	5.5	-9.0	8.7	-14.8	-9.7
Financing activities					
Change in borrowings	-0.3	-0.1	-0.1	1.9	0.0
Amortization of lease liabilities	-2.0	-1.5	-2.4	-3.0	-6.2
Cash flow from financing activities	-2.3	-1.6	-2.5	-1.1	-6.2
Cash flow for the period	3.2	-10.6	6.2	-15.9	-15.9
Cash and cash equivalents at the beginning of the year	9.6	17.2	6.6	22.5	22.5
Exchange rate difference on cash and cash equivalents	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents at the end of the period	12.8	6.6	12.8	6.6	6.6

SEGMENT REPORTING

MSEK	Apr–June 2024	Apr–June 2023	Jan–June 2024	Jan–June 2023	Full year 2023
Revenue					
RemaSawco	39.7	34.9	68.0	65.7	125.2
Motion Analysis	8.7	11.9	21.8	21.1	45.5
Parent Company & consolidated items	-	-	-	-	-
Total revenue	48.4	46.8	89.8	86.8	170.7
EBITDA					
RemaSawco	7.4	3.0	9.0	4.7	7.0
Motion Analysis	-1.8	3.9	2.3	5.5	14.2
Admin & consolidated items	-1.5	-2.1	-2.8	-3.1	-5.7
EBITDA total	4.1	4.8	8.5	7.1	15.5
Depreciation/amortization of fixed intangible and tangible assets	-4.6	-4.5	-8.9	-11.4	-20.8
Operating profit	-0.5	0.3	-0.4	-4.3	-5.3
Net financial items	0.0	-0.4	-0.3	-1.9	-2.1
Profit/loss before tax	-0.5	-0.1	-0.7	-6.2	-7.4
Tax	0.2	0.2	0.3	0.3	0.6
Profit/loss for the period	-0.3	0.1	-0.4	-5.9	-6.8

KEY FIGURES

	Apr-June 2024	Apr-June 2023	Jan-June 2024	Jan-June 2023	Full year 2023
Order intake, MSEK	37.3	20.5	93.4	51.9	150.0
Order backlog, MSEK	83.4	52.2	83.4	52.2	73.3
Gross margin, %	67	70	68	70	70
EBITDA, MSEK	4.1	4.8	8.5	7.1	15.5
EBITDA margin, %	8.5	10.3	9.5	8.2	9.1
Operating margin, %	-1.0	0.6	-0.4	-5.0	-3.1
Profit margin, %	-1.0	-0.2	-0.8	-7.1	-4.3
Return on capital employed, %	neg	0.2	neg	neg	neg
Return on equity, %	neg	0.1	neg	neg	neg
Solidity, %	59	65	59	65	63
Debt/equity ratio	0.1	0.1	0.1	0.1	0.1
Net investments in non-current assets, MSEK	7.4	2.2	12.8	4.0	11.4
Depreciation/amortization of fixed assets, MSEK	4.6	4.5	8.9	11.4	20.8
Average number of employees	70	68	69	67	67
Number of shares at the end of the period, millions	89.21	89.21	89.21	89.21	89.21
Average number of shares, millions	89.21	89.21	89.21	89.21	89.21
Earnings per share, SEK	0.00	0.00	0.00	-0.07	-0.08
Cash flow per share calculated on the basis of average number of shares, SEK	0.06	-0.10	0.10	-0.18	-0.14
Equity per share calculated on the basis of number of shares at the end of the period, SEK	1.30	1.31	1.30	1.31	1.30

