

Stable operations in a challenging market climate

During the third quarter, both of the Group's business units continued to face challenges due to weak markets, lower investment appetite, and longer business processes. This resulted in a declining order intake, particularly within RemaSawco. The Group nevertheless reported stable performance with a stronger order backlog and improved gross margin. Cash flow from operating activities increased.

The RemaSawco business unit delivered good profitability despite a decline in net sales. At the same time, the Motion Analysis business unit showed a continued growth in its order backlog for subscription and support services.

The Group's operations are efficient and solution-oriented, despite the market situation hindering growth in the short term. Well aware of these challenges, we continue to invest in AI-driven product development as well as local sales and service capabilities to strengthen our long-term competitiveness and generate a higher proportion of recurring revenue.

Third quarter July–September

- Order intake amounted to MSEK 34.2 (47.1)
- Net sales amounted to MSEK 41.4 (56.6)
- Gross margin amounted to 71 (67) percent
- EBITDA amounted to MSEK 7.1 (17.3)
- Earnings per share amounted to SEK 0.01 (0.14)

Interim period January–September

- Order intake amounted to MSEK 91.9 (140.5)
- Net sales amounted to MSEK 129.9 (139.1)
- Gross margin amounted to 68 (68) percent
- EBITDA amounted to MSEK 12.6 (25.8)
- Earnings per share amounted to SEK -0.06 (0.14)

Financial overview

	Jul–Sept 2025	Jul–Sept 2024	Jan–Sept 2025	Jan–Sept 2024	Full year 2024
Order intake, MSEK	34.2	47.1	91.9	140.5	228.5
Order backlog, MSEK	77.4	73.0	77.4	73.0	117.5
Net sales, MSEK	41.4	56.6	129.9	139.1	184.9
Capitalized development expenditure, MSEK	2.5	3.6	8.1	10.9	14.9
Gross margin, %	71	67	68	68	68
EBITDA, MSEK	7.1	17.3	12.6	25.8	26.8
EBITDA margin, %	16.2	28.7	9.1	17.2	13.4
Operating profit (EBIT), MSEK	0.9	12.8	-5.2	12.4	8.8
Profit after tax, MSEK	0.7	12.8	-5.3	12.4	8.6
Cash flow from operating activities, MSEK	10.8	3.2	17.3	24.7	39.2
Solidity, %	58	60	58	60	55
Average number of employees	74	73	72	70	72
Earnings per share	0.01	0.14	-0.06	0.14	0.10

A word from the CEO

Emilien Saindon
CEO and President



Stability in challenging market conditions

The third quarter was characterized for both business units by continued cautious customer willingness to invest, which led to longer sales cycles and decreased order intake, MSEK 34.2 (47.1) compared with the previous year, but an increase from the previous quarter (26.8).

In this market climate, the Group showed stable development. Net sales amounted to MSEK 41.4 (56.6), the gross margin to 71 percent (67), while EBITDA amounted to MSEK 7.1 (17.3). Earnings continued to be impacted by the ongoing transition to a subscription-based business model within Motion Analysis and by lower net sales for RemaSawco.

Thanks to several deliveries during the quarter, cash flow from operating activities improved to MSEK 10.8 (3.2). The order backlog increased to MSEK 77.4 (73.0).

RemaSawco – good results in a weak market

RemaSawco reported a quarter with maintained good profitability. Due to a decline in order intake, net sales amounted to MSEK 32.4 (44.3). The EBITDA margin was 22.2 percent, lower than last year but improved compared to the second quarter.

The wood products market remains in a slump with limited construction activity. However, our assessment remains that sawmills will prioritize investments in streamlining and optimizing their production processes.

The business unit continues to focus on upgrade projects, service agreements, and customer-oriented solutions that contribute to short-term sales and long-term customer relationships. We are intensifying efforts to enhance our service offering in order to strengthen our recurring revenue base.

