



**IMAGE  
SYSTEMS  
GROUP**



**ANNUAL REPORT**

**2025**



<https://imagesystemsgroup.se>

## About Image Systems

---

Image Systems is a Swedish high-technology company that develops and sells software and systems for non-contact measurement technology and advanced image processing. We are a world-leading supplier in the niches of non-contact measurement technology and advanced image processing.

Today, our two business units, RemaSawco and Motion Analysis, operate in a number of different market segments where non-contact measurement technologies are a requirement. The most prominent market segments are the forestry, defence and automotive industries.

Our world-leading products are used to optimise production flows and to develop and test new products. Image Systems has 80 employees with operations in Sweden, Finland and Norway, as well as sales offices in China, Japan, France and the United States.





# CONTENTS

---



Financial calendar and contact details .....	5
2025 in brief .....	6
A word from the CEO .....	7
Description of activities.....	8
Business unit RemaSawco.....	10
Business Unit Motion Analysis.....	14
Employees.....	18
Sustainability work .....	20
Share and ownership structure.....	22
Corporate governance report .....	24
Auditor's opinion on the corporate governance report .....	28
Board of Directors .....	30
Management .....	31
Five-year overview, Group .....	32
Statutory administration report.....	34
Financial statements, Group.....	37
Financial statements, parent company .....	41
Notes.....	45
The Board's assurance .....	72
Audit report .....	73
Definitions.....	78
Relevant reconciliations of non-IFRS indicators, Group .....	79

---

## FINANCIAL CALENDAR

Interim report 1 January - 31 March .....	24 April 2026
Annual General Meeting .....	7 May 2026
Interim report 1 April - 30 June .....	17 July 2026
Interim report 1 July - 30 September .....	24 October 2026
Year-end report .....	5 February 2027

---

## FINANCIAL INFORMATION

Financial information and other relevant company information is published on <https://imagesystemsgroup.se>

Email: [IR@imagesystems.se](mailto:IR@imagesystems.se)

---

## DISCLAIMER

This document is an unofficial translation. In the event of any conflict in interpretation between the English and the original Swedish version, the Swedish version shall take precedence and be considered the authoritative text.

# 2025 IN BRIEF



Operating profit before depreciation and amortisation (EBITDA) amounted to SEK 9.1 million (26.8), corresponding to an EBITDA margin of 5.1 per cent (13.4).



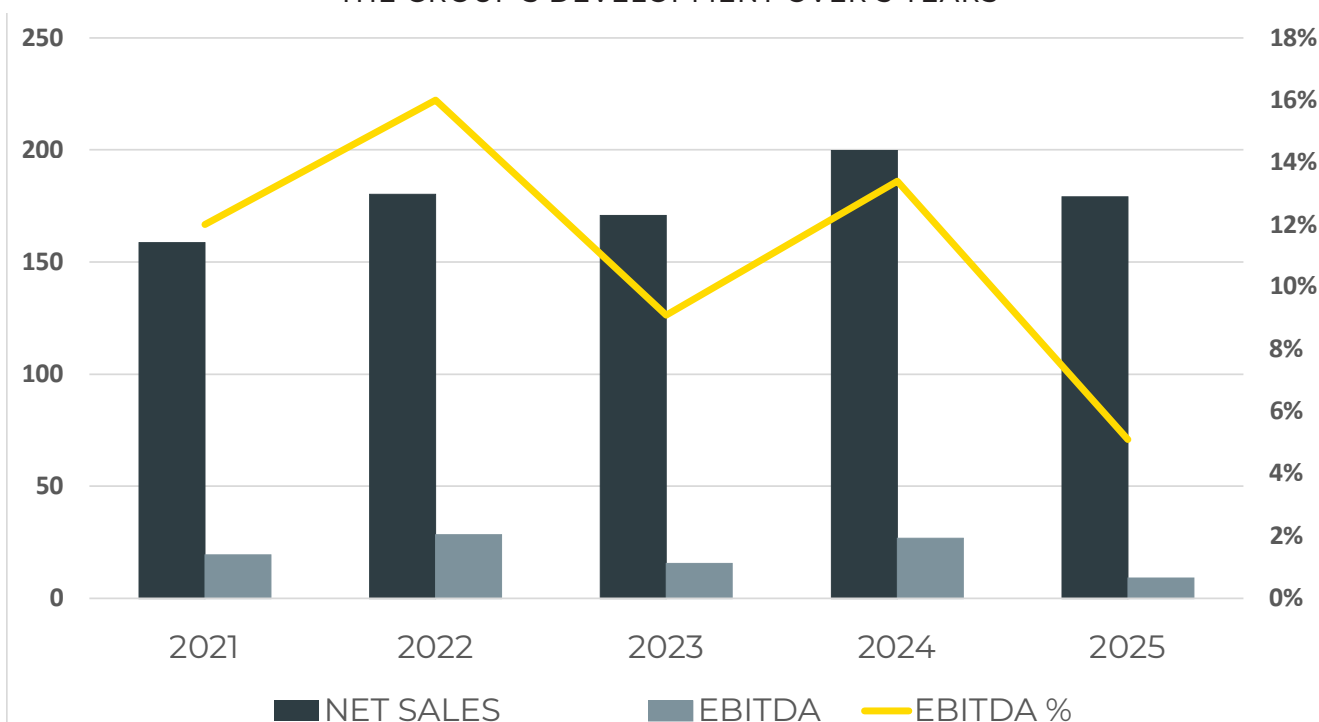
The Group's revenue decreased compared with the previous year to SEK 179.1 million (199.8), a decrease of 10 per cent. Order intake amounted to SEK 125.1 million (228.5), a decrease of 45 per cent.

The sawmill market has continued to face challenging market conditions with raw material shortages, high timber prices and a construction industry that has yet to get going, resulting in low demand. This has led to a low willingness to invest among sawmills. Order intake for RemaSawco fell to SEK 79.2 million (165.9), a decrease of 52 per cent.

The Motion Analysis business unit noted longer decision-making processes and thus a continued cautious market as a result of the geopolitical situation. Order intake decreased to SEK 45.9 million (62.6), a decrease of 27 per cent. The order backlog for subscription and support services continued to develop positively and grew to SEK 40.7 million (31.8).

Key financial figures	2025	2024
Order intake, SEK million	125.1	228.5
Order backlog, SEK million	69.8	117.5
Cash flow from operating activities, SEK million	22.3	39.2
Gross margin, %	68	68
EBITDA margin, %	5.1	13.4
Solidity ratio, %	58	55
Average number of employees, st.	77	72

THE GROUP'S DEVELOPMENT OVER 5 YEARS



# A YEAR OF TRIALS – AND CONTINUED DIRECTION FORWARD



” Despite a clearly weaker market situation, we have maintained our gross margin, delivered a positive cash flow from operating activities and continued to invest selectively in product development and commercialisation. ”

**Jan Molin, acting President and Chief Executive Officer**

2025 was a year in which our operational capabilities and long-term strategy were put to the test in a market characterised by low investment appetite and longer business processes. Despite a clearly weaker market situation, we maintained our gross margin, delivered positive cash flow from operating activities and continued to invest selectively in product development and commercialisation.

For the full year, the Group's order intake amounted to SEK 125.1 (228.5) million and Net sales to SEK 168.5 (184.9) million. EBITDA amounted to SEK 9.1 (26.8) million. Our cash flow from operating activities remained positive and the solidity was 58 per cent, which gives us room for manoeuvre even in a more cautious economic climate.

#### **RemaSawco – delivery precision, service and preparation for change**

The timber market was challenging during the year, and our customers were affected by squeezed margins and uncertainty linked to raw material availability, interest rates and geopolitics. The uncertain market situation has dampened the willingness of sawmills to invest and led to longer decision-making processes. At the same time, the sawmill industry's export markets as a whole have been relatively stronger, which has helped to maintain the level of activity among our customers, even though this has not been translated into investments in 2025. In this environment, we have prioritised delivery precision and Customer satisfaction, and have driven upgrade and efficiency projects among our customers. We continue to strengthen our offering through product development and a clearer service focus, including through further developed SLA agreements and upgrade packages. With improved signals in the order dialogue, we assess that the market may gradually begin to show a turnaround in the second half of 2026.

#### **Motion Analysis – subscriptions and new platform build stability**

In Motion Analysis, the market continued to be characterised by restraint and longer decision-making processes. Our transition to a subscription-based business model is strategically important. It will have a negative short-term profit effect, but in the long term will create more stable revenue streams, greater predictability and improved scalability. A clear indicator of this is that the order backlog for subscription and support services continued to develop positively and amounted to SEK 40.7 (31.8) million at the end of the year. To accelerate growth, we are increasing our presence in priority markets, with a greater focus on direct sales and closer customer dialogue. At the same time, we are affected by currency effects, with movements in the USD exchange rate in particular having a negative impact on us. In parallel, we have continued the commercialisa-

tion of our new software platform, which is a central part of our growth agenda.

#### **Technological shift – AI as a practical competitive advantage**

During the year, we continued our focus on generative AI according to plan. We are working purposefully to introduce AI models into both our internal working methods and our products, with the aim of increasing customer value, efficiency and predictability in deliveries. In practice, this involves simplifying and standardising working methods, reducing manual tasks and creating more robust processes throughout the value chain – from development and delivery to support and aftermarket.

We see this as a concrete step in translating our specialist expertise in measurement technology and advanced image analysis into clear, measurable improvements for our customers. By combining our domain knowledge with modern AI, we are strengthening our competitiveness and creating better conditions for solutions that can be scaled and developed over time, as the proportion of recurring revenues increases. At the same time, the work is being carried out with a clear focus on quality and responsible use.

#### **Focus ahead**

When I took over as acting President and CEO at the end of 2025, I did so with great respect for the company's specialist expertise and with a clear ambition: to strengthen our position in selected niches through customer-focused innovation, high delivery capacity and a larger share of recurring revenues. We stand on solid ground. Our focus going forward is to continue building stability in our revenue mix, prioritise investments that strengthen our competitiveness and be consistent in our execution – even when the market is cautious.

I would also like to take this opportunity to welcome Erik Swerup as the new CEO of the RemaSawco business unit. After several years of restructuring the company, it is now time for the next phase, and Erik has exactly the right profile, background and experience to succeed in this.

Finally, I would like to thank our customers for their trust, our employees for their strong commitment and our owners for their long-term support. Together, we will continue to build the company step by step.

Linköping, April 2026

Jan Molin

## A GROUP WITH A GLOBAL PRESENCE



Image Systems is a global Group. We currently have customers on every continent and our own operations in seven countries. The sun never sets on Image Systems.



## HIGH-LEVEL MEASUREMENT TECHNOLOGY

Image Systems is a Group that offers products and solutions in non-contact measurement technology. The Group currently consists of two business units – RemaSawco and Motion Analysis. The Group's overall focus is to promote and create conditions for profitable growth for its holdings.

### STRATEGY

The Group's intention is that its holdings maximise their individual success in the markets in which they operate. The distinguishing features of companies within the Group shall be:

- We work in measurement technology, primarily in non-contact measurement technology, which means that our measurement systems do not affect the object being analysed.
- We operate within a well-defined niche.
- We are market-leading, either globally or in a geographical market.

We believe that these three components provide the conditions for long-term profitability and growth.

We are convinced that measurement technology will grow in the future. Digitalization, automation and sustainability are underlying drivers that influence growth in the markets where Image Systems operates. To succeed in this, it is necessary to create more accurate data that can be analysed, presented and used as decision-making support. Our products do just that – they take care of and analyse data so that our customers can optimise their operations.

### OPERATIONS

Image Systems operates in a wide range of market niches, with world-leading measurement technology solutions as the common denominator. **RemaSawco** is primarily active in the sawmill market in the Nordic and Baltic regions. **Motion Analysis** has a high global market share and is primarily active in high-speed analysis worldwide.

Each business unit has separate and well-defined goals to create robustness in each business unit and its market offering. In practice, this is reflected in the investments made in recurring revenues, increased focus on the services offered and scalability of the operations. As a complement to these initiatives, both business units are investing heavily in their product portfolios.

### ORGANIZATION

The Image Systems Group works to ensure maximum success for its respective subsidiaries. The Group has a joint finance and administration function, while the business units otherwise operate independently in their respective market niches.



RemaSawco's vision is to enable the most progressive sawmills to optimise their production and thereby manage our forests in a sustainable manner. RemaSawco contributes to this by offering high-tech future-proof measurement systems with smart data analysis for more efficient production and increased value yield.

RemaSawco offers turnkey solutions that optimise the production flows in a sawmill. Using non-contact measurement technology, such as 3D scanning and X-ray systems, we have developed a portfolio of different measurement systems that help to optimise the process all the way from log sorting to board handling. Our deliveries also include proprietary software based on advanced algorithms and smart data analysis, which helps our customers increase their raw material yields. Combined with a high level of service, we thereby increase the availability of our customers' production. Our philosophy is to always simplify the difficult, at all levels. We make it easy for our customers by taking responsibility for complex upgrades and integrations so that they can focus on their core business instead.

Our systems generate enormous amounts of data that can also be used to provide real-time decision-making support. That is why RemaSawco is also developing digital platforms to enable this.

RemaSawco focuses primarily on Scandinavian and European customers who operate modern sawmills for softwood and have a strong capacity for innovation with a focus on productivity and efficiency.

Our most popular product, the RS-BoardScanner-Q, is considered the market leader worldwide. RemaSawco's customers include most of the major Groups in the Nordic region, such as Stora Enso, Holmen, Södra, SCA, UPM, Norra Timber, Vida skog and Moelven.

RemaSawco's head office is located in Linköping, Sweden, and the company has several local offices in Scandinavia. The two research and development teams are located in Skellefteå (X-ray technology) and Linköping (scanner technology). The development teams are deliberately established close to universities to secure expertise and ensure that RemaSawco remains at the forefront of technological development.



” We have prioritised delivery precision and strengthened services offered in a cautious investment climate – while remaining well positioned for when the market gradually improves. ”

**Erik Swerup, CEO and Business Area Manager, RemaSawco**



**DELIVERY CAPABILITY, AI AND PRODUCT DEVELOPMENT**

During 2025, the business unit has continued to develop and update its product portfolio with a focus on increased performance, delivery capability and long-term competitiveness. This work has included further development of our new Log Sorting station, including our RS-LogScannerX-ray scanner, as well as updates in the board handling product area, where both our RS-BoardScannerQ and RS-Boardhandling software have been improved. Our efforts are aimed at increasing the scalability of our solutions and strengthening key functions for digitalization and optimisation throughout the sawmill process. We have also continued to implement AI models, both in our internal working methods and in our products, with the aim of increasing customer value, efficiency and predictability in deliveries.

At the same time, we have continued to strengthen the services offered through a clearer structure for support, upgrades and customer-focused projects. Overall, this is a long-term effort that will generate stable and scalable revenues and increase customer value over time.

**CHALLENGING MARKET**

The timber market remained challenging in 2025. The market for our customers, the sawmills, was characterised by low domestic demand, raw material shortages, squeezed margins and high raw material prices, although prices in Sweden showed signs of falling slightly towards the end of the year.

All in all, this has contributed to uncertainty in the sawmill industry and a cautious approach to investment, resulting in longer decision-making processes.

At the same time, the sawmill industry's export markets as a whole have been stable and increased in 2025 compared with 2024. Sweden remains one of the world's largest exporters of sawn timber products, accounting for approximately 13 per cent of global export trade. Together with signs of a possible recovery in the second half of 2026, this supports a cautiously more positive market outlook going forward.