QUARTERLY OVERVIEW, THE GROUP

Quarterly overview, the Group	2021		2022				2023				2024	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Order intake, MSEK	32.7	51.7	42.7	39.8	64.7	41.8	31.4	20.5	23.8	74.3	56.1	37.3
Order backlog, MSEK	60.3	72.0	83.6	82.7	96.8	81.9	74.9	52.2	38.4	73.3	91.8	83.4
Net sales, MSEK	34.9	42.6	31.6	42.4	43.1	54.0	38.3	44.7	37.6	40.1	38.2	44.3
Capitalized development costs, MSEK	1.2	1.6	2.8	2.6	1.8	1.9	1.7	2.1	2.5	3.7	3.2	4.1
Gross margin, %	74	70	70	64	71	64	71	70	71	69	70	67
EBITDA, MSEK	7.8	7.5	2.2	4.2	12.7	9.3	2.3	4.8	4.9	3.5	4.4	4.1
EBITDA margin, %	21.6	17.0	6.4	9.3	28.3	16.6	5.8	10.3	12.2	8.0	10.6	8.5
Operating profit (EBIT), MSEK	3.2	2.9	-3.1	-0.5	8.1	4.6	-4.6	0.3	0.3	-1.3	0.1	-0.5
EBIT margin, %	8.9	6.6	-9.0	-1.1	18.0	8.2	-11.5	0.6	0.7	-3.0	0.2	-1.0
Return on equity, %	2.9	2.5	neg	neg	6.8	3.7	neg	0.1	0.1	neg	0.0	neg
Solidity, %	60	58	58	55	59	63	62	65	69	63	61	59
Earnings per share, SEK	0.04	0.03	-0.04	-0.01	0.09	0.05	-0.07	0.00	0.00	-0.01	0.00	0.00
Cash flow per share, SEK	0.08	0.06	0.01	0.08	0.01	0.13	-0.08	-0.10	-0.07	0.10	0.04	0.06
Equity per share, SEK	1.25	1.28	1.24	1.24	1.33	1.38	1.31	1.31	1.31	1.30	1.30	1.30
Average number of shares, millions	89.21	89.21	89.21	89.21	89.21	89.21	89.21	89.21	89.21	89.21	89.21	89.21

RELEVANT RECONCILIATIONS OF NON-IFRS INDICATORS, THE GROUP

Alternative indicators

In addition to the financial indicators that are prepared in accordance with the IFRS, Image Systems presents financial indicators outside the scope of the IFRS, such as EBITDA and Net debt.

These alternative indicators are considered to be important results and performance indicators for investors and other readers of the interim report. The alternative indicators should be regarded as complementary information and not as a substitute for the financial information presented in accordance with IFRS.

Image Systems' definitions of these measures that are not defined by the IFRS are provided in the "Definitions" section of this report.

Other companies may use other definitions, and the measures may therefore not be comparable to similar indicators used by other companies.

EBITDA

Image Systems considers EBITDA to be a relevant measure for investors to be able to comprehend profit generation before investments in tangible and intangible fixed assets.

Net debt

Image Systems considers Net debt to be a relevant measure for investors to be able to comprehend the indebtedness of the Group.

EBITDA

MSEK	Apr-June 2024	Apr-June 2023	Jan-June 2024	Jan-June 2023	Full year 2023
Operating profit	-0.5	0.3	-0.4	-4.3	-5.3
Depreciation/amortization of fixed tangible and intangible assets	4.6	4.5	8.9	11.4	20.8
EBITDA	4.1	4.8	8.5	7.1	15.5

Net debt

MSEK	June 30, 2024	June 30, 2023	Dec 31, 2023
Cash and cash equivalents	12.8	6.6	6.6
Lease liabilities	18.6	9.4	9.2
Interest-bearing liabilities	5.3	7.2	5.4
Net debt	11.1	10.0	8.0

DEFINITIONS

Income measures

EBITDA Operating profit plus depreciation/amortization on tangible and intangible assets.

Margins

Gross margin, % Net sales minus raw materials and consumables in relation to net sales.

Operating margin, % Operating profit in relation to net sales and capitalized development expenditure.

Profit margin, % Profit before tax in relation to net sales and capitalized development expenditure.

Return

Return on capital employed, % Operating profit plus interest income in relation to capital employed. Capital employed comprises the balance sheet total less non-interest-bearing liabilities.

Return on equity, % Profit/loss for the period in relation to equity.

Capital structure

Solidity, % Equity at the end of the period in relation to the balance sheet total.

Debt/equity ratio, times Interest-bearing liabilities at the end of the period minus cash and cash equivalents in relation to equity.

Net debt, MSEK Interest payable minus cash and cash equivalents.

Other

Net investments in non-current assets, MSEK Net investments in both intangible and tangible fixed assets as well as financial assets during the period.

Average number of employees Average number of employees during the period.

Data per share

Number of shares at the end of the period, in millions Number of shares outstanding at the end of the period

Average number of shares, millions Average number of shares during the period.