Motion Analysis – growing order backlog

The launch of the new software platform, along with a strengthened local presence in key markets, has been well received and lays the foundation for long-term growth. The defense and automotive industries, our key customer segments, continue to demonstrate increasing demand for advanced analysis solutions. The business unit also sees good opportunities in other application areas where our offering is well suited.

The subscription-based business model continues to contribute to a growing share of recurring revenue. Net sales amounted to MSEK 9.0 (12.3), but increased compared with the previous quarter (7.1). Order intake amounted to MSEK 15.9 (19.2), which is a sequential improvement. The order backlog for subscription and support services increased to MSEK 38.7 (18.6).

The new business model is developing according to plan, and we are beginning to see the effects of a higher proportion of direct sales.

Deliberate moves and with an eye to the future

Our strategic direction remains unchanged: to build sustainable profitable growth with a higher proportion of recurring revenue. In the current state of the market, characterized by low investment appetite, we are making conscious efforts to strengthen our presence and service organization in priority markets and ensure customer satisfaction. The Group's underlying operations are stable and efficient, and we are well positioned. As soon as the market fuels our well-oiled machinery, we will be ready to take advantage of improved cyclical conditions.

We continue to selectively invest in product development, focusing particularly on AI and automation to accelerate the development process and enhance customer value.

Finally, I would like to thank the personnel for their solid efforts during the quarter. In addition, I would like to welcome Andreas Overmyr as the new CEO of the Motion Analysis business unit. I am convinced that he will bring new perspectives and take the business to the next level.

THE GROUP'S DEVELOPMENT IN THE THIRD QUARTER

Order intake, net sales and profit

Order intake amounted to MSEK 34.2 (47.1). Order backlog as of September 30, 2025, amounted to MSEK 77.4 (73.0).

Net sales amounted to MSEK 41.4 (56.6). Capitalized development expenditure amounted to MSEK 2.5 (3.6) and relates to both business units.

Gross margin amounted to 71 (67) percent.

EBITDA amounted to MSEK 7.1 (17.3).

Other external charges are in line with the same period last year. Personnel costs increased compared to last year's period, which is attributed to an exchange of skills and an increase in the number of employees.

Depreciation/amortization amounted to MSEK -6.2 (-4.5). During the year, we have begun depreciation/amortization of several development projects in connection with commercial launch.

Net financial items amounted to MSEK -0.3 (-0.1).

Result after taxes amounted to MSEK 0.7 (12.8).

Financial position, investments and cash flow

The Group's investments in non-current assets during the quarter amounted to MSEK 3.5 (6.1) of which MSEK 2.5 (3.6) 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 7.3 (-2.9). Solidity as of September 30, 2025, amounted to 58 (60) percent. Net indebtedness amounted to 0.0 (0.1) times.

Available cash and cash equivalents including the undrawn part of the overdraft facilities amounted to MSEK 27.9 (21.8) as of September 30, 2025.

THE GROUP'S DEVELOPMENT DURING THE INTERIM PERIOD

Order intake amounted to MSEK 91.9 (140.5). Order backlog as of September 30, 2025, amounted to MSEK 77.4 (73.0).

Net sales amounted to MSEK 129.9 (139.1). Capitalized development expenditure amounted to MSEK 8.1 (10.9) and relates to both business units.

Gross margin amounted to 68 (68) percent.