**DEVELOPMENT AND FOCUS IN 2025**

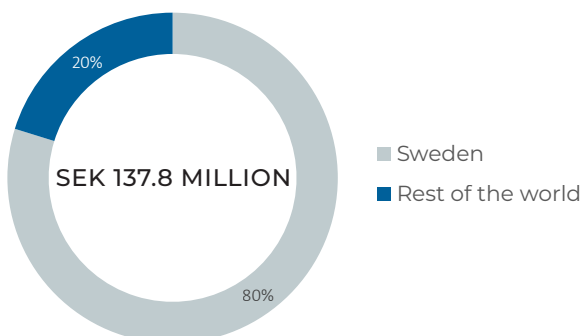
For the full year 2025, order intake amounted to SEK 79.2 (165.9) million and Net sales to SEK 133.7 (146.8) million. EBITDA amounted to SEK 19.8 (28.0) million. The lower level of activity affected earnings, but delivery precision was high and customer satisfaction remained good. The business unit is well positioned for a market recovery, and efficiency improvement projects have built resilience for periods of subdued demand.

**SERVICE & SUPPORT**

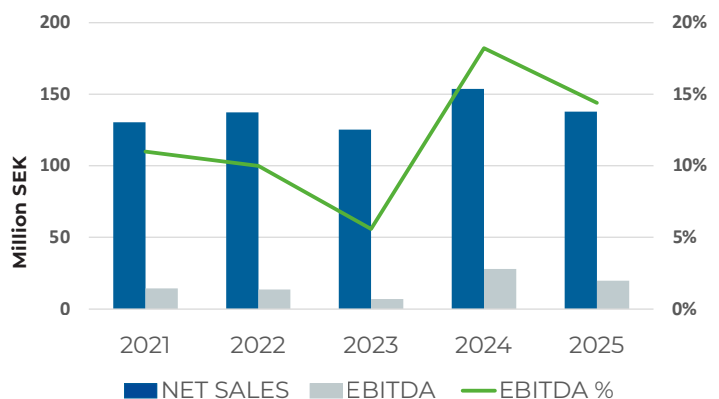
During the year, we continued to strengthen our service and support offering to meet customers' increased demands for availability and predictability. This has been achieved through further developed SLA agreements, upgrade packages and customer-specific projects, which strengthen customers' technology development and create clear added value over time.

By combining enhanced services with ongoing product development and efficiency initiatives, we are building stability in a more cautious investment climate – while creating good conditions for growth when the market improves.

**REMASAWCO SALES REVENUE 2025**



**REMASAWCO TOTAL REVENUE AND RESULT\* 2021-2025**



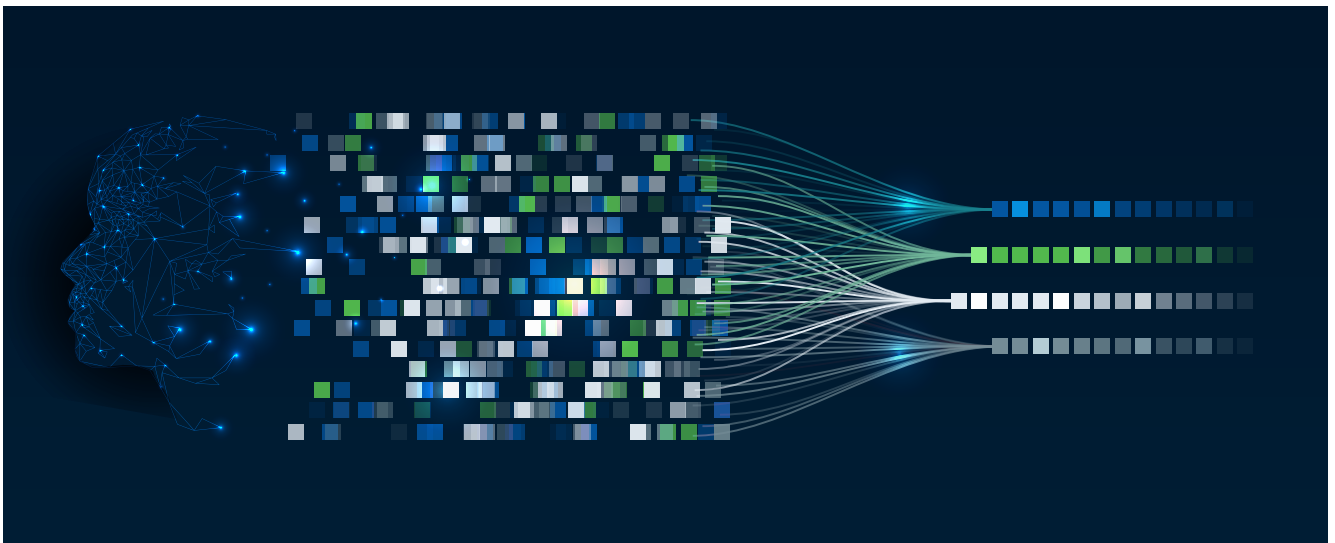
\*Includes net sales and capitalized development costs

## AI IN PRACTICE

### THREE VOICES FROM THE DEVELOPMENT ORGANISATION



RemaSawco is actively working to integrate artificial intelligence (AI) into its products, working methods and development processes. AI has long been a natural part of our products, and we are now continuing this work and taking it to a new level. To provide a clearer picture of how this initiative is being implemented in practice, we spoke with three key individuals: Almir Avdovic, CTO with overall responsibility, Erik Johansson, developer, and Freja Fagerblom, Machine Learning Engineer, both of whom play central roles in the AI team.



#### WHERE DO YOU START?

"We start from a simple reality. Technological change is happening very quickly and affects everything from how we build software to how we can solve complex problems in the sawmill process," says Almir Avdovic.

– AI is no longer something that lies far in the future. It is here and now, and it opens up opportunities for greater efficiency, improved quality and a faster pace of improvement. Ultimately, it will create clear customer benefits.

#### WHY IS REMASAWCO INVESTING IN AI?

"For us, AI mainly concerns two areas," says Almir.

##### 1. Better solutions in the sawmill process

– We see great potential for taking optimisation and detection to the next level. Where we already use AI in products today, we can become even more accurate, for example in detection, classification and process decisions.

##### 2. Faster and smarter product development

"AI can help us shorten lead times and increase the pace of development without compromising on quality," Almir continues.

– This means more frequent releases, more iterations and the ability to solve more complex problems. For customers, this means faster improvements and more functionality in operation.

#### WHAT DOES THE TECHNOLOGICAL SHIFT MEAN FOR CUSTOMERS?

"The ambition is very concrete," says Erik Johansson.

– It's about more frequent updates, better products and faster solutions to customer challenges.

– It should be noticeable in everyday life. Not because we talk about AI, but through improved performance, more robust detection, better optimisation results and a shorter path from idea to implemented function.

#### HOW DO YOU WORK IN PRACTICE?

"We integrate AI as a natural part of our way of working," says Freja Fagerblom.

– This means that we use AI support in the development process, in coding, design and internal methods, to accelerate the work. At the same time, quality is crucial and that perspective must be present at all times; we do not compromise on that.

"We have also taken a further step by appointing a special project group with the aim of increasing the pace," says Almir Avdovic.

– The group acts as a focused initiative where we can evaluate and integrate tools more quickly, while ensuring that we keep pace with developments in AI.

"It's important for us not just to follow trends, but to make the technology useful and stable in real production," Almir continues.

##### Examples of initiatives during the year

"We have several AI initiatives underway," says Freja. They can be divided into two tracks:

- projects linked to product areas in the sawmill process
- initiatives linked to working methods and platforms

"An important advantage of modern AI tools is that they can help us create more standardised structures," says Erik Johansson.

– Among other things, we use working methods where tasks are broken down into clear activity blocks. This provides a more repeatable structure and facilitates collaboration within the development team.

#### WHERE ARE YOU HEADED?

"The ultimate goal is what is most beneficial to the customer and, at the same time, the most exciting," says Almir Avdovic.

– Being able to optimise the entire production flow in sawmills, not just individual stations or parameters. We want to make better decisions throughout the entire chain, from raw materials to yield, quality and flow. It's a clear direction, but it's happening step by step and will take some time to reach the end goal.



### AI IS NOT ALWAYS THE ANSWER

"At the same time, we are clear about one principle. AI is not the key to everything," says Almir Avdovic.

– In some cases, traditional rule-based control is the best choice. It can be simpler, more robust and more predictable. Our focus is not on AI everywhere, but on the right technology for the right problem, with stable operation and results as the highest priority.

"It's also important that we maintain control with our domain knowledge and expertise. AI doesn't make the decisions, we do," Almir says firmly.



### MORE AREAS WHERE AI CREATES VALUE

"Another area where AI is already making things easier is documentation," says Freja Fagerblom.

– There is a lot of time to be saved here, while at the same time documentation can become more consistent. This facilitates onboarding and makes it easier for new employees to quickly familiarise themselves with products and working methods.

### RemaSawco's AI Initiative at a Glance

**Purpose:**

- Increase customer value in the sawmill process and strengthen the pace of development.

**Two main focus areas:**

- Improve detection, classification, and optimization in products.
- Create more efficient development processes while maintaining quality.

**Way of working:**

- AI support integrated into coding, design, and internal methods.

**Guiding principle:**

- Use the right technology for the right problem, with a focus on robustness and predictability.

**Long-term direction**

- Gradually build the ability to optimize larger parts of the production flow.

### SUMMARY

"In summary, we are working with AI in the long term in a way that is reliable, sustainable and creates value for the customer," concludes Almir Avdovic.

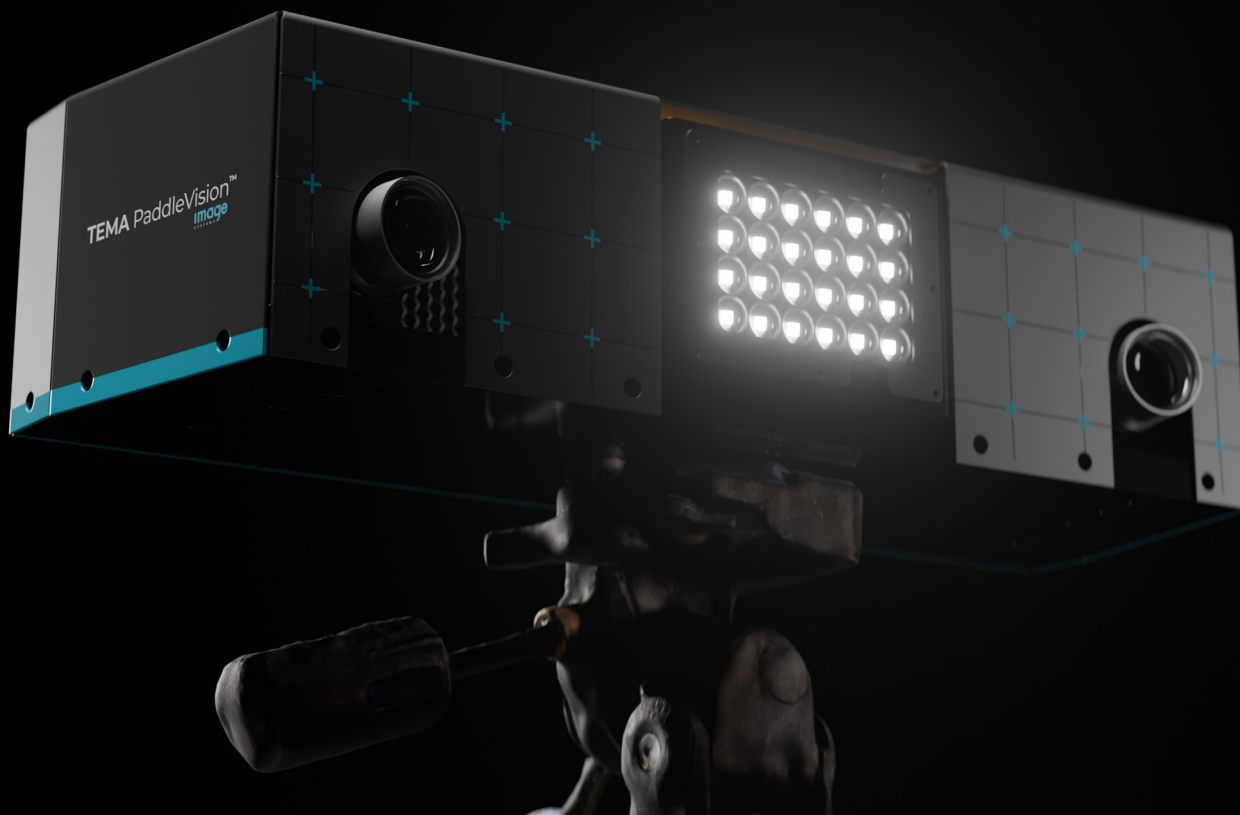
– The goal is faster and more frequent improvements, smarter products and shorter lead times from need to solution, while ensuring that our systems can be managed over time with effective support and continued development.



**Our focus is not on AI everywhere, but on the right technology for the right problem, with stable operation and clear customer benefits.**



# MOTION ANALYSIS



## MOTION ANALYSIS - HIGH MEASURING ACCURACY



Motion Analysis is a world leader in measuring motion in high-speed film. The software developed and sold by the company is currently used in hundreds of different applications where our customers demand the world's highest accuracy.

We specialise in measuring events that occur at high speed. Our customers use special cameras to film these events in slow motion. These special cameras can film at more than one million frames per second. Our customers use our software to study how different things move in these films. For example, our software can automatically calculate how fast or how quickly an object moves in a film. This is used in various areas, such as testing military equipment, car crash tests and university research.

### THE OFFER

Motion Analysis provides its customers with specialised software for analysing high-speed film. The software is sold under the TEMA and TrackEye trademarks. Historically, the software has been sold as lifetime licences, with customers having the option to upgrade to the latest version annually through service agreements. The company is currently undergoing a business transformation to transition to a subscription-based sales model.

In addition to software licences, the company also offers comprehensive measurement systems for specific purposes. These packages include not only software but also sensors such as industrial cameras and high-speed cameras, as well as computers.

### SALES CHANNELS

Motion Analysis sells directly to end customers in markets where it has its own sales and service offices. In other geographical markets, the company collaborates with distributors. With the transition to subscription offers, an increased proportion of sales is expected to take place via web platforms. The company currently has its own sales offices in Sweden, France, Japan, China and the United States.

# MOTION ANALYSIS



Our transition to a subscription-based business model is strategically important and is reflected in a temporary negative profit effect. In the long term, this will mean a more even revenue stream, greater predictability and improved scalability. ”

**Andreas Ovemyr**  
**CEO and business area manager Motion Analysis**

## TECHNOLOGY

Motion Analysis positions itself as a leading player in motion analysis in the high-speed segment by focusing on its core competence in software development and the implementation of advanced mathematical algorithms in image streams. The company's success is based on its unique ability to convert pixel data in images into automated results with high accuracy. This not only enables advanced analysis of high-speed film, but also the ability to analyse details and create insights that are crucial to our customers.

## COMMENTS ON THE PAST YEAR

In 2025, the market was characterised by continued restraint and longer decision-making processes among customers, which contributed to a lower order intake compared with a strong 2024. Our transition to a subscription-based business model is strategically important and is reflected in a temporary negative profit effect. In the long term, this will mean a more even revenue stream, greater predictability and improved scalability. At the same time, our order backlog for subscription and support services has developed positively during the year and strengthened the long-term stability of the business.