Earnings per share, SEK Result after taxes divided by the average number of shares.

Cash flow per share, SEK Operating cash flow divided by the average number of shares.

Equity per share, SEK Equity divided by the number of shares at the end of the period.

PARENT COMPANY'S CONDENSED INCOME STATEMENT

MSEK	Apr-June 2024	Apr-June 2023	Jan-June 2024	Jan-June 2023	Full year 2023
Net sales	0.8	1.0	1.6	2.1	4.0
Other external costs	-1.4	-1.6	-2.5	-2.8	-5.6
Personnel costs	-0.9	-1.5	-1.9	-2.4	-4.1
Other operating costs	-	-	-	-	-
Operating profit	-1.5	-2.1	-2.8	-3.1	-5.7
Net financial items	0.0	0.0	0.0	-0.8	-0.8
Profit/loss before tax	-1.5	-2.1	-2.8	-3.9	-6.5
Appropriations	-	-	-	-	10.0
Tax	-	-	-	-	-
Profit/loss for the period	-1.5	-2.1	-2.8	-3.9	3.5

PARENT COMPANY'S CONDENSED STATEMENT OF COMPREHENSIVE INCOME

MSEK	Apr-June 2024	Apr-June 2023	Jan-June 2024	Jan-June 2023	Full year 2023
Profit/loss for the period	-1.5	-2.1	-2.8	-3.9	3.5
Other comprehensive income	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-1.5	-2.1	-2.8	-3.9	3.5

PARENT COMPANY'S CONDENSED BALANCE SHEETS

MSEK	June 30, 2024	June 30, 2023	Dec 31, 2023
Fixed assets			
Shares in subsidiaries	82.8	82.8	82.8
Deferred tax assets	12.0	12.0	12.0
Total fixed assets	94.8	94.8	94.8
Current assets			
Receivables from Group companies	10.7	5.4	14.2
Other current receivables	1.2	1.9	1.0
Cash and cash equivalents	0.2	0.0	0.0
Total current assets	12.1	7.3	15.2
TOTAL ASSETS	106.9	102.1	110.0
Equity (attributable in full to Parent Company shareholders)	105.8	101.2	108.6
Current liabilities			
Trade payables	0.1	0.3	0.3
Liabilities to Group companies	0.1	-	-
Other current payables	0.9	0.6	1.1
Total current liabilities	1.1	0.9	1.4
TOTAL EQUITY AND LIABILITIES	106.9	102.1	110.0

PARENT COMPANY'S CONDENSED STATEMENT OF CHANGES IN EQUITY

MSEK	June 30, 2024	June 30, 2023	Full year 2023
Opening balance equity	108.6	105.1	105.1
Profit/loss for the period	-2.8	-3.9	3.5
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-2.8	-3.9	3.5
Closing balance equity	105.8	101.2	108.6

PARENT COMPANY'S CONDENSED CASH FLOW STATEMENTS

MSEK	Apr-June 2024	Apr-June 2023	Jan-June 2024	Jan-June 2023	Full year 2023
Cash flow from operating activities before change in working capital	-1.5	-2.1	-2.8	-4.0	3.5
Change in working capital					
Change in receivables	0.1	0.7	-0.2	1.1	2
Change in current liabilities	-0.8	-1.3	-0.4	-0.8	-0.4
Total change in working capital	-0.7	-0.6	-0.6	0.3	1.6
Cash flow from operating activities	-2.2	-2.7	-3.4	-3.7	5.1
Investing activities					
Change in borrowings to/from subsidiaries	2.2	2.6	3.6	3.4	-5.4
Cash flow from investing activities	2.2	2.6	3.6	3.4	-5.4
Operating cash flow	0.0	-0.1	0.2	-0.3	-0.3
Financing activities					
Change in borrowings	-	-	-	-	-
Cash flow from financing activities	0.0	0.0	0.0	0.0	0.0
Cash flow for the period	0.0	-0.1	0.2	-0.3	-0.3
Cash and cash equivalents at the beginning of the period	0.2	0.1	0.0	0.3	0.3
Exchange rate difference on cash and cash equivalents	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents at the end of the period	0.2	0.0	0.2	0.0	0.0