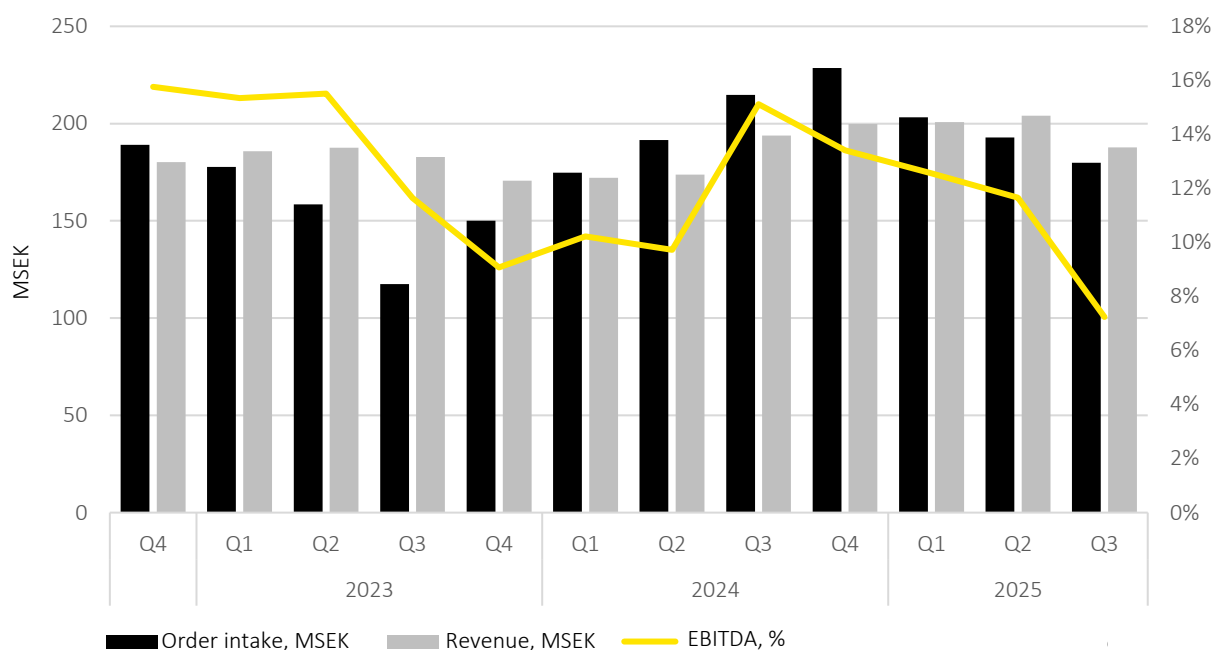
EBITDA amounted to MSEK 12.6 (25.8).

Other external charges 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 and Japan.

Depreciation/amortization amounted to MSEK -17.8 (-13.4). Capitalized development costs are lower than last year as we have begun depreciation/amortization of several development projects in connection with commercial launches. Net financial items amounted to MSEK -0.5 (-0.4).

Result after taxes amounted to MSEK -5.3 (12.4).

ROLLING 12-MONTH ORDER INTAKE, REVENUE AND EBITDA



The Group's rolling 12-month EBITDA margin during the third quarter amounted to 7.2 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 amounted to MSEK 18.3 (27.9), reflecting the weak market situation in the wood products industry. High commodity prices continue to negatively affect the market, although there are some signs of a slight decline in prices. However, this change will not have an immediate impact on sawmills. At the same time, sawmills are facing pressure from lower prices for sawn timber, and construction has not yet picked up, which together contributes to reduced demand.

The business unit's earnings are beginning to be affected by lower order intake. Net sales amounted to MSEK 32.4 (44.3) and EBITDA to MSEK 7.4 (13.7), a reduced but still high margin of 22.2 percent (29.7). At the same time, customer satisfaction, delivery precision, and quality have been significantly strengthened, giving us a stronger position when market conditions improve. We continue to invest in our product portfolio, drive development forward, and strengthen our service offering with SLAs, upgrade packages and smaller projects.

	Jul-Sept 2025	Jul-Sept 2024	Jan-Sept 2025	Jan-Sept 2024	Full year 2024
Order intake, MSEK	18.3	27.9	56.7	97.9	165.9
Net sales, MSEK	32.4	44.3	103.1	109.1	146.8
Capitalized development expenditure, MSEK	1.0	1.8	3.0	5.0	6.9
EBITDA, MSEK	7.4	13.7	18.8	22.7	28.0
EBITDA margin, %	22.2	29.7	17.7	19.9	18.2

Product development

During the quarter, we have worked on updating existing products and advancing the development of our X-ray scanner. The incremental product development of the new measuring station has been successful, and the working method is being rolled out in more product areas.