Software sales consist almost exclusively of subscriptions, which strengthens our recurring business and financial stability. The new software solution that began to be commercialised during the year is a strategically important part of our growth agenda.

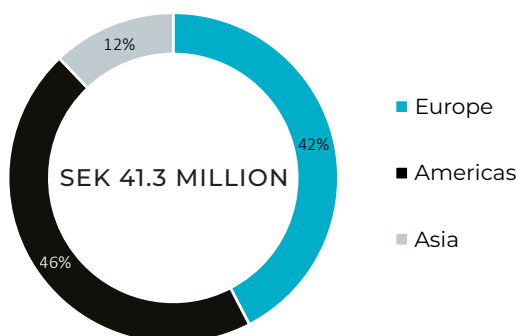
In parallel with our sales efforts, the company has continued to develop a new software platform. This platform will replace the existing products TEMA and TrackEye, while also providing expanded opportunities for the development of new functions. A beta version of the new platform was made available to a select group of customers at the end of the year. The project is proceeding according to plan.

For the full year 2025, order intake amounted to SEK 45.9 million (62.6) and net sales to SEK 34.8 million (38.1). EBITDA amounted to SEK -4.0 million (5.1). The order backlog for subscription and support services amounted to SEK 40.7 million (31.8).

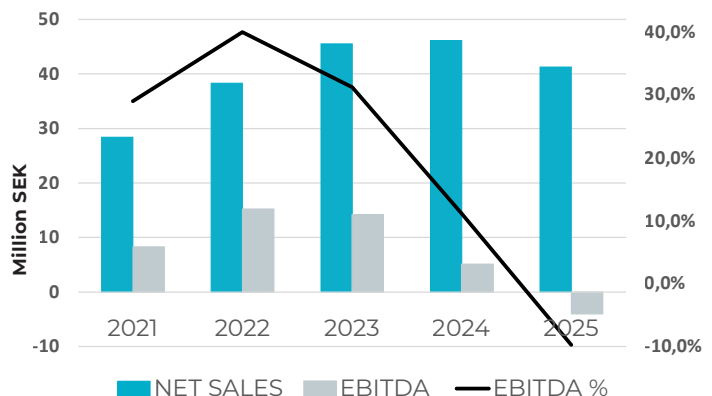
## RESEARCH AND DEVELOPMENT

Motion Analysis has invested significantly in research and development to create a new and improved product platform. This platform aims not only to modernise the user experience but also to enable the integration of TEMA and TrackEye with other measurement technology products and third-party software. The overall goal is to create a more cohesive and versatile product experience for users, while maintaining a strong focus on facilitating online functionality for the software in the future. This strategic direction reflects the company's commitment to continuous innovation and providing customers with tools that are not only advanced but also flexible enough to meet the demands and challenges of high-speed film analysis in the future.

## MOTION ANALYSIS SALES REVENUE 2025



## MOTION ANALYSIS TOTAL REVENUE AND RESULTS\* 2021-2025



\*Includes net sales and Capitalized development costs

# MOTION ANALYSIS

## CASE: MEDTECH ACOUSTIC DROPLET VAPORISATION (ADV)

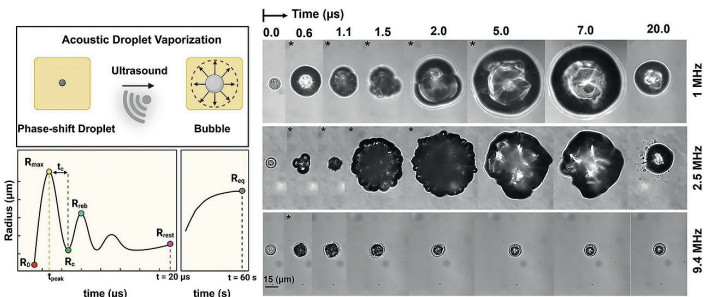
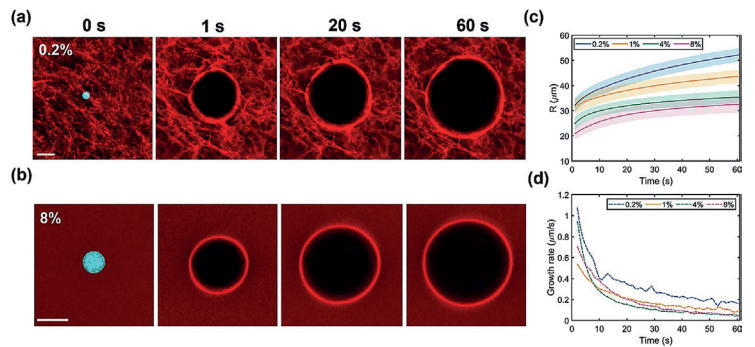
University of Michigan

During the year, TEMA continued to strengthen its position as a leading tool for advanced motion analysis in high-tech research. A clear example is a research project at the University of Michigan Medical School, where TEMA was used to analyse acoustic droplet vaporisation (ADV) – a phenomenon with great potential in areas such as drug delivery, tissue engineering and medical diagnostics.

### BACKGROUND TO THE RESEARCH

The research team investigated how small fluid-filled droplets, embedded in fibrin-based hydrogels, react to ultrasound. Exposing the droplets to targeted ultrasound pulses creates rapid phase transitions in which the droplets transform into gas bubbles. Understanding these dynamic processes is crucial for developing and ensuring effective medical applications. The project included:

- Ultra-high-speed filming at 10 million frames per second
- Supplementary image data from confocal microscopy
- Testing of different fibrin concentrations, ultrasound frequencies and perfluorocarbon nuclei



### TEMA'S ROLE IN THE PROJECT

In combination with a Shimadzu HPV-X2 high-speed camera and Cavitator laser illumination, Tema Pro was used to perform detailed image analyses of bubble radii in each individual frame. The software enabled precise synchronisation between ultrasound pulses and bubble dynamics. With TEMA, researchers were able to extract and quantify key parameters such as:

Expansion ratio and expansion rate

- Collapse radius and collapse time
- Secondary rebound phenomenon
- Equilibrium stress and stabilised bubble radius

This data formed the basis for further development of the modified Epstein–Plesset model, in which researchers included material stress for the first time to describe the processes in soft tissue-like environments.

### RESULTS AND SIGNIFICANCE

In addition to providing new scientific insights, the project demonstrates how high-resolution image data, combined with advanced analysis in TEMA, can contribute to the development of models that better reflect real tissue conditions. This brings research closer to clinical applications in areas such as targeted drug administration and improved medical imaging.

tema



# MOTION ANALYSIS

MOTION ANALYSIS BUSINESS UNIT





## OUR EMPLOYEES



A company is only as good as its employees. To strengthen Image System's future competitiveness, we must continue to be at the forefront of technology. It is our employees who, through their expertise, drive and commitment, create the conditions for our Group to continue to grow and be profitable in the future.

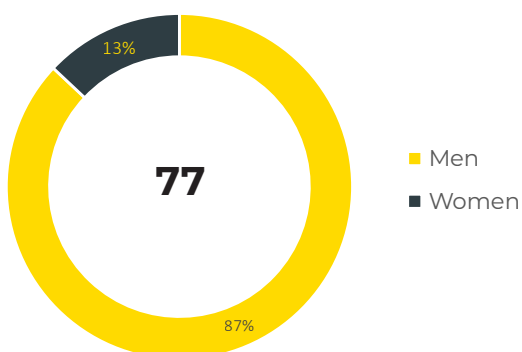
Image Systems currently has a total of approximately 77 employees, of which just under 50 work at RemaSawco and just over 25 at Motion Analysis. Both of our business units are strongly engineering-driven and operate in markets that require both a high level of technical expertise and an understanding of the challenges our customers face.

We strive to ensure that every employee can have a career within the Group that strengthens both the individual and the company's competitiveness. We do this by continuously developing our employees, both individually and in groups. An equally important part of creating competitiveness, now and in the future, is that we offer a sustainable working environment. Every employee should have clear expectations and goals to achieve.

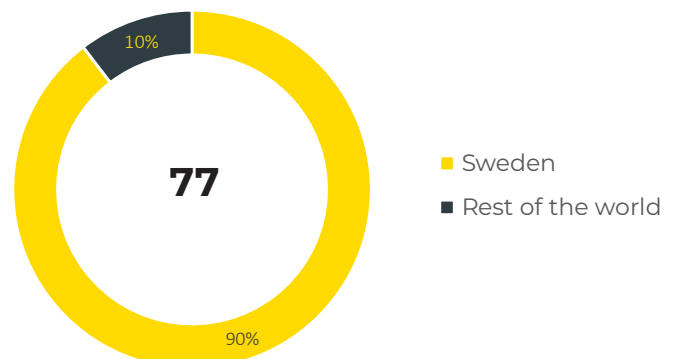
At Image Systems, we believe that a workplace with diversity among our employees increases creativity and promotes innovation, which leads to development and a successful company. This, together with an inclusive culture where everyone feels welcome, we believe results in increased commitment, better well-being and increased performance among our employees.

### EMPLOYEES

PERCENTAGE OF WOMEN AND MEN



EMPLOYEES BY COUNTRY







## SUSTAINABILITY AS A DRIVING FORCE FOR LONG-TERM VALUE CREATION



For Image Systems, sustainability is an integral part of how the Group conducts and develops its operations. By combining technical leadership with long-term responsibility, we create the conditions for stable growth and trust among customers, shareholders, employees and other stakeholders.

Our solutions in high-resolution image analysis and non-contact measurement technology contribute to more efficient use of resources and increased safety in industrial applications. By enabling more accurate measurements, reduced material waste and improved quality assurance, Image System's products and services contribute to more sustainable industrial development.

### EMPLOYEES AND CUSTOMER RELATIONSHIPS

Image System's success is based on skilled and dedicated employees. The Group strives to foster a corporate culture that promotes innovation, cooperation and responsibility. Our goal is to be an attractive employer that offers a secure working environment, development opportunities and conditions for long-term commitment.

The working environment and job satisfaction are monitored continuously, and we work actively to ensure equal opportunities and an inclusive working climate throughout the organization.

The Group's business offering consists of advanced non-contact measurement systems for demanding applications. Our customers operate in different industries but are united by their need for high precision, reliability and cost efficiency. Whether it is optimising wood raw materials or safety-critical measurements in crash tests, our ambition is to deliver long-term, future-proof solutions.

Customer satisfaction is a priority issue, and the entire organization – from development and sales to service and aftermarket – contributes to building strong and long-lasting customer relationships. Regular customer satisfaction surveys are conducted as part of this work.

### ECONOMIC AND ENVIRONMENTAL RESPONSIBILITY

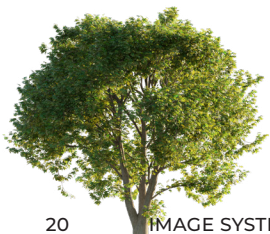
Sound financial development is a prerequisite for Image System's long-term sustainability. The Group works towards clearly defined profitability targets and has well-established processes for financial monitoring, planning and control. Effective resource utilisation is integrated into the management of the operations.

Image System's direct environmental impact is limited and mainly relates to business travel, energy consumption in office premises and purchases and use of technical equipment. To reduce this impact, digital meeting solutions are used extensively, and end-of-life equipment is recycled in accordance with applicable procedures.

The Group bases its environmental work on the UN's global goals and has identified measurable indicators to monitor and reduce its environmental impact over time. A Group-wide code of conduct has been introduced to further strengthen work on ethics, sustainability and compliance.

### DIVERSITY POLICY

Image Systems strives to be an inclusive workplace with equal opportunities and equal treatment, where discrimination has no place. This perspective is also integrated into corporate governance through a diversity policy for the Board of Directors, which is described in the Corporate governance report on page 25.



## Three selected sustainability areas



### AGENDA 2030 AND IMAGE SYSTEM'S FOCUS

The UN's global goals for sustainable development constitute a common international framework for long-term responsibility. Image Systems supports Agenda 2030 and has identified the goals where the Group's operations have the greatest potential to make an impact.

In addition to our fundamental responsibilities regarding ethics, compliance, human rights and anti-corruption, we focus particularly on areas where our technology, organization and market presence can contribute to concrete improvements. Collaboration with customers, suppliers and other stakeholders is a central part of this work.

5 GENDER EQUALITY



#### ACHIEVE GENDER EQUALITY AND EMPOWER WOMEN AND GIRLS

Image Systems promotes equal opportunities and fair treatment throughout the organization. Gender equality is an integral part of the Group's employer responsibility and is taken into account in recruitment, skills development and career planning.

Discrimination based on gender or other factors is not accepted, and the company strives to ensure objective and fair processes in terms of salary setting, promotion and other employment conditions. A long-term goal is to achieve a more balanced gender distribution within the Group.

8 DECENT WORK AND ECONOMIC GROWTH



#### PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORKING CONDITIONS FOR ALL

Image Systems contributes to economic growth by developing and delivering technical solutions that strengthen customers' productivity and competitiveness. Through global collaboration with customers in various industries, the Group contributes to more efficient and sustainable industrial processes.

As an employer, Image Systems shall offer secure employment conditions, a good working environment and opportunities for professional development. Our technical solutions also contribute to increased safety in our customers' operations, for example through improved testing and analysis methods in the automotive industry.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



#### BUILDING RESILIENT INFRASTRUCTURE, PROMOTING INCLUSIVE AND SUSTAINABLE INDUSTRIALISATION, AND FOSTERING INNOVATION

Innovation is a central part of Image System's strategy. The Group aims to be at the forefront of technology and act as a driving force in the digitalization of the sawmill industry and in the advanced analysis of rapid events, such as crash and flight tests.

RemaSawco's measurement and optimisation solutions contribute to more efficient use of wood – a renewable and climate-smart building material – by reducing waste and improving quality. Motion Analysis technologies are used globally in the development of safer vehicles and infrastructure.

Through non-contact measurement technology and advanced data analysis, Image Systems contributes to more resource-efficient, safe and sustainable industrial processes.

# SHARES AND OWNERSHIP STRUCTURE



Image Systems has been listed on Nasdaq Stockholm, Small Cap, since 1999 under the ticker IS.

## OWNERSHIP STRUCTURE

The ownership structure of Image Systems according to Euroclear's register as of 30 December 2025 is shown in the table below. The ten largest shareholders held 80 per cent of the shares. The total number of shareholders is 4,055.

Shareholders	Number of shares	Share of votes and capital, %
Tibia Consultant	28 538 181	31.99%
Thomas Wernhoff	15 000 000	16.81%
Hans Malm	7 551 340	8.46%
Avanza pension	7 508 591	8.42%
LMK Forward	5 443 610	6.10%
Anders Fransson	2 000 000	2.24%
Gunvald Berger	1 637 230	1.84%
Nordnet Pension Insurance Company Limited	1 484 754	1.66%
Patrik Björklund	1 059 543	1.19%
Hans Olsson	780 000	0.87%
Other	18 204 569	20.41%
<b>Total</b>	<b>89 207 818</b>	<b>100.0</b>

To the best of the knowledge of the Board of Directors of Image Systems, there are no shareholder agreements or other agreements and corresponding agreements between any of the company's shareholders that aim to jointly influence the company or that may lead to a change in control of the company.

## WARRANTS

At the 2023 Annual General Meeting, an incentive program was approved consisting of 2,020,000 warrants with an expiry date of 31 August 2026 and an exercise price of SEK 2.835. Upon full utilisation, the company's share capital will increase by SEK 52,520.00 and equity by SEK 5.7 million.

## DIVIDEND POLICY

According to the dividend policy formulated by the Board of Directors, the size of future dividends shall take into account both Image Systems' long-term growth and earnings development as well as capital requirements, with consideration given to Financial targets. The Board of Directors has a long-term goal of proposing to the Annual General Meeting that approximately 20 per cent of Image Systems' profit after tax be distributed as dividends. To date, the company has not paid any dividends to its shareholders.

## TRADING IN IMAGE SYSTEMS SHARES

Image Systems' shares have been traded on the stock market since 28 April 1999. The shares are listed on NASDAQ Stockholm in the Small Cap segment and the Technology sector. The company's ticker symbol is IS. The last price paid on 30 December 2025 was SEK 1.20, corresponding to a market capitalisation of approximately SEK 107 million. A total of approximately 38.3 million shares were traded during the twelve-month period 1 January–31 December 2025, corresponding to an average turnover per trading day of approximately 154,000 shares. The lowest price paid during the twelve-month period was SEK 1.04 on 16 December 2025 and the highest price paid was SEK 3.18 on 7 March 2025.

## SHARE PERFORMANCE

The graph below shows the share performance up to and including 30 December 2025. The curve shows the share price and the bars show the Number of shares traded per day.

## SHARE PERFORMANCE AND TURNOVER VOLUME 2023-2025

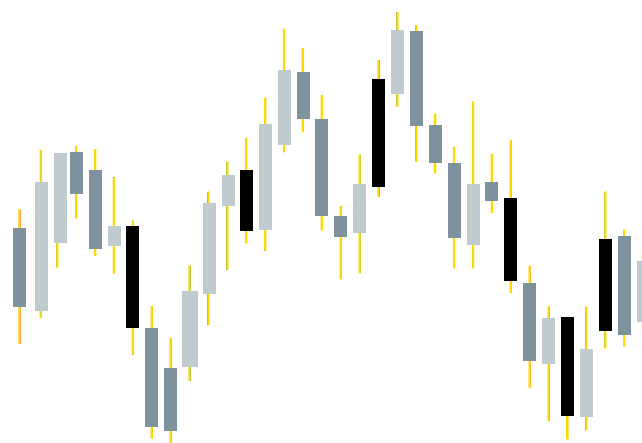




## SHARE CAPITAL

The share capital of Image Systems as of 31 December 2025 amounts to SEK 8,920,781.80, divided into 89,207,818 shares with a quota value of SEK 0.10 per share. According to Image System's Articles of Association, the share capital shall amount to a minimum of SEK 8,500,000 and a maximum of SEK 34,000,000. The Number of shares shall be a minimum of 85.0 million and a maximum of 340.0 million.

All issued shares are fully paid up and confer equal rights to the Company's assets and profits and entitle the holder to one vote. In the event of the liquidation of the Company, shareholders are entitled to a share of the surplus in proportion to the number of shares held by the shareholder. The shares in Image Systems have been issued in accordance with Swedish law and are denominated in Swedish kronor (SEK). The shares are registered in electronic form and are accounted for by Euroclear Sweden AB in accordance with the reconciliation provision in the Articles of Association. Share certificates are not issued. There are no restrictions on the transferability of the shares. The company's shares are also not subject to any offer submitted as a result of a mandatory bid, redemption right or redemption obligation.



## SHARE CAPITAL PERFORMANCE

Since 2009, the share capital and number of shares have changed as follows:

Year	Transaction	Change in shares	Total Number of shares	Quota value SEK	Change Share capital SEK	Total Share capital SEK
2009	New issue	220 553 208	261 308 263	0.10	22 053 320.80	26 130 826.00
2009	Conversion of convertible bonds	1 885 092	263 193 355	0.10	185 509.20	26 319 335.50
2009	Exercise of warrants	2 618 201	265 811 556	0.10	261 820.10	26 581 155.60
2010	New issue	354 415 408	620 226 964	0.10	35 441 540.80	62 022 694.40
2010	Targeted issue	27 495 640	647 722 604	0.10	2 749 564.00	64 772 260.40
2011	Equalisation	396	647 723 000	0.10	39.60	64 772 300.00
2011	Compilation 1:100	-641 245 770	6 477 230	10.00	0.00	64 772 300.00
2011	Reduction in share capital	0	6 477 230	2.50	-48 579 225.00	16 193 075.00
2011	New issue	21 590 766	28 067 996	2.50	53 976 915.00	70 169 990.00
2011	Offset issue	4 856 386	32 924 382	2.50	12 140 965.00	82 310 955.00
2011	Contribution in kind	6 519 566	39 443 948	2.50	16 298 915.00	98 609 870.00
2011	Reduction in share capital	0	39 443 948	0.25	88 748 883.00	9 860 987.00
2012	New issue	118 331 844	157 775 792	0.25	29 582 961.00	39 443 948.00
2012	Contribution in kind	18 679 245	176 455 037	0.25	4 669 811.25	44 113 759.25
2013	Reduction in share capital	0	176 455 037	0.10	-26 468 255.55	17 645 503.70
2013	Reduction in share capital	0	176 455 037	0.08	-3 529 100.74	14 116 402.96
2013	New issue	705 820 148	882 275 185	0.05	28 232 805.92	42 349 208.88
2013	Reduction in share capital	0	882 275 185	0.04	-7 058 201.48	35 291 007.40
2014	New issue	15	882 275 200	0.04	0.60	35 291 008.00
2014	Compilation 1:100	-873 452 448	8 822 752	4.00	0.00	35 291 008.00
2015	Reduction of share capital	0	8 822 752	0.10	-34 408 732.80	882 275.20
2015	New issue	29 409 170	38 231 922	0.10	2 940 917.00	3 823 192.20
2018	New issue	50 975 896	89 207 818	0.10	5 097 586.60	8 920 781.80

# CORPORATE GOVERNANCE REPORT



## CORPORATE GOVERNANCE

Image Systems AB is a public limited company and is regulated by Swedish law, primarily through the Swedish Companies Act and NASDAQ Stockholm AB's Rules for Issuers. In addition, consideration is given to the self-regulation of Swedish business, where the Swedish Corporate Governance Board has drawn up the Swedish Code of Corporate Governance (the Code). In addition to legislation and self-regulatory recommendations and rules, the Articles of Association form the basis for the governance of the operations. The Articles of Association specify the location of the Board of Directors, the focus of the operations, rules governing the general meeting, information about share classes and Share capital, etc. Image Systems' Articles of Association are available on the company's website, [www.imagesystems-group.se](http://www.imagesystems-group.se). Image Systems applies the Code and reports no deviations from the Code 2025. The Corporate governance report has been reviewed by the company's auditors.

## SHAREHOLDERS

Image Systems has been listed on Nasdaq Stockholm since 1999. At the end of 2025, Image Systems had 4,055 shareholders. The ten largest shareholders accounted for approximately 80 per cent of the votes and capital. A table showing the ten largest shareholders and further information on the share's performance in 2025 can be found on pages 22 and 23 of the Annual Report.

## ANNUAL GENERAL MEETING

The general meeting is the highest decision-making body in Image Systems and is convened in Linköping or Stockholm once a year before the end of June. Notice of the Annual General Meeting shall be published no earlier than six weeks and no later than four weeks before the meeting, and notice of an Extraordinary General Meeting no earlier than six weeks and no later than three weeks before the meeting. Notice shall always be given by advertisement in Post och Inrikes Tidningar and on the company's website. Notice of the meeting shall be advertised in Dagens Industri. All necessary documents for the meeting are available on the website.

In order for a matter to be dealt with at an Annual General Meeting, the shareholder must submit a written request to the Board of Directors in good time so that the matter can be included in the notice

of the meeting. The company's Articles of Association do not contain any restrictions on the number of votes each shareholder may cast at the general meeting. All shareholders who are registered in Euroclear Sweden's shareholder register and who have notified the company of their participation in good time are entitled to participate in the meeting and vote for their total holdings. Assistants to shareholders may attend the meeting if the shareholders so notify.

## ANNUAL GENERAL MEETING 2025

The 2025 Annual General Meeting for the 2024 financial year was held on 8 May 2025. Shareholders representing a total of 60.1% of votes and capital were present at the Annual General Meeting. The minutes were available on the website on 8 May 2025. The 2025 Annual General Meeting resolved, among other things, the following:

- The income statements and balance sheets for the company and the Group were approved.
- No dividend was paid for the past financial year. The retained earnings of SEK 108.4 million were carried forward to the new account.
- The Board of Directors and the Chief Executive Officer were granted discharge from liability.
- The Annual General Meeting resolved that remuneration of SEK 240,000 shall be paid to the Chairman of the Board of Directors and SEK 160,000 to each of the Other Board members elected by the Annual General Meeting. The chairmen of the Audit and Remuneration Committees shall also receive a special fee of SEK 75,000. The Meeting resolved that fees to the auditor shall be paid in accordance with approved invoices.
- The Annual General Meeting resolved to re-elect Board members Anders Fransson (Chairman), Catharina Lagerstam, Matilda Wernhoff, Jan Molin and Jörgen Hermansson.
- The Annual General Meeting resolved to approve the remuneration report.
- The Annual General Meeting resolved on the issue authorisation in accordance with the Board of Directors' proposal.

## NOMINATION COMMITTEE

The 2025 Annual General Meeting resolved that the Chairman of the Board of Directors shall be tasked with appointing a Nomination Committee for the Annual General Meeting in consultation with the company's largest shareholders. The Nomination Committee shall consist of three members appointed by each of the three largest shareholders in terms of voting rights, as stated in the share register maintained by Euroclear Sweden AB as of 30 September 2025. The Nomination Committee shall appoint a chairperson from among its members.

If any of the shareholders waives their right to appoint a representative, the shareholder who is then the largest shareholder in terms of voting rights shall appoint a representative. The majority of the members of the Nomination Committee shall be independent of the company and its management.

The Nomination Committee appoints a chairperson from among its members. The chairperson of the Board of Directors may not be the chairperson of the Nomination Committee. The Nomination Committee's term of office extends until a new Nomination Committee has been appointed. In the event that an already appointed member resigns from the Nomination Committee, the shareholders who appointed the resigning member shall appoint a replacement. The Nomination Committee does not receive any remuneration from the company but is entitled to receive reasonable compensation from the company for expenses incurred in connection with evaluation and recruitment.

The composition of the Nomination Committee was announced on Image System's website and published on 20 October 2025. The Nomination Committee consists of Hans Karlsson (Chairman) representing Tibia Konsult AB, Thomas Wernhoff (own holding) and Hans Malm (own holding).

## THE WORK OF THE NOMINATION COMMITTEE

The Nomination Committee's duties include:

- Evaluate the composition and work of the Board of Directors.
- Prepare proposals for the general meeting regarding the election of the Board of Directors and the Chairman of the Board.
- In cooperation with the company's Audit Committee, prepare proposals for the general meeting regarding the election of auditors.
- Prepare proposals for the Annual General Meeting regarding remuneration for the Board of Directors, divided between the Chairman and other Members of the Board, and any compensation for committee work, as well as remuneration for auditors.
- Prepare proposals for the Annual General Meeting regarding the chairperson of the Annual General Meeting.
- Develop proposals for principles for appointing the future Nomination Committee.
- Perform the duties that from time to time fall to the Nomination Committee in accordance with the Swedish Code of Corporate Governance.

The Nomination Committee's proposals, a report on the Nomination Committee's work ahead of the 2026 Annual General Meeting and supplementary information on the proposed Board members shall be presented in the notice to the 2026 Annual General Meeting and on the company's website, [www.imagesystemsgroup.se](http://www.imagesystemsgroup.se).

## DIVERSITY POLICY

Image Systems sees diversity and an inclusive culture as factors that increase creativity and promote innovation. The company shall promote equal opportunities and equal treatment and does not accept discrimination. A long-term goal is to achieve a balanced gender distribution in the company. The Nomination Committee considers diversity as part of its overall assessment of the Board of Directors' competence and composition, and in 2025, the Board of Directors consisted of three men and two women. In 2025, women accounted for 13 per cent of the company's total workforce, while men accounted for 87 per cent.

## THE BOARD OF DIRECTORS

### Role of the Board of Directors

According to the Companies Act, the Board of Directors is responsible for the company's organization and management. The Board of Directors' duties include assessing the company's financial situation, continuously monitoring its work, establishing rules of procedure, appointing a managing director and determining the division of responsibilities.

In addition to the provisions of the Companies Act, the Board of Directors should develop the company's strategy and business plan in such a way that the interests of the shareholders are best served in the long term. The Board of Directors should also support and guide the Management in a positive manner.

The Board of Directors is appointed by the shareholders at the Annual General Meeting for a term of office from the Annual General Meeting until the end of the next Annual General Meeting. According to the Articles of Association, Image Systems' Board of Directors shall consist of a minimum of four and a maximum of eight members and a maximum of four deputies. All Board members are elected by the shareholders at the Annual General Meeting for the period until the end of the next Annual General Meeting. Board decisions are only valid if more than half of the elected Board members agree. At the 2025 Annual General Meeting, Anders Fransson, Catharina Lagerstam, Jan Molin, Matilda Wernhoff and Jörgen Hermansson were re-elected. Anders Fransson was elected Chairman of the Board of Directors. No deputies were elected.

## RULES OF PROCEDURE

The rules of procedure and instructions regarding the division of work between the Board of Directors and the CEO are evaluated, updated and adopted annually. If the Board of Directors establishes committees, the Board of Directors' rules of procedure shall specify the tasks and decision-making powers that the Board of Directors has delegated to the committees and how the committees shall report to the Board of Directors. The Board of Directors shall annually evaluate the Board of Directors' working methods and effectiveness. The results have been reported to the Nomination Committee in relevant parts. At least once a year, the Board of Directors shall specifically evaluate the work of the Chief Executive Officer. When this issue is discussed, no one from the company's management may be present.

## COMPOSITION OF THE BOARD OF DIRECTORS

Member	Elected	Nationality	Attendance at number of meetings	Fees, SEK thousand	Position in relation to the company	Position in relation to owners
Anders Fransson, Chairman	2020	Swedish	9/9	240	independent	dependent
Jörgen Hermansson	2022	Swedish	9/9	160	independent	independent
Catharina Lagerstam	2018	Swedish	9/9	235	independent	independent
Jan Molin	2022	Swedish	9/9	160	independent	independent
Matilda Wernhoff	2022	Swedish	9/9	160	independent	independent

The Board of Directors holds six ordinary meetings and one inaugural meeting per year. The ordinary meetings take place in connection with the presentation of interim or annual financial statements, as well as one meeting concerning strategic issues and one meeting in connection with the budget process. In addition, extra board meetings are held as needed. Prior to each meeting, a proposed agenda, including documentation, is sent to all Board members.

In 2025, six ordinary meetings and one inaugural meeting were held in connection with the Annual General Meeting. An additional extraordinary Board meeting was held prior to the notice of the Annual General Meeting, as well as an extraordinary meeting prior to the strategy meeting and a budget meeting. All ordinary meetings dealt with strategic issues, the financial position and development of the company and the Group, financial reporting and control, personnel and organisational issues, legal issues and developments in the financial market. The company's auditor attended two of the meetings and presented audit reports, among other things. In 2025, all decisions were unanimous.