Our continued investments in product development aim to increase the scalability of our solutions and further develop key functions for digitizing and optimizing sawmill processes. During the quarter, our efforts in generative AI took shape, and we began introducing AI models into both our working methods and our products. This endeavor is expected to be the most important driving force for accelerating the pace of development and strengthening our position when the market situation improves.

Image SYSTEMS

MOTION ANALYSIS

BUSINESS UNIT:

MOTION ANALYSIS



Motion Analysis 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 cautiousness we observed in the market at the start of the year has persisted, and transactions continue to take longer to complete. However, towards the end of the quarter, we have observed some improvement, as several orders have been received.

Order intake during the quarter amounted to MSEK 15.9 (19.2), which is lower than the previous year, but the order backlog for subscription and support services continued to build up and amounted to MSEK 38.7 (18.6) at the end of the quarter. The growing share of recurring revenue increases our stability going forward. Net sales amounted to MSEK 9.0 (12.3) and EBITDA to MSEK 0.6 (4.7), with EBITDA affected by lower sales volumes, the transition to a subscription-based business model, and continued investments in product development.

The new software platform is an important part of our growth strategy. The solution was launched commercially during the year, and we believe that, together with an increasing proportion of multi-year subscription agreements, this will be an important driver of future growth.

	Jul-Sept 2025	Jul-Sept 2024	Jan-Sept 2025	Jan-Sept 2024	Full year 2024
Order intake, MSEK	15.9	19.2	35.2	42.6	62.6
Order backlog subscription and support services, MSEK	38.7	18.6	38.7	18.6	31.8
Net sales, MSEK	9.0	12.3	26.8	30.0	38.1
Capitalized development expenditure, MSEK	1.5	1.8	5.1	5.9	8.0
EBITDA, MSEK	0.6	4.7	-1.6	7.0	5.1
EBITDA margin, %	5.7	33.3	-5.0	19.5	11.1

Product development

Product development and innovation are core elements in the Company's continued development. Object-tracking features powered by AI were launched during the quarter. Meanwhile, several development initiatives are underway that we believe will strengthen our competitiveness and growth in the future.

OTHER INFORMATION

Parent Company

The Parent Company's revenue for the third quarter amounted to MSEK 1.5 (0.7). Operating profit amounted to MSEK -0.9 (-1.1). Result after taxes amounted to MSEK -0.9 (-1.1). Investments in fixed assets amounted to MSEK 0.0 (0.0). The Parent Company's available liquid funds as of September 30, 2025, amounted to MSEK 0.2 (0.0). The Parent Company's equity as of September 30, 2025, amounted to MSEK 112.7 (104.7) and the solidity was 98 (98) percent.

Significant events after the period

The Motion Analysis business unit has received an order from a US defense customer worth approximately MSEK 2.4.

The RemaSawco business unit has received an order from Bergkvist Siljan worth MSEK 1.9.

Image Systems AB has appointed a Nomination Committee for the 2026 Annual General Meeting in accordance with previously decided principles. The information was published in a press release on October 20, 2025.

Personnel

The average number of employees was 74 (73). The number of employees at the end of the period was 80.

Number of shares

The number of shares on September 30, 2025, 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 16 and relevant reconciliations on page 15.

One inventory item has been reclassified from other receivables to inventory. Comparative figures have been adjusted.

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 2024 Annual Report. No significant new or changed risks or uncertainties have been identified during the quarter.

This interim report has been reviewed by the Company's auditors.

Financial calendar

Year-end report 2025	February 6, 2026
Interim report January–March 2026	April 24, 2026
Annual General Meeting 2026	May 7, 2026
Interim report April–June 2026	July 17, 2026

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, October 24, 2025

Anders Fransson
Chairman of the Board

Jörgen Hermansson
Director

Catharina Lagerstam
Director

Jan Molin
Director

Matilda Wernhoff
Director

Emilien Saindon
Chief Executive Officer

The information in this report is disclosed pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 08:00 AM on October 24, 2025.

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

Questions will be answered by:

Emilien Saindon, CEO and President

Telephone: +46 (0)13-200 100, e-mail: emilien.saindon@imagesystems.se

REVIEW REPORT

To the board of Image Systems AB (publ) corp. reg. no. 556319-4041

Introduction

We have reviewed the condensed interim report for Image Systems AB (publ) as at September 30, 2025, and for the nine months period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm on the date indicated by our electronic signature

Öhrlings PricewaterhouseCoopers AB

Andreas Skogh

Authorized Public Accountant

CONDENSED CONSOLIDATED INCOME STATEMENT

MSEK	Jul–Sept 2025	Jul–Sept 2024	Jan–Sept 2025	Jan–Sept 2024	Full year 2024
Net sales	41.4	56.6	129.9	139.1	184.9
Capitalized development expenditure	2.5	3.6	8.1	10.9	14.9
Total revenue	43.9	60.2	138.0	150.0	199.8
Raw materials and consumables	-11.9	-18.4	-41.1	-44.6	-58.7
Other external charges	-6.9	-7.0	-21.8	-24.4	-32.3
Personnel costs	-17.9	-17.1	-62.1	-54.8	-81.7
Depreciation/amortization of fixed intangible and tangible assets	-6.2	-4.5	-17.8	-13.4	-18.0
Other operating income	-	-	-	-	-
Other operating costs	-0.1	-0.4	-0.4	-0.4	-0.3
Operating profit	0.9	12.8	-5.2	12.4	8.8
Net financial items	-0.3	-0.1	-0.5	-0.4	-0.8
Profit/loss before tax	0.6	12.7	-5.7	12.0	8.0
Tax	0.1	0.1	0.4	0.4	0.6
Profit for the period	0.7	12.8	-5.3	12.4	8.6
Of which attributable to the Parent Company shareholders	0.7	12.8	-5.3	12.4	8.6
Earnings per share ¹⁾	0.01	0.14	-0.06	0.14	0.10
Diluted earnings per share ¹⁾	0.01	0.14	-0.06	0.14	0.10
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	Jul–Sept 2025	Jul–Sept 2024	Jan–Sept 2025	Jan–Sept 2024	Full year 2024
Profit for the period	0.7	12.8	-5.3	12.4	8.6
Other comprehensive income					
Translation differences	-0.3	0.0	-0.3	0.0	0.0
Total other comprehensive income	-0.3	0.0	-0.3	0.0	0.0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD					
Of which attributable to Parent Company shareholders	0.4	12.8	-5.6	12.4	8.6

CONDENSED CONSOLIDATED BALANCE SHEETS

MSEK	Sept 30, 2025	Sept 30, 2024	Dec 31, 2024
Fixed assets			
Goodwill	36.1	36.1	36.1
Customer relations	11.7	16.1	15.0
Capitalized development expenditure	60.4	51.4	56.2
Tangible fixed assets	1.8	2.3	2.3
Right-of-use assets	13.7	18.8	17.4
Deferred tax assets	19.1	19.1	19.1
Total fixed assets	142.8	143.8	146.1
Current assets			
Inventories	20.5	15.7	13.7
Trade receivables	23.8	39.2	47.7
Other receivables	7.6	7.9	5.7
Cash and cash equivalents	10.1	6.9	12.7
Total current assets	62.0	69.7	79.8
TOTAL ASSETS	204.8	213.5	225.9
Equity (attributable in full to Parent Company shareholders)	119.0	128.2	124.6
Non-current liabilities			
Lease liabilities	7.9	11.4	10.5
Deferred tax liabilities	4.5	5.1	4.9
Total non-current liabilities	12.4	16.5	15.4
Current liabilities			
Borrowings from credit institutions	0.1	3.6	3.1
Trade payables	16.1	21.3	14.9
Lease liabilities	5.1	6.4	5.9
Other current payables	52.1	37.5	62.0
Total current liabilities	73.4	68.8	85.9
TOTAL EQUITY AND LIABILITIES	204.8	213.5	225.9