**CHIEF EXECUTIVE OFFICER**

The Chief Executive Officer, who is also the Group CEO, is responsible for the day-to-day management and control of the Group's operations. This includes implementing the Group's overall strategy and business management, controlling and compiling financial reporting, allocating financial resources, and being responsible for financing and risk management. The Board of Directors' rules of procedure regulate the division of work between the Board of Directors and the Chief Executive Officer. The Board of Directors evaluates the Chief Executive Officer's work once a year at a meeting in which no other member of the company's Management participates.

**AUDIT COMMITTEE**

The Board of Directors has decided that the Board of Directors as a whole shall constitute the Audit Committee, with Catharina Lagerstam as Chair. The Audit Committee shall, without affecting the Board of Directors' overall responsibility and other duties,

1. oversee the company's financial reporting, with regard to financial reporting,
2. monitor the effectiveness of the company's internal controls, internal audit and risk management,
3. stay informed about the audit of the Annual Report and consolidated accounts,
4. review and monitor the auditor's impartiality and independence, paying particular attention to whether the auditor provides the company with services other than auditing services, and
5. assist in preparing proposals for the general meeting's decision on the election of auditors.

At least once a year, the Audit Committee meets with the company's auditor, without the presence of the Chief Executive Officer or other members of senior management. In 2025, the Audit Committee met with the company's auditor once. The Group's CEO, CFO and the Chairman of the Audit Committee were present at this meeting. The auditor has also presented audit reports to the entire Board of Directors on two occasions, one of which was without the presence of senior executives.

**REMUNERATION**

The principles governing Remuneration of senior executives are proposed by the Board of Directors and regulate fixed annual salary, Variable remuneration, pension and other benefits. These principles are then approved by the Annual General Meeting. Image Systems' Board

of Directors has chosen not to appoint a separate Remuneration Committee, but considers it appropriate for the entire Board of Directors to perform the duties of the Remuneration Committee, with Catharina Lagerstam as chair. The Remuneration Committee's evaluation of the application of the guidelines for Remuneration of senior executives adopted by the Annual General Meeting is available on the company's website at least two weeks before the Annual General Meeting. For a more detailed account of the principles that applied for 2025, please refer to the Statutory Administration Report and Note 8.

Decisions regarding remuneration and other terms of employment for the Chief Executive Officer are made by the Board of Directors. Remuneration and other terms of employment for other senior executives are negotiated and agreed with the Chief Executive Officer in consultation with the Board of Directors.

**OPTION PROGRAM****Warrant program 2023/2026**

At the 2023 Annual General Meeting, it was decided to introduce an incentive program consisting of 2,020,000 warrants, where each warrant entitles the holder to subscribe for one (1) newly issued share at a price of SEK 2.835 no later than 31 August 2026. The option price has been set at SEK 0.026 per warrant through an independent valuation using the Black & Scholes option pricing model and accepted assumptions regarding volatility and risk-free interest rates during the period 22 June 2023 - 6 July 2023. 1,780,000 warrants have been subscribed for by senior executives. Upon full subscription, Image Systems' share capital will increase by SEK 52,520.00, representing a dilution of approximately 2.2 per cent of shares and votes in relation to the number of existing shares and votes in the company. The option price and the number of shares that each warrant entitles the holder to subscribe for may be subject to recalculation as a result of a bonus issue, split, preferential issue and similar measures, in which case the usual recalculation terms shall apply. There are no warrants, convertibles or similar securities that could lead to additional shares in Image Systems beyond what is described above.

**AUDITOR**

The auditor is appointed by the Annual General Meeting and is responsible for reviewing the company's Annual Report and consolidated accounts, as well as the administration of the Board of Directors and the Chief Executive Officer, on behalf of the shareholders. At the 2025 Annual General Meeting, Öhrlings PricewaterhouseCoopers AB was elected as auditor for the period up to and including the 2026 Annual General Meeting. Andreas Skogh is the auditor in charge.

**ASSESSMENT OF THE NEED FOR INTERNAL AUDIT**

Image Systems is a small Group with approximately 80 employees. Image Systems does not have complex functions that are difficult to scrutinise. The need to introduce an internal audit function at Image Systems must therefore be considered minor. Against this background, the Board of Directors has decided not to introduce an internal audit function.

**INTERNAL CONTROLS**

Under the Swedish Companies Act, the Board of Directors is responsible for the company's internal controls. This work is primarily carried out through effective and structured board work and by delegating responsibility to the Chief Executive Officer. Internal control of financial reporting is based on how the operations are conducted and how the organization is structured. Authorities and responsibilities are documented and have been communicated in documents such as internal guidelines and manuals. This applies, for example, to the division

of labour between the Board of Directors on the one hand and the Chief Executive Officer and other bodies established by the Board on the other, instructions for authorisation rights, and accounting and reporting instructions. This also aims to reduce the risk of irregularities and undue favouring of other parties at the expense of the company. In the internal controls of financial reporting, each individual company is assessed separately.

#### THE BOARD'S REPORT ON INTERNAL CONTROLS

Image Systems AB applies and complies with the requirements for internal governance and control in accordance with Swedish legislation (ABL and ÅRL) and the Swedish Code of Corporate Governance (the Code). This report has been prepared in accordance with the regulations, the Code and the guidance developed jointly by FAR and the Confederation of Swedish Enterprise. The report is limited to a description of how internal controls regarding financial reporting are organised.

#### INTERNAL CONTROL OVER FINANCIAL REPORTING

The internal governance and control process involves the Board of Directors, the Chief Executive Officer, the management team and other personnel. The process aims to ensure that the Group's objectives regarding appropriate and effective processes are met, to provide reasonable assurance of the reliability of external financial reporting and that it is prepared in accordance with applicable laws and regulations. The following description of internal controls over financial reporting is divided according to the above-mentioned framework for internal controls.

#### RISK ASSESSMENT

Image Systems conducts an annual risk assessment of its financial reporting with the aim of identifying and evaluating processes and income statement and balance sheet items with elevated risk. The risk assessment is based on a number of criteria, such as materiality, complexity and fraud risk. More information about the Group's risks is provided in Note 3 on pages 49-52 of the Annual Report.

#### CONTROL ENVIRONMENT

Image System's control environment is based on and governed by the strategy, business plans and operational objectives approved by the Board of Directors. This also includes the Group's policies and guidelines in a number of areas, such as the delegation of authority from Management to staff.

#### CONTROL ACTIVITIES

Control activities are performed at various levels within Image Systems. Group management has ultimate responsibility for ensuring that controls are implemented and performed at both an overall and detailed operational level. This is achieved through ongoing management and control of accounting and financial reporting performed by the finance functions in the local companies and centrally in connection with consolidation. Analyses of key figures, capital tied up, forecasts and budgets are performed on an ongoing basis. The finance function is organised and staffed based on the need to ensure that the Group maintains a high accounting standard and complies with IFRS and other accounting standards.

#### INFORMATION AND COMMUNICATION

Image Systems' external and internal information and communication in the form of financial reporting and information to the Board of Directors and employees is conducted in accordance with external requirements and Image Systems' internal documents and policies. This means, among other things, that all external and internal information and communication must be appropriate, up to date and accurate, and that it must be available to the target groups at the right time.

#### INTERNAL INFORMATION

Internal steering documents and guidelines regarding financial reporting are available to relevant personnel. The documents contain policies and instructions regarding financial reporting, internal control, financial statements, budgeting and forecasting. The Board of Directors receives regular reports on financial reports and earnings trends, analyses and comments on outcomes, plans and forecasts. They also receive reports from the external auditors when they report the results of their audits.

#### EXTERNAL INFORMATION

Ongoing information is communicated to external stakeholders on Image Systems' website. There you will find publications, quarterly reports and other financial information, press releases and information about the organization and products.

#### MONITORING

Image System's monitoring of Group companies includes monthly and quarterly monitoring of actual results against budget and forecasts. Regular monitoring and reporting of operations takes place at various levels, from the Board of Directors to the CEO and Group Management. External auditors' reports and comments are also monitored with a view to improving internal controls and minimising the risk of errors in financial reporting.

Linköping in April 2026

The Board of Directors of Image Systems AB (publ)

# AUDITORS' REPORT ON CORPORATE GOVERNANCE REPORT

---



To the general meeting of Image Systems AB (publ), corporate identity number 556319-4041

## ASSIGNMENTS AND RESPONSIBILITIES

The Board of Directors is responsible for the Corporate Governance Report for the financial year 2025 on pages 24–27 and for ensuring that it has been prepared in accordance with the Swedish Annual Accounts Act.

## FOCUS AND SCOPE OF THE REVIEW

Our review has been conducted in accordance with FAR's recommendation RevR 16, The Auditor's review of the Corporate Governance Report. This means that our review of the Corporate Governance Report has a different focus and is substantially less extensive than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides us with sufficient basis for our statements.

## OPINIONS

A Corporate Governance Report has been prepared. The disclosures in accordance with Chapter 6, Section 6, second paragraph, items 2–6 of the Swedish Annual Accounts Act, and Chapter 7, Section 31, second paragraph of the same Act, are consistent with the annual accounts and the consolidated accounts and are in accordance with the Swedish Annual Accounts Act.

Stockholm, 2 April 2026  
Öhrlings PricewaterhouseCoopers AB

Andreas Skogh  
Authorized Public Accountant



## BOARD OF DIRECTORS



**ANDERS FRANSSON**  
Chairman of the Board

**Born:**  
1967

Member of the Board of Directors since 2020

**Education:**  
Civil Engineer Lund University of Technology

**Other assignments:**  
Senior Investment Manager, Tibia Konsult AB, board assignments at CR Competence AB, Invoice Finance AB, Infrsight Labs AB and ProRenata AB, among others.

**Previous experience:**  
Chairman of the Board and member of Invoice Finance AB, Billmate AB, Lime Technologies AB, Grade, Mashie and Nordic Family Group. Previously served as CEO and business area manager in growth-oriented software companies such as Bisnode and Lime Technologies.

**Independent of company and management:**  
Yes

**Holdings in Image Systems:**

2,189,062 shares.



**CATHARINA LAGERSTAM**  
Director

**Born:**  
1962

Member of the Board of Directors since 2018

**Education:**  
Master of Science in Economics, Master of Science in Engineering, and Doctorate from the Stockholm School of Economics

**Other assignments:**  
Chairman of the Board of Glycolink AB, Quaestus AB. Member of Fortinova Fastigheter, ICA Försäkring.

**Previous experience:** Professional Director in various banking and insurance companies as well as start-ups. Independent advisor and private investor. Held several leading roles in national and international companies.

**Independent of company and management:**  
Yes

**Holdings in Image Systems:**  
65,000 shares



**JAN MOLIN**  
Director

**Born:**  
1966

Member of the Board of Directors since 2022

**Education:**  
Civil engineer and Bachelor of Science in Business Administration

**Other assignments:**  
Self-employed entrepreneur in business development

**Previous experience:**  
Leadership roles including CEO of Eton Systems, CEO of Puregas Solutions, and VP Supply at Sandvik Mining Exploration

**Independent of company and management:**  
Yes

**Holdings in Image Systems:**  
300,000 shares.



**MATILDA WERNHOFF**  
Director

**Born:**  
1990

Member of the Board of Directors since 2022

**Education:**  
Bcs from the Stockholm School of Economics

**Other assignments:**  
Strategy Officer at Alimak Group

**Previous experience:**  
Associate at McKinsey & Company

**Independent of company and management:**  
Yes

**Holdings in Image Systems:**  
47,491 shares.



**JÖRGEN HERMANSSON**  
Director

**Born:**  
1968

Member of the Board of Directors since 2022

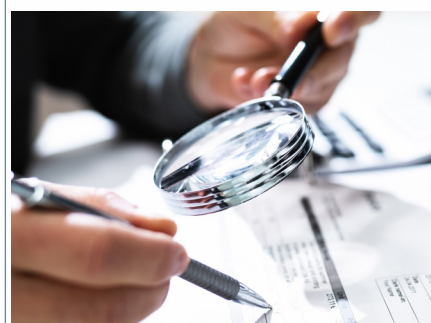
**Education:**  
Civil Engineer, Luleå University of Technology, and Executive Education at IMD, Lausanne, and Insead, Fontainebleau

**Other assignments:**  
Chair of the Board and Director, Europe East, Axflow Holding

**Previous experience:**  
Senior Vice President at Meyr Melnhof Holz, Stora Enso, Södra and Inwido, among others

**Independent of company and management:**  
Yes

**Holdings in Image Systems:**  
500,000 shares.



#### AUDITOR

The 2025 Annual General Meeting elected Öhrlings PricewaterhouseCoopers AB as the auditor for the period until the 2026 AGM. Andreas Skogh is the auditor in charge.

## MANAGEMENT

**JAN MOLIN**

Acting Chief Executive Officer and Group Chief Executive since 15 December 2025

**Born:** 1966

**Employed since:** Member of the Board of Directors since 2022

**Education:**

Civil engineer and Bachelor of Science in Business Administration

**Other assignments:** CEO of Eton Systems, self-employed in business development

**Previous experience:** Leading roles including CEO of Puregas Solutions and VP Supply at Sandvik Mining Exploration.

**Holdings in Image Systems:**

300,000 shares.

**ERIK SWERUP**

Chief Executive Officer - CEO RemaSawco since 1 February 2026

**Born:** 1977

**Employed since:** 2026

**Education:** Master of Forestry and MBA

**Other assignments:** Authorised signatory at Efectiva Marketing Communications (EMC)

**Previous experience:** CEO of Boardic Group and Business Development Manager at Karl Hedin AB. 20 years of experience in the wood industry and many senior positions.

**Holdings in Image Systems:**

-

**ANDREAS OVEMYR**

Chief Executive Officer - CEO Motion Analysis since 1 September 2025

**Born:** 1982

**Employed since:** 2025

**Education:** Master of Science in Engineering

**Other assignments:** -

**Previous experience:** Leading roles including CTO and Head of Development for international B2B SaaS companies.

**Holdings in Image Systems:**

-

**LOTTA ÖFVERSTRÖM**

Chief Financial Officer (CFO) since 2020

**Born:** 1974

**Employed since:**  
2011

**Education:** Economist

**Other assignments:** -

**Previous experience:** Group Controller at Nexus Technology AB, Finance Manager at Metrima Energi AB.

**Holdings in Image Systems:**

10,333 shares and 200,000 warrants 2023/2026

**PER SKOGSBERG**

Chief Communications Officer - CCO since 1 January 2026

**Born:** 1965

**Employed since:** 2022

**Education:** Communication and Leadership

**Other assignments:** -

**Previous experience:** Extensive experience in international B2B business and communications. Held several senior positions within the Saab defence group, including Head of Sales & Marketing.