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MSEK	Sept 30, 2025	Sept 30, 2024	Full year 2024
Opening balance sheet equity	124.6	116.0	116.0
Net profit for the year	-5.3	12.4	8.6
Other comprehensive income for the period	-0.3	-0.2	0.0
Total comprehensive income for the period	-5.6	12.2	8.6
Closing balance sheet equity	119.0	128.2	124.6

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

MSEK	Jul–Sept 2025	Jul–Sept 2024	Jan–Sept 2025	Jan–Sept 2024	Full year 2024
Cash flow from operating activities before change in working capital	7.3	16.9	12.4	23.8	24.9
Change in working capital					
Change in inventories	-4.3	-2.9	-6.9	-1.4	0.6
Change in receivables	11.3	-18.9	20.9	-9.5	-15.6
Change in current liabilities	-3.5	8.1	-9.1	11.8	29.3
Total change in working capital	3.5	-13.7	4.9	0.9	14.3
Cash flow from operating activities	10.8	3.2	17.3	24.7	39.2
Investing activities					
Acquisition of intangible fixed assets	-3.5	-5.9	-12.9	-17.6	-23.9
Acquisition of tangible fixed assets	0.0	-0.2	-0.3	-1.3	-1.5
Cash flow from investing activities	-3.5	-6.1	-13.2	-18.9	-25.4
Operating cash flow	7.3	-2.9	4.1	5.8	13.8
Financing activities					
Change in borrowings	-0.1	-1.7	-3.6	-1.8	-2.2
Amortization of lease liabilities	-1.6	-1.3	-3.1	-3.7	-5.5
Cash flow from financing activities	-1.7	-3.0	-6.7	-5.5	-7.7
Cash flow for the period	5.6	-5.9	-2.6	0.3	6.1
Cash and cash equivalents at the beginning of the year	4.5	12.8	12.7	6.6	6.6
Exchange rate difference on cash and cash equivalents	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents at end of period	10.1	6.9	10.1	6.9	12.7

SEGMENT REPORTING

MSEK

	Jul–Sept 2025	Jul–Sept 2024	Jan–Sept 2025	Jan–Sept 2024	Full year 2024
Revenue					
RemaSawco	33.4	46.1	106.1	114.1	153.7
Motion Analysis	10.5	14.1	31.9	35.9	46.1
Parent Company & consolidated items	-	-		-	-
Total revenue	43.9	60.2	138.0	150.0	199.8
EBITDA					
RemaSawco	7.4	13.7	18.8	22.7	28.0
Motion Analysis	0.6	4.7	-1.6	7.0	5.1
Admin & consolidated items	-0.9	-1.1	-4.6	-3.9	-6.3
EBITDA total	7.1	17.3	12.6	25.8	26.8
Depreciation/amortization of fixed intangible and tangible assets	-6.2	-4.5	-17.8	-13.4	-18
Operating profit	0.9	12.8	-5.2	12.4	8.8
Net financial items	-0.3	-0.1	-0.5	-0.4	-0.8
Profit/loss before tax	0.6	12.7	-5.7	12.0	8.0
Tax	0.1	0.1	0.4	0.4	0.6
Profit for the period	0.7	12.8	-5.3	12.4	8.6

INDICATORS

	Jul–Sept 2025	Jul–Sept 2024	Jan–Sept 2025	Jan–Sept 2024	Full year 2024
Order intake, MSEK	34.2	47.1	91.9	140.5	228.5
Order backlog, MSEK	77.4	73.0	77.4	73.0	117.5
Gross margin, %	71	67	68	68	68
EBITDA, MSEK	7.1	17.3	12.6	25.8	26.8
EBITDA margin, %	16.2	28.7	9.1	17.2	13.4
Operating margin, %	2.1	21.3	-3.8	8.3	4.4
Profit margin, %	1.4	21.1	-4.1	8.0	4.0
Return on capital employed, %	0.7	8.6	-3.9	8.3	6.1
Return on equity, %	0.6	10.0	-4.5	9.7	6.9
Solidity, %	58	60	58	60	55
Debt/equity ratio	0.0	0.1	0.0	0.1	0.1
Net investments in non-current assets, MSEK	3.5	6.1	13.2	18.9	25.4
Depreciation/amortization of fixed assets, MSEK	6.2	4.5	17.8	13.4	18.0
Average number of employees	74	73	72	70	72
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	0.01	0.14	-0.06	0.14	0.10
Cash flow per share calculated on the basis of average number of shares, SEK	0.08	-0.03	0.05	0.07	0.15
Equity per share calculated on the basis of number of shares at the end of the period, SEK	1.33	1.44	1.33	1.44	1.40

QUARTERLY OVERVIEW, THE GROUP

Quarterly overview, the Group	2022	2023				2024				2025		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Order intake, MSEK	41.8	31.4	20.5	23.8	74.3	56.1	37.3	47.1	88.0	30.9	26.8	34.2
Order backlog, MSEK	81.9	74.9	52.2	38.4	73.3	91.8	83.4	73.0	117.5	107.5	84.6	77.4
Net sales, MSEK	54.0	38.3	44.7	37.6	40.1	38.2	44.3	56.6	45.8	39.0	49.5	41.4
Capitalized development costs, MSEK	1.9	1.7	2.1	2.5	3.7	3.2	4.1	3.6	4.0	3.3	2.3	2.5
Gross margin, %	64	71	70	71	69	70	67	67	69	72	63	71
EBITDA, MSEK	9.3	2.3	4.8	4.9	3.5	4.4	4.1	17.3	1.0	2.8	2.7	7.1
EBITDA margin, %	16.6	5.8	10.3	12.2	8.0	10.6	8.5	28.7	2.0	6.6	5.2	16.2
Operating profit (EBIT), MSEK	4.6	-4.6	0.3	0.3	-1.3	0.1	-0.5	12.8	-3.6	-2.5	-3.6	0.9
EBIT margin, %	8.2	-11.5	0.6	0.7	-3.0	0.2	-1.0	21.3	-7.2	-5.9	-6.9	2.1
Return on equity, %	3.7	neg	0.1	0.1	neg	0.0	neg	10.0	neg	neg	neg	0.6
Solidity, %	63	62	65	69	63	61	59	60	55	55	57	58
Earnings per share, SEK	0.05	-0.07	0.00	0.00	-0.01	0.00	0.00	0.14	-0.04	-0.03	-0.04	0.01
Cash flow per share, SEK	0.13	-0.08	-0.10	-0.07	0.10	0.04	0.06	-0.03	0.09	0.12	-0.15	0.08
Equity per share, SEK	1.38	1.31	1.31	1.31	1.30	1.30	1.30	1.44	1.40	1.37	1.33	1.33
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	Jul-Sept 2025	Jul-Sept 2024	Jan-Sept 2025	Jan-Sept 2024	Full year 2024
Operating profit	0.9	12.8	-5.2	12.4	8.8
Depreciation/amortization of fixed tangible and intangible assets	6.2	4.5	17.8	13.4	18.0
EBITDA	7.1	17.3	12.6	25.8	26.8

Net debt

MSEK	Sept 30, 2025	Sept 30, 2024	Dec 31, 2024
Cash and cash equivalents	10.1	6.9	12.7
Lease liability	13.0	17.8	16.4
Interest-bearing liabilities	0.1	3.6	3.1
Net debt	3.0	14.5	6.8