**Holdings in Image Systems:**

50,000 warrants 2023/2026

**CHANGES IN GROUP MANAGEMENT IN 2025**

Johan Friberg was CEO of Image Systems AB until 13 April but remained CEO of Motion Analysis until 31 August, when Andreas Ovemyr took over. Emilien Saïndon was CEO of Image Systems AB and RemaSawco AB between 14 April and 14 December, when Jan Molin took over both roles as an interim solution. **Changes after the balance sheet date are reported in Note 34.**

# FIVE-YEAR OVERVIEW, GROUP



[MSEK]	2025	2024	2023	2022	2021
<b>EXTRACTS FROM THE CONSOLIDATED INCOME STATEMENT</b>					
Sales revenue	168.5	184.9	160.7	171.1	152.2
Capitalized development costs	10.6	14.9	10.0	9.1	6.5
Total revenue	179.1	199.8	170.7	180.2	158.7
Gross profit	125.5	141.1	122.8	123.8	109.7
Operating profit before depreciation and amortisation EBITDA	9.1	26.8	15.5	28.4	19.4
Operating profit	-14.7	8.8	-5.3	9.1	0.8
Profit for the year	-14.6	8.6	-6.8	8.6	0.1
<b>EXTRACTS FROM CONSOLIDATED BALANCE SHEETS</b>					
<b>Assets</b>					
Fixed assets	141.6	146.1	124.2	131.5	139.7
Inventories	12.2	13.6	13.1	13.6	11.9
Trade receivables	16.9	47.7	33.2	20.1	22.1
Other current assets	9.9	5.8	5.9	7.0	15.5
Cash and cash equivalents	8.9	12.7	6.6	22.5	7.1
<b>TOTAL ASSETS</b>	<b>189.5</b>	<b>225.9</b>	<b>183.0</b>	<b>194.7</b>	<b>196.3</b>
<b>EQUITY AND LIABILITIES</b>					
Equity	109.7	124.6	116.0	122.9	114.0
Non-current liabilities and provisions	10.9	15.4	9.7	14.9	21.7
Short-term interest-bearing liabilities	5.2	9.0	10.4	9.9	9.8
Accounts payable	6.1	14.9	12.2	12.6	16.1
Other current liabilities	57.6	62.0	34.7	34.4	34.7
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>189.5</b>	<b>225.9</b>	<b>183.0</b>	<b>194.7</b>	<b>196.3</b>



KEY FINANCIAL FIGURES	2025	2024	2023	2022	2021
Order intake, SEK million	125.1	228.5	150.0	189.0	182.8
Order backlog, SEK million	69.8	117.5	73.3	81.9	72.0
Cash flow from operating activities, SEK million	22.3	39.2	1.7	32.3	15.7
Gross margin, %	68	68	70	67	68
EBITDA margin, %	5.1	13.4	9.1	15.8	12.2
Operating margin, %	-8.2	4.4	neg	5.0	0.5
Profit margin, %	-8.5	4.0	neg	4.4	neg
Return on average capital employed, %	neg	6.1	neg	3.2	0.4
Return on average equity, %	neg	6.9	neg	7.0	0.1
Solidity ratio, %	58	55	63	63	58
Debt-to-equity ratio, times	0.0	0.1	0.1	0.0	0.1
Net debt, SEK million	2.9	6.8	8.0	-3.7	17.8
Net investments in fixed assets, SEK million	18.0	25.4	11.4	9.8	8.1
Impairment of fixed assets, SEK million	23.8	18.0	20.8	19.4	18.6
Average number of employees, st.	77	72	67	72	82
Number of shares at year-end, units	89 207 818	89 207 818	89 207 818	89 207 818	89 207 818
Average number of shares, pcs.	89 207 818	89 207 818	89 207 818	89 207 818	89 207 818
Earnings per share <sup>1</sup> , SEK	-0.16	0.10	-0.08	0.10	0.00
Cash flow per share <sup>1</sup> , SEK	0.05	0.15	-0.14	0.22	0.09
Equity per share <sup>2</sup> , SEK	1.23	1.40	1.30	1.38	1.28
Market price at end of year, SEK	1.20	2.83	1.45	1.72	1.58
Dividend per share	-	-	-	-	-

<sup>1</sup>Calculated based on the average number of shares

<sup>2</sup>Calculated based on the Number of shares at the end of the period.

# STATUTORY ADMINISTRATION REPORT

The Board of Directors and Chief Executive Officer of Image Systems AB (publ), corporate identity number 556319–4041, hereby submit the Annual Report for the 2025 financial year for the Parent Company and the Group. The results of the Parent Company's and the Group's operations for the year are presented in the following financial reports, which will be adopted at the Annual General Meeting on 7 May 2026.

## OPERATIONS

Image Systems is a Swedish high-technology company and a leading supplier of products and services based on the company's core technology in high-resolution image processing. The company's offerings are aimed at several different markets, and its operations are conducted in two business units: RemaSawco and Motion Analysis. The Group consists of the Swedish Parent Company and seven wholly owned subsidiaries.

At the end of 2025, Image Systems had 77 employees in offices in Linköping, Nyköping, Västerås, Skellefteå, as well as in Finland, Norway, France, Japan and the United States.

The share is listed on NASDAQ Stockholm (Small Cap) under the ticker IS. For further information, please visit our website at [www.imagesystemsgroup.se](http://www.imagesystemsgroup.se).

## SIGNIFICANT EVENTS DURING THE YEAR

### Market development

#### RemaSawco

The market situation in the wood products industry remained challenging during the year, with weak domestic demand for sawn timber, high raw material prices and limited access to raw materials, resulting in a cautious investment appetite among sawmills. Overall, this resulted in lower order intake compared with a very strong 2024. At the same time, the business units prioritised delivery precision and Customer satisfaction and carried out upgrade and efficiency projects for customers, which strengthens its position ahead of a future market recovery.

### MOTION ANALYSIS

Motion Analysis operated during the year in a continued cautious market with longer decision-making processes. Order intake declined compared with the previous year, but the order backlog for subscription and support services developed positively and contributed to increased long-term stability. The transition to a subscription-based business model continued, which in the long term is expected to result in more stable revenue streams and higher profitability.

## RESEARCH AND DEVELOPMENT

### RemaSawco

During the year, investments in the product portfolio and the services offered continued. Product development focused on increased performance and competitiveness, including further development of products for timber sorting and board handling. At the same time, work continued on increasing the scalability of solutions, strengthening digitalization and optimisation throughout the sawmill process, and implementing AI models in both internal working methods and products.

### Motion Analysis

Development work during the year was characterised by continued product development and innovation in line with the company's long-term strategy. The new software platform, which began to be commercialised during the year, is a strategically important part of the business unit's growth agenda and, in combination with an increasing share of subscription revenue, is expected to be a significant driver of future growth and improved profitability. The business unit also continued to implement AI models in internal working methods and products.

## RESULTS AND FINANCIAL POSITION

### The Group

## Revenue

In 2025, sales revenue amounted to SEK 168.5 (184.9) million. Revenue is distributed by geographical area as shown in the table below.

### Net revenue by geographical area (SEK million)

	2025	2024
North and South America	19.9	17.6
Europe	143.4	153.3
Asia, Oceania and Africa	5.2	14.0
<b>TOTAL</b>	<b>168.5</b>	<b>184.9</b>

## Gross margin

For 2025, gross profit amounted to SEK 125.5 (141.1) million, corresponding to a gross margin of 68 (68) per cent. Production is mainly outsourced to subcontractors, which provides considerable flexibility and the opportunity to scale operations in line with changes in sales volumes.

## Indirect costs

For 2025, Other external costs amounted to SEK 28.4 million, compared with SEK 32.3 million for 2024. This decrease is mainly attributable to consulting costs related to the RemaSawco business unit. Personnel costs amounted to SEK 87.4 million, compared with SEK 81.7 million for 2024. Depreciation according to plan has charged the result with SEK 23.8 (18.0) million and mainly relates to depreciation of capitalised development projects and leasing fees.

## Operating profit

Operating profit for 2025 amounted to SEK -14.7 (8.8) million, a decline of SEK 23.5 million.

## Net financial items

Net financial items for 2025 amounted to SEK -0.5 (-0.8) million.

## Profit for the year

Profit for the year amounted to SEK -14.6 (8.6) million, which was a deterioration of SEK 23.2 million compared with the previous year. This deterioration is primarily attributable to the uncertain market situation for both business units and the transition to a new business model in the Motion Analysis business unit. The tax expense for 2025 amounted to SEK 0.6 million, which is attributable to the reversal of tax on Customer relationships in RemaSawco Oy.

## Investments in intangible assets

The Group's investments in fixed assets amounted to SEK 16.4 (23.9) million in 2025. The investments relate to capitalised development costs for projects within the Group's subsidiaries.

## Cash flow, liquidity and financial position

Available cash and cash equivalents, including the undrawn part of the credit facility, amounted to MSEK 26.7 (28.2) as of December 31, 2025. The solidity ratio at year-end was 58 (55) per cent and equity amounted to MSEK 109.7 (124.6) million. Operating cash flow amounted to SEK 4.3 (13.8) million. The net debt/equity ratio was 0.0 (0.1) times.

## Currency exposure

Image Systems has exposure to foreign currencies. Sales are conducted in SEK, USD, JPY and EUR.

The costs are mainly incurred in SEK, USD, JPY and EUR, which entails a flow exposure to the Swedish krona. As a result, the Group has a significant currency exposure. See also Note 3.

### Risks and uncertainties

The Group operates in a global market with significant competition, which requires the company to continue developing competitive products. To succeed in this, the company must be able to recruit and retain key personnel. The Group's material risks and uncertainties include commercial risks associated with agreements with customers and suppliers, as well as other external factors such as risks related to exchange rate fluctuations or uncertainty in the external environment, such as the war in Ukraine. Access to liquidity can also be a risk factor; insufficient cash flow would quickly weaken the financial position. See also Note 3.

### Parent Company

The Parent Company's net sales amounted to SEK 5.2 (3.1) million and profit after tax amounted to SEK -1.2 (8.7) million. Investments in fixed assets amounted to SEK 0.0 (0.0) million. The Parent Company's available cash and cash equivalents amounted to SEK 0.2 (0.2) million as of December 31, 2025. The Parent Company's equity amounted to SEK 116.1 (117.3) million as of December 31, 2025, and the Solidity ratio was 98 (98) per cent.

### FUTURE DEVELOPMENTS

The Group's future development is largely based on its ability to maintain rapid product development, add new functionality and adapt the companies' business models to prevailing market conditions. During the year, the Group's subsidiaries have implemented a number of new product upgrades and initiated new business models that have been launched in their respective markets. The companies' organizations are continuously reviewed in order to meet market needs. The Group does not issue forecasts regarding sales or earnings.

### FINANCIAL TARGETS

Image Systems aims to create long-term value growth for its shareholders. To achieve this, the Board of Directors has determined that the Group shall achieve a long-term operating margin, EBITDA, of 15 per cent. In the long term, the Solidity shall not fall below 50 per cent. See also Note 4.

### RISK MANAGEMENT

Through its operations, Image Systems is exposed to financial risks such as market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The overall risk management policy, which has been established by the Board of Directors, is to seek to avoid effects on financial results and position. The Group's management of financial risks is described in Note 3.

### SHARES

The total number of shares as of 31 December 2025 was 89,207,818 and consists of only one class of shares. One share entitles the holder to one vote, and all shares have equal rights to dividends. There are no restrictions on the number of votes each shareholder may cast at each general meeting, and Image Systems is not aware of any agreements between shareholders that may entail restrictions on the right to transfer shares. For more information about Image Systems shares, see pages 22-23.

### ENVIRONMENT

Image Systems' operations do not have any significant negative environmental impact in terms of emissions to land, water or air. Together with its subcontractors, the company continuously maps the environmental effects of its own operations. The environmental impact of products and services during operation is an important part of our development model. Manufacturing is outsourced to subcontractors who, in collaboration with Image Systems, ensure that all handling related to production and deliveries is as environmentally friendly as possible.

### EMPLOYEES

Image Systems wants to create an environment with stimulating and exciting work tasks where employees feel involved. The company wants to create conditions that enable employees to thrive and develop. Wor-

king at Image Systems means working in an innovative environment undergoing rapid development at a fast pace, where employees are constantly faced with problem solving and new ideas. Employees are encouraged to take initiative and develop through their work. In order for the company to maintain its cutting-edge expertise and innovative capacity, it is important to retain talented employees with extensive experience, knowledge and expertise. An important component of this is providing employees with stimulation and development opportunities. The ability to recruit new qualified employees is also of great importance for the continued success of the company. The availability of labour with specific expertise in the company's core technological area is limited.

### THE BOARD OF DIRECTORS AND BOARD WORK IN 2025

During 2025, the Board of Directors consisted of five members without deputies. During the year, ten minuted meetings were held, including the inaugural meeting. No Director has been involved in The Operating Activities.

The Board of Directors has adopted written rules of procedure and issued written instructions regarding the division of responsibilities between the Board of Directors and the Chief Executive Officer, as well as the information that the Board of Directors shall receive on an ongoing basis. At its meetings, the Board of Directors has reviewed the fixed items on the agenda for each Board of Directors meeting in accordance with the Board of Directors' rules of procedure, such as the business situation, liquidity, financing, budget, annual accounts and interim reports. The Board of Directors has also dealt with issues relating to long-term strategies, structural and organisational changes, and product development.

During the year, the Board of Directors has worked on issues relating to the company's organization and strategy.

### GUIDELINES FOR REMUNERATION OF SENIOR EXECUTIVES

The Chairman and Members of the Board of Directors receive fees in accordance with the decision of the Annual General Meeting. At the 2025 Annual General Meeting, it was decided that the guidelines for Remuneration of senior executives essentially mean that the total remuneration shall be market-based and competitive and that outstanding performance shall be reflected in the Total remuneration. The benefits shall consist of a fixed salary, any Variable remuneration, other customary benefits and a pension. Variable remuneration shall be based on the outcome in relation to set targets and coincide with the interests of the shareholders. Variable remuneration may amount to a maximum of 50 per cent of the fixed remuneration. Pension benefits shall be defined contribution and shall normally entitle the recipient to a pension at the age of 65. Variable remuneration shall not, in principle, be pensionable. The Board of Directors shall have the right to deviate from the above guidelines if it considers that there are special reasons for doing so in an individual case.

Ahead of the 2026 Annual General Meeting, the Board of Directors proposes that the above guidelines for Remuneration of senior executives shall apply until the 2027 Annual General Meeting.

These guidelines (Image Systems' remuneration policy) concern remuneration and other terms of employment for the Image Systems Group's management (senior executives). The guidelines are forward-looking, which means that they shall apply to remuneration agreed upon and changes made to remuneration already agreed upon after these proposed guidelines have been adopted by the 2026 Annual General Meeting. The guidelines do not cover remuneration decided upon by the general meeting. New share-based incentive programs will be decided by the general meeting, where applicable. The guidelines shall promote the Image Systems Group's business strategy, long-term interests and sustainability. Successful implementation of the Image Systems Group's business strategy and safeguarding of the Group's long-term interests, including its sustainability, require that the Group be able to recruit, retain and develop senior executives. These guidelines enable Image Systems to offer senior executives competitive total remuneration.

### Forms of compensation

The Image Systems Group's remuneration of senior executives shall consist of the following components: basic salary, Variable remunera-

tion, pension benefits and other benefits. Variable remuneration may, in the case of the Chief Executive Officer and other senior executives, amount to a maximum of fifty (50) per cent of the basic salary. Additional cash remuneration may be paid in extraordinary circumstances, provided that such special arrangements are time-limited and only made on an individual basis for the purpose of recruiting or retaining senior executives or as compensation for extraordinary efforts outside the individual's normal duties. Such compensation may not exceed an amount corresponding to fifty (50) per cent of the annual base salary. Decisions on such compensation shall be made by the Board of Directors on the recommendation of the Remuneration Committee. Pension benefits for the Chief Executive Officer shall be based on a defined contribution pension plan, except in cases where law or collective agreement requires a defined benefit pension. The pensionable salary shall include the basic salary and other benefits. Pension provisions for the Chief Executive Officer attributable to the annual basic salary shall not exceed 35 per cent of the basic salary. Other benefits may include, for example, health insurance and car benefits. Premiums and other costs attributable to such benefits may not exceed ten (10) per cent of the Chief Executive Officer's annual basic salary. For other senior executives, the payment of pension benefits shall be based on a defined contribution pension plan, except in cases where law or collective agreement requires a defined benefit pension.