DEFINITIONS

Income measures

EBITDA	Operating profit plus depreciation/amortization on tangible and intangible assets.
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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	Jul–Sept 2025	Jul–Sept 2024	Jan–Sept 2025	Jan–Sept 2024	Full year 2024
Net sales	1.5	0.7	4.0	2.3	3.1
Other external charges	-1.1	-1.0	-3.7	-3.5	-4.7
Personnel costs	-1.3	-0.8	-4.9	-2.7	-4.7
Other operating costs	-	-	-	-	-
Operating profit	-0.9	-1.1	-4.6	-3.9	-6.3
Net financial items	0.0	0.0	0.0	0.0	0.0
Profit/loss before tax	-0.9	-1.1	-4.6	-3.9	-6.3
Appropriations	-	-	-	-	15.0
Tax	-	-	-	-	-
Profit for the period	-0.9	-1.1	-4.6	-3.9	8.7

PARENT COMPANY'S CONDENSED STATEMENT OF COMPREHENSIVE INCOME

MSEK	Jul–Sept 2025	Jul–Sept 2024	Jan–Sept 2025	Jan–Sept 2024	Full year 2024
Profit for the period	-0.9	-1.1	-4.6	-3.9	8.7
Other comprehensive income	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-0.9	-1.1	-4.6	-3.9	8.7

PARENT COMPANY'S CONDENSED BALANCE SHEETS

MSEK	Sept 30, 2025	Sept 30, 2024	Dec 31, 2024
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			
Trade receivables	-	-	-
Receivables from Group companies	19.2	11.2	24.6
Other current receivables	1.0	1.0	0.5
Cash and cash equivalents	0.2	0.0	0.2
Total current assets	20.4	12.2	25.3
TOTAL ASSETS	115.2	107.0	120.1
Equity (attributable in full to Parent Company shareholders)	112.7	104.7	117.3
Current liabilities			
Trade payables	0.1	0.1	0.2
Liabilities to Group companies	0.0	0.9	-
Other current payables	2.4	1.3	2.6
Total current liabilities	2.5	2.3	2.8
TOTAL EQUITY AND LIABILITIES	115.2	107.0	120.1

PARENT COMPANY'S CONDENSED STATEMENT OF CHANGES IN EQUITY

MSEK	Sept 30, 2025	Sept 30, 2024	Full year 2024
Opening balance equity	117.3	108.6	108.6
Profit for the period	-4.6	-3.9	8.7
Other comprehensive income for the period			
Total comprehensive income for the period	-4.6	-3.9	8.7
Closing balance equity	112.7	104.7	117.3

PARENT COMPANY'S CONDENSED CASH FLOW STATEMENTS

MSEK	Jul–Sept 2025	Jul–Sept 2024	Jan–Sept 2025	Jan–Sept 2024	Full year 2024
Cash flow from operating activities before change in working capital	-0.9	-1.1	-4.6	-3.9	8.7
Change in working capital					
Change in receivables	0.0	0.2	-0.4	0.0	0.5
Change in current liabilities	-0.2	0.4	-0.3	0.0	1.4
Total change in working capital	-0.2	0.6	-0.7	0	1.9
Cash flow from operating activities	-1.1	-0.5	-5.3	-3.9	10.6
Investing activities					
Change in borrowings to/from subsidiaries	1.1	0.3	5.3	3.9	-10.4
Cash flow from investing activities	1.1	0.3	5.3	3.9	-10.4
Operating cash flow	0.0	-0.2	0.0	0.0	0.2
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	-0.2	0.0	0.0	0.2
Cash and cash equivalents at the beginning of the period	0.2	0.2	0.2	0.0	0.0
Exchange rate difference on cash and cash equivalents	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents at end of period	0.2	0.0	0.2	0.0	0.2