Remuneration of senior executives who are resident outside Sweden or who are resident in Sweden but have significant ties to or have been resident in a country other than Sweden may be duly adjusted to comply with mandatory rules or local practice, whereby the overall purpose of these guidelines shall be fulfilled as far as possible. In addition to the remuneration described above, senior executives who relocate for or with a position or who work in several countries may also receive remuneration and benefits that are reasonable in view of the special circumstances arising from such arrangements, taking into account the overall purpose of these guidelines and general guidelines and procedures for cross-border work within the Image Systems Group.

#### Termination of employment

Upon termination of a senior executive's employment, the notice period may not exceed twelve months. The basic salary during the notice period and Severance pay may not exceed an amount corresponding to two years' basic salary. Senior executives who are resident outside Sweden or who are resident in Sweden but have significant ties to or have been resident in a country other than Sweden may be offered a notice period and Severance pay that are reasonable in light of the specific circumstances, taking into account the overall purpose of these guidelines and the general guidelines and procedures within the Image Systems Group.

#### Criteria for the dividend on variable cash remuneration, etc.

Variable remuneration shall be linked to predetermined and measurable criteria. The criteria – which may, for example, be linked to EBITDA, cash flow, return on invested capital or similar Key figures or sustainability targets – shall be designed to promote the Image Systems Group's strategy and long-term value creation and to strengthen the link between achieved performance targets and outcomes. The criteria for short-term and long-term Variable remuneration shall be determined annually by the Board of Directors, and the extent to which the criteria have been met shall be assessed over annual measurement periods. The extent to which the criteria for the allocation of Variable remuneration have been met shall be determined at the end of the relevant measurement period. The Board of Directors is responsible for determining Variable remuneration for all senior executives.

#### Repayment and adjustments

Senior executives participating in the Image Systems Group's current incentive program are obliged, under certain circumstances and for a certain period of time, repay all or part of the Variable remuneration already paid if the payment was made in error or based on deliberately falsified information, or in the event of a significant change in the Image Systems Group's established financial results or position. Furthermore, the Board of Directors may decide to postpone payments under incentive programs (before payment has been made) in the event of extraordinary circumstances or to take account of unforeseen one-off events.

#### Salary and terms of employment for employees

In preparing the Board of Directors' proposal for these remuneration

guidelines, the Board of Directors has taken into account that the benefits offered to senior executives need to be in line with the general structures applied to Image Systems' employees, at levels that are competitive in the market. Thus, the salaries and terms of employment for other employees within Image Systems have been taken into account by including information about this in the remuneration committee's and the Board of Directors' decision-making basis when assessing whether these guidelines and the restrictions that follow from them are reasonable.

#### The decision-making process for establishing, reviewing and implementing the guidelines

The Board of Directors has established a Remuneration Committee. The Committee's tasks include preparing the Board of Directors' decisions on proposals for guidelines for Remuneration of senior executives. The Board of Directors shall draw up proposals for new guidelines at least every four years and submit the proposal for decision at the general meeting. The guidelines shall apply until new guidelines are adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate Variable remuneration programmes for senior executives, the application of guidelines for Remuneration of senior executives, and current remuneration structures and remuneration levels within the Group. The members of the Remuneration Committee are independent of Image Systems and its management. The Chief Executive Officer and other members of management do not attend Board of Directors meetings when remuneration-related issues are being discussed and decided, to the extent that they are affected by the issues.

#### Deviation from the guidelines

The Board of Directors may decide to temporarily deviate from the guidelines in whole or in part if there are special reasons for doing so in an individual case and a deviation is necessary to satisfy the long-term interests of the Image Systems Group, including its sustainability, or to ensure the Group's financial viability. As stated above, the Remuneration Committee is responsible for preparing the Board of Directors' decisions on remuneration issues, which includes any decisions to deviate from the guidelines.

#### Option programme

At the 2023 Annual General Meeting, an incentive program was approved consisting of 2,020,000 warrants with an expiry date of 31 August 2026 and an exercise price of SEK 2.835. The option price has been set at SEK 0.026 per warrant through an independent valuation. 1,780,000 warrants have been subscribed for by senior executives.

#### DIVIDEND

The size of future dividends shall be based on Image Systems' long-term growth and earnings development as well as capital requirements, taking Financial targets into account. The Board of Directors has a long-term goal of distributing approximately twenty (20) per cent of Image Systems' profit after tax. The Board proposes that no dividend be paid for the 2025 financial year.

#### PROPOSAL ON ALLOCATION OF PROFITS

##### Parent Company

At the disposal of the Annual General Meeting are:	MSEK
Retained earnings	108.4
Profit for the year	-1.2
<b>TOTAL</b>	<b>107.2</b>
The Board of Directors proposes that:	MSEK
to carry forward	107.2
<b>TOTAL</b>	<b>107.2</b>

For information regarding the Company's and the Group's results and financial position Other, please refer to the following income statements, balance sheets, changes in Equity, Cash Flow Statements and Notes.

# CONSOLIDATED INCOME STATEMENT

MSEK	Note	2025	2024
Net sales	5,6,7	168.5	184.9
Capitalized development costs	5.17	10.6	14.9
<b>TOTAL</b>		<b>179.1</b>	<b>199.8</b>
<b>OPERATING EXPENSES</b>			
Raw materials and consumables	7	-53.6	-58.7
Other external costs	9.19	-28.4	-32.3
Personnel costs	8	-87.4	-81.7
Depreciation and amortization of intangible and tangible fixed assets	14.15.16.17.18	-23.8	-18.0
Other operating income	10	-	-
Other operating costs	10	-0.6	-0.3
<b>OPERATING PROFIT</b>		<b>-14.7</b>	<b>8.8</b>
<b>PROFIT FROM FINANCIAL ITEMS</b>			
Financial revenue		0.4	0.1
Financial costs		-0.9	-0.9
<b>Total net financial items</b>		<b>-0.5</b>	<b>-0.8</b>
<b>PROFIT AFTER FINANCIAL ITEMS</b>			
Tax on profit for the year	12	0.6	0.6
<b>Profit for the year</b>		<b>-14.6</b>	<b>8.6</b>
Of which attributable to Parent Company shareholders		-14.6	8.6
Earnings per share before dilution	32	-0.16	0.10
Earnings per share after dilution	32	-0.16	0.10

# CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

MSEK	Note	2025	2024
<b>PROFIT FOR THE YEAR</b>		<b>-14.6</b>	<b>8.6</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that may be reclassified to Profit for the year or loss for the year:			
Recalculation differences		-0.3	0.0
Taxes attributable to items that may be reclassified to Profit for the year		-	-
<b>Total other comprehensive income</b>		<b>-0.3</b>	<b>0.0</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>-14.9</b>	<b>8.6</b>
Of which attributable to shareholders of the Parent Company		-14.9	8.6

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION



MSEK, as of December 31	Note	2025	2024
<b>ASSETS</b>			
<b>Fixed assets</b>			
Goodwill	14	36.1	36.1
Trademarks	15	-	-
Customer relationships	16	10.6	15.0
Capitalized development costs	17	60.5	56.2
Rights of use	19	12.5	17.4
Equipment, tools, and installations	18	2.8	2.3
Deferred tax asset	12	19.1	19.1
<b>Total fixed assets</b>		<b>141.6</b>	<b>146.1</b>
<b>Current assets</b>			
Inventories	21	12.2	13.6
Trade receivables	3	16.9	47.7
Other receivables	22	0.9	0.9
Prepaid expenses and accrued income	23	9.0	4.9
Cash and cash equivalents		8.9	12.7
<b>Total current assets</b>		<b>47.9</b>	<b>79.8</b>
<b>TOTAL ASSETS</b>		<b>189.5</b>	<b>225.9</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		8.9	8.9
Other contributed capital		374.8	374.8
Translation reserve		-1.0	-0.7
Retained earnings including net result for the year		-273.0	-258.4
<b>Total equity attributable to Parent Company owners</b>		<b>109.7</b>	<b>124.6</b>
<b>Non-current liabilities</b>			
Lease liabilities	19	6.6	10.5
Loans from credit institutions	24	-	-
Deferred tax liabilities	12	4.3	4.9
<b>Total non-current liabilities</b>		<b>10.9</b>	<b>15.4</b>
<b>Current liabilities</b>			
Loans from credit institutions	24	-	3.1
Accounts payable		6.1	14.9
Lease liabilities	19	5.2	5.9
Other liabilities		4.5	18.8
Accruals and deferred income	28	53.1	43.2
<b>Total current liabilities</b>		<b>68.9</b>	<b>85.9</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>189.5</b>	<b>225.9</b>

# STATEMENT OF CHANGES IN GROUP EQUITY



THE GROUP (MSEK)	Share capital	Other contributed capital	Conversion differences	Balanced loss including Profit for the year	Total equity attributable to owners of the parent company
<b>Opening balance as of January 1, 2024</b>	8.9	374.8	-0.7	-267.0	116.0
Profit for the year	-	-	-	8.6	8.6
Other comprehensive income for the year	-	-	-	-	0.0
Comprehensive income for the year	-	-	-	8.6	8.6
<b>Closing balance as of December 31, 2024</b>	8.9	374.8	-0.7	-258.4	124.6
<b>Opening balance as of January 1, 2025</b>	8.9	374.8	-0.7	-258.4	124.6
Profit for the year	-	-	-	-14.6	-14.6
Other comprehensive income for the year	-	-	-0.3	-	-0.3
Comprehensive income for the year	-	-	-0.3	-14.6	-14.9
<b>Closing balance as of December 31, 2025</b>	8.9	374.8	-1.0	-273.0	109.7



# CONSOLIDATED STATEMENT OF CASH FLOWS

MSEK	Note	2025	2024
<b>THE OPERATING ACTIVITIES</b>			
Operating profit		-14,7	8,8
Adjustments for non-cash items:	30	24,1	16,7
Interest received		-	-
Interest paid		-0,6	-0,6
<b>Cash flow from operating activities before changes in working capital</b>		<b>8,8</b>	<b>24,9</b>
<b>CHANGES IN WORKING CAPITAL</b>			
Inventories		1,5	0,6
Current receivables		25,4	-15,6
Current liabilities		-13,4	29,3
<b>Total change in working capital</b>		<b>13,5</b>	<b>14,3</b>
<b>Cash flow from operating activities</b>		<b>22,3</b>	<b>39,2</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of intangible fixed assets		-16,4	-23,9
Acquisition of tangible fixed assets		-1,6	-1,5
<b>Cash flow from investing activities</b>		<b>-18,0</b>	<b>-25,4</b>
<b>Operating cash flow</b>		<b>4,3</b>	<b>13,8</b>
<b>FINANCING ACTIVITIES</b>			
Raised loans	31	-	-
Amortization of loans		-3,1	-2,2
Amortisation of lease liabilities		-5,0	-5,5
<b>Cash flow from financing activities</b>		<b>-8,1</b>	<b>-7,7</b>
<b>Change in cash and cash equivalents</b>		<b>-3,8</b>	<b>6,1</b>
Cash and cash equivalents at the beginning of the year		12,7	6,6
Exchange rate differences in Cash and cash equivalents		0,0	0,0
<b>Cash and cash equivalents at the end of the year</b>		<b>8,9</b>	<b>12,7</b>

## PARENT COMPANY INCOME STATEMENTS

MSEK	Note	2025	2024
Revenue	5,6	5,2	3,1
<b>OPERATING EXPENSES</b>			
Other external costs	8,9,19	-5,1	-4,7
Personnel costs	8	-6,8	-4,7
<b>OPERATING PROFIT</b>		<b>-6,7</b>	<b>-6,3</b>
<b>PROFIT FROM FINANCIAL ITEMS</b>			
Other financial costs		0,0	0,0
Interest expenses		0,0	0,0
<b>Total net financial items</b>		<b>0,0</b>	<b>0,0</b>
<b>PROFIT AFTER FINANCIAL ITEMS</b>		<b>-6,7</b>	<b>-6,3</b>
Appropriations			
Group contributions received	11	5,5	15,0
Tax on profit for the year	12	0,0	0,0
<b>PROFIT FOR THE YEAR</b>		<b>-1,2</b>	<b>8,7</b>

## PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

MSEK	Note	2025	2024
<b>PROFIT FOR THE YEAR</b>		<b>-1,2</b>	<b>8,7</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>-1,2</b>	<b>8,7</b>

# PARENT COMPANY BALANCE SHEETS



MSEK, as of December 31

ASSETS	Note	2025	2024
<b>FIXED ASSETS</b>			
Shares in subsidiaries	20	82,8	82,8
Deferred tax asset	12	12,0	12,0
<b>Total fixed assets</b>		<b>94,8</b>	<b>94,8</b>
<b>CURRENT ASSETS</b>			
Trade receivables		-	-
Receivables from Group companies		23,0	24,6
Other receivables	22	0,1	0,2
Prepaid expenses and accrued income	23	0,5	0,3
Cash and banking		0,2	0,2
<b>Total current assets</b>		<b>23,8</b>	<b>25,3</b>
<b>TOTAL ASSETS</b>		<b>118,6</b>	<b>120,1</b>
<b>EQUITY AND LIABILITIES</b>			
Restricted equity			
Share capital		8,9	8,9
Free equity			
Share premium account		171,5	171,5
Balance sheet profit		-63,1	-71,8
Profit for the year		-1,2	8,7
<b>TOTAL EQUITY</b>		<b>116,1</b>	<b>117,3</b>
Current liabilities			
Accounts payable		0,2	0,2
Liabilities to Group companies		-	-
Other current liabilities		0,4	0,3
Accruals and deferred income	28	1,9	2,3
<b>Total current liabilities</b>		<b>2,5</b>	<b>2,8</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>118,6</b>	<b>120,1</b>

# CHANGES IN PARENT COMPANY EQUITY



MSEK	BOUND EQUITY		FREE EQUITY	
	Share capital	Share premium account	Balanced loss including Profit for the year	Total equity
Opening balance as of January 1, 2024	8,9	171,5	-71,8	108,6
Profit for the year	-	-	8,7	8,7
Comprehensive income for the year	-	-	8,7	8,7
Transactions with shareholders				
Closing balance as of December 31, 2024	8,9	171,5	-63,1	117,3
Opening balance as of January 1, 2025	8,9	171,5	-63,1	117,3
Profit for the year	-	-	-1,2	-1,2
Comprehensive income for the year	-	-	-1,2	-1,2
<b>CLOSING BALANCE AS OF DECEMBER 31, 2025</b>	<b>8,9</b>	<b>171,5</b>	<b>-64,3</b>	<b>116,1</b>

# PARENT COMPANY CASH FLOW STATEMENTS



MSEK	Note	2025	2024
<b>THE OPERATING ACTIVITIES</b>			
Operating profit		-6.7	-6.3
Adjustments for non-cash items:	31	5.5	15.0
Interest paid		0.0	0.0
<b>Cash flow from operating activities before changes in working capital</b>		<b>-1.2</b>	<b>8.7</b>
<b>CHANGES IN WORKING CAPITAL</b>			
Current receivables		-0.1	0.5
Current liabilities		-0.2	1.4
<b>Total change in working capital</b>		<b>-0.3</b>	<b>1.9</b>
<b>Cash flow from operating activities</b>		<b>-1.5</b>	<b>10.6</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of subsidiaries		-	-
Loans from (+) / to (-) subsidiaries		1.5	-10.4
<b>Cash flow from investing activities</b>		<b>1.5</b>	<b>-10.4</b>
<b>Operating cash flow</b>		<b>0.0</b>	<b>0.2</b>
<b>FINANCING ACTIVITIES</b>			
Raised loans		-	-
Amortization of loans		-	-
<b>Cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents</b>		<b>0.0</b>	<b>0.2</b>
Cash and cash equivalents at the beginning of the year		0.2	0.0
<b>Cash and cash equivalents at the end of the year</b>		<b>0.2</b>	<b>0.2</b>

# NOTES



Amounts in millions of Swedish kronor unless otherwise stated

## NOTE 1 GENERAL INFORMATION

The Annual Report and consolidated accounts for Image Systems AB (publ.) and its subsidiaries for the financial year beginning 1 January 2025 and ending 31 December 2025 have been approved by the Board of Directors and the Chief Executive Officer for publication on 2 April 2026 and to be presented at the Annual General Meeting on 7 May 2026 for adoption. The Parent Company is based in Linköping, Sweden. The address of the head office is Snickaregatan 40, 582 26 Linköping. The company is listed on Nasdaq Stockholm, Small Cap.

Image Systems AB is the Parent Company of a Group that includes the wholly owned subsidiaries RemaSawco Oy, RemaSawco AB with its subsidiaries RemaSawco A/S, RemaSawco International AB (dormant) and Image Systems Nordic AB with its subsidiary Image Systems Trackeye Inc. and Image Systems Japan K.K.

All amounts are stated in millions of Swedish kronor unless otherwise specified. The Board of Directors and/or Chief Executive Officer approve financial reports prior to publication.

## NOTE 2 ACCOUNTING POLICIES

### COMPLIANCE WITH REGULATIONS AND LAWS

The consolidated accounts are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee as adopted by the European Commission for application within the EU. In addition, the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups has been applied.

The parent company applies the same accounting policies as the Group, except in the cases specified in the section "Parent company accounting policies".

### CHANGES IN ACCOUNTING POLICIES DUE TO NEW OR AMENDED IFRS

No standards, amendments and interpretations that have come into effect for the financial year beginning 1 January 2025 have had any material impact on the Group's financial statements. No standards, amendments and interpretations that became effective for the financial year beginning on 1 January 2025 have had any material impact on the Group's financial statements. The new presentation requirements in IFRS 18 will improve the comparability of financial performance between similar entities, particularly with regard to the definition of "operating profit". The new disclosure requirements relating to management-defined performance measures will enhance transparency. IFRS 18 becomes effective on 1 January 2027 and has not yet been applied by the Group. Work is currently in progress to determine the effects of applying IFRS 18. The Group will present its first annual report in accordance with IFRS 18 for the period ending 31 December 2027. The first interim report applying IFRS 18 will be the report for the first quarter of 2027.

The statement of cash flows is expected to be affected, as it will need to be based on operating profit, and interest received and interest paid will be presented within investing activities and financing activities, respectively, once IFRS 18 is applied. The Group already presents an operating profit subtotal in the income statement. The Group is carrying out a detailed analysis to determine the correct classification of items in order to ensure that this subtotal complies with the requirements of IFRS 18. Furthermore, net financial items, as currently presented, will disappear, and a new subtotal will be presented showing profit before financing and income tax. In addition, the new requirements on aggregation and disaggregation may lead to changes to ensure that the primary statements and notes provide a useful and structured summary.

The Group is also analysing which measures currently reported outside the financial statements meet the definition of management-defined performance measures.

### JUDGMENTS AND ESTIMATES

Preparing financial statements in accordance with IFRS requires judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates and judgements. The estimates and assumptions are reviewed regularly. Changes in estimates are recognised in the period in which the change is made if the change only affects that period, or in the period in which the change is made and future periods if the change affects both the current period and future periods. Deferred tax assets relating to unused tax losses are recognised when the company considers it probable that taxable profits will be available within the foreseeable future (IAS 12). Judgements in the application of IFRS that have a significant impact on future financial statements and estimates made that may result in material adjustments to the following year's financial statements are described in more detail below:

- Note 3 Risks Financing risk
- Note 12 Deferred tax asset
- Note 13 Intangible fixed assets

### SIGNIFICANT APPLIED ACCOUNTING POLICIES

The accounting policies set out below have been applied, with the exceptions described in more detail, to the periods presented in the consolidated financial statements. The Group's accounting policies have also been applied consistently by the Group's companies.

### CONSOLIDATION AND BUSINESS COMBINATIONS

#### Consolidation

The consolidated accounts comprise the parent company Image Systems AB and the companies over which the parent company has direct or indirect control (subsidiaries). Control is held when the Group is exposed to, or has the right to, variable returns from its holdings in Image Systems and has the ability to use its influence over the company to affect its returns. When assessing whether a controlling influence exists, shareholder agreements

and potential voting shares that can be exercised or converted without delay shall be taken into account. A controlling influence normally exists when the parent company directly or indirectly holds shares representing more than 50% of the votes.

#### **Subsidiary**

Subsidiaries are included in the consolidated accounts from the date on which control is acquired and excluded from the consolidated accounts from the date on which control ceases.

The Group's profit and components of Other comprehensive income are attributable to the owners of the parent company and to non-controlling interests, even if this results in a negative value for non-controlling interests.

The accounting policies for subsidiaries have been adjusted where necessary to comply with the Group's accounting policies. All intra-group transactions, balances and unrealised gains and losses attributable to intra-group transactions have been eliminated in the preparation of the consolidated accounts.

#### **FOREIGN SUBSIDIARIES**

Assets and liabilities in foreign operations, including Goodwill and other consolidated surpluses and deficits, are translated into Swedish kronor at the exchange rate prevailing on the balance sheet date. Revenue and expenses in foreign operations are translated into Swedish kronor at an average exchange rate that approximates the exchange rates at the respective transaction dates. Recalculation differences arising from the currency translation of foreign operations are recognised in Other comprehensive income and accumulated in the translation reserve in Equity.

#### **OPERATING SEGMENTS**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the function responsible for allocating resources and assessing the performance of the operating segments. In the Group, it is the Group CEO and CEO of Image Systems AB who makes strategic decisions.

The Group has two business units: RemaSawco and Motion Analysis. The RemaSawco business unit offers measurement technology systems that improve the efficiency and profitability of sawmills. The Motion Analysis business unit offers software tools for motion analysis of high-speed film for a wide range of applications.

#### **REVENUE FROM AGREEMENTS WITH CUSTOMERS**

The basic principle is that revenue is recognised in the manner that best reflects the transfer of the promised goods or services to the customer.

The Group reports income from licences, project income, product sales and services.

##### **Licence revenue**

Licences are recognised as revenue upon delivery of the licence key to the customer.

##### **Project income**

Revenue from project agreements with customers is recognised using a five-step model.

- Step 1: Identify the contract with the customer
- Step 2: Identify the different performance commitments in the contract
- Step 3: Determine the transaction price
- Step 4: allocate the transaction amount to performance obligations
- Step 5: recognise revenue when a performance obligation is satisfied.

If the transaction price includes variable remuneration (e.g. discounts, royalties, etc.), these shall be estimated and included in the transaction price to the extent that they are highly unlikely to be reversed. At RemaSawco in particular, a significant portion of sales are project-based.

The Group offers products and services at both fixed and variable prices. For fixed-price contracts, revenue is recognised based on the proportion of the total project transferred to the customer. Estimates regarding revenue, costs or the degree of completion of projects are revised if circumstances change. Increases or decreases in estimated revenue or costs that are dependent on a changed estimate are recognized in the income statement in the period in which the circumstances that gave rise to the revision became known to Management.

In fixed-price projects, the customer pays the agreed price at the agreed payment dates. If the Group's delivery exceeds the payment, a contract asset is recognised. If the payments exceed the delivery performed, a contract liability is recognised.

##### **Product sales**

Product sales are recognised as revenue upon delivery of hardware and software to the customer.

##### **Services**

Services are reported in both business units. These services may consist of software upgrades, service agreements, support, Education and even subscription revenues from software. Service agreements, subscriptions and upgrades are recognised as revenue on a monthly basis at a value equal to the contract amount divided by the contract period in months. Support and Education are recognised as revenue after the performance obligation has been fulfilled.

#### **CLASSIFICATIONS, ASSETS AND LIABILITIES**

Fixed assets and non-current liabilities consist essentially of amounts expected to be recovered or paid after more than twelve months from the balance sheet date. Current assets and current liabilities consist mainly of amounts expected to be recovered or paid within twelve months from the balance sheet date. The Group's operating cycle is estimated to be less than one year.

#### **FINANCIAL INSTRUMENTS**

Financial instruments include cash and cash equivalents, securities holdings, receivables, operating liabilities, borrowings and any derivative instruments. Purchases and sales of securities and derivative instruments are recognised on the trade date, i.e. when a binding agreement to purchase or sell has been entered into. The Fair value of listed securities is based on purchase prices on the balance sheet date.

Securities intended for long-term holding and any short-term investments are classified either as financial assets measured at fair value through Other comprehensive income, financial assets measured at fair value through profit or loss, or alternatively as financial assets measured at amortized cost. The measurement category is determined separately for each securities holding based on the characteristics of the contractual cash flows and the company's business model for management, i.e. the nature of the holding and the purpose of the holding.

For financial assets measured at fair value through profit or loss, changes in fair value are recognised as financial revenue or financial costs in the income statement. However, changes in value relating to any currency forward contracts are recognised in operating profit.

Changes in fair value for financial assets measured at fair value through other comprehensive income are recognised in the consolidated statement of comprehensive income during the holding period. Upon disposal of the instrument, there is no reclassification of accumulated changes in value to financial revenue or financial costs in the income statement. For the category of financial liabilities measured at fair value through profit or loss, changes in value are recognised as financial items in the income statement. Other financial liabilities are recognised at amortized cost.

For all financial assets and liabilities, the reported value is considered to be a good approximation of its fair value, unless otherwise specified in the following Notes.

Interest income is recognised over the expiry using the effective interest method. All interest income and interest expenses relate to financial assets and financial liabilities that are not recognised at fair value through profit or loss.

#### **Offsetting of financial assets and liabilities**

Financial assets and liabilities are offset and reported at a net amount in the balance sheet when there is a legal right to offset and when there is an intention to settle the items at a net amount or to simultaneously realise the asset and settle the liability.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash and bank balances.

#### **Receivables**

Trade receivables and other operating receivables are valued at amortized cost. However, the expected expiry of trade receivables is short, which is why they are reported at nominal value without discounting. The new model for calculating the allowance for bad debts is based on expected credit losses instead of confirmed losses, which means that credit losses are recognised earlier. However, the effect has been minor as the Group has historically had insignificant customer losses. Impairments of Trade receivables are recognised in operating expenses.

#### **Accounts payable**

Accounts payable are valued at amortized cost. However, the expected expiry of accounts payable is short, which is why the liability is reported at nominal value without discounting.

#### **Bank debts and other loan debts**

Interest-bearing bank loans, overdraft facilities, and other loans are valued at amortized cost using the effective interest method. Any differences between the loan amount received (net after transaction costs) and the repayment or Amortization of loans are recognised as part of the interest over the life of the loan.

#### **INVENTORIES**

Inventories are measured at the lower of acquisition value and net realizable value. The acquisition value, including a reasonable share of fixed and variable indirect costs, is calculated according to the FIFO method (first in, first out). The net realizable value consists of the estimated selling price less estimated costs to complete the goods and selling expenses. Inventory valuation is performed for each individual item. The assessment takes into account inventory size, turnover rate and technological changes. The company's output stocks consist of complete systems and system-ready products.

#### **INTANGIBLE ASSETS**

Intangible assets with a definite useful life are reported at acquisition value less accumulated depreciation and any impairments. Intangible assets without a definite useful life, such as Goodwill, are reported at acquisition value less any impairments.

#### **Goodwill**

Goodwill arising in connection with business acquisitions consists of the amount by which the acquisition value exceeds the fair value of the Group's share of the net assets of the acquired subsidiaries at the time of acquisition. Goodwill attributable to the acquisition of subsidiaries is recognised in the balance sheet as an intangible asset and is considered to have an indefinite useful life. Goodwill is allocated to the smallest possible cash-generating unit and is tested annually, or as soon as there is an indication of impairment, to identify any impairment losses. Goodwill is reported at acquisition value less any accumulated Impairment losses. Gains or losses on the disposal of a unit include the remaining reported value of the goodwill relating to the disposed operations.

#### **Trademarks and Customer Relationships**

When Image Systems acquired Image Systems Nordic and RemaSawco, the acquisition analysis identified the value of Trademarks and Customer relationships. These are amortised on a straight-line basis over their useful lives, which, following analysis, have been estimated at 10 years for Trademarks and 10 years for Customer relationships.

#### **Capitalised development costs**

Expenses for ongoing product improvements are expensed on an ongoing basis, while expenses for specific development projects are capitalised as follows: The Group's development costs are capitalised only for new products if the costs are significant, the products have a probable earnings potential that is deemed to accrue to the company, and the costs are clearly separable from ongoing product development costs. Amortisation is calculated on a straight-line basis over sixty (60) months. Any impairment requirements are evaluated on an ongoing basis.

#### **TANGIBLE FIXED ASSETS**

Tangible fixed assets are reported at acquisition value less accumulated depreciation and any Impairment. Repair and maintenance expenses are expensed on an ongoing basis.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. For equipment, tools, and installations, the depreciation period is between 3 and 7 years.

#### **IMPAIRMENT**

Goodwill and capitalised development costs for which amortisation has not yet commenced are tested annually for impairment, or as soon as there is an indication of impairment. Other assets are tested as soon as there is an indication that the carrying amount may be too high. Impairment is recognised at the recoverable amount if this is lower than the carrying amount. The recoverable amount is the higher of the net realizable value and the value-in-use. When assessing the value-in-use, future cash flows are discounted to present value using a pre-tax discount factor. The discount factor shall reflect market assessments of the time value of money (real interest rate) and the specific risks associated with the asset or cash-generating unit to which the asset can be attributed.

## PROVISIONS

Provisions are reported as legal or informal obligations attributable to the financial year or previous financial years and which, on the balance sheet date, are certain or probable but uncertain in terms of amount or the date on which they will be settled.

## EMPLOYEE BENEFITS

Employee benefits such as salaries and pensions are recognised as an expense during the period in which the employees performed the services to which the benefits relate. The Group's plans for post-employment compensation only include defined contribution pension plans, which are fulfilled through ongoing payments to independent legal entities. Once the contribution has been paid, the company has no further obligations.

## INCENTIVE PROGRAMME

The 2023 Annual General Meeting has decided on a warrant programme for key personnel within the Group. Image Systems AB has sold the warrants at market value to senior executives in the Group. The valuation has been performed by an external party and is therefore not reported in accordance with IFRS 2.

## CASH FLOW ANALYSIS

The cash flow statement has been prepared using the indirect method, whereby adjustments have been made for transactions that did not result in cash receipts or payments during the period. Cash and bank balances are classified as Cash and cash equivalents.

## LEASING

Leasing agreements are reported as Right-of-use assets and interest-bearing lease liabilities in the balance sheet. Lease liabilities are reported as other loans and valued at the present value of future lease fees. Lease payments are discounted using an interest rate that reflects what the Image Systems Group would need to pay for financing through loans to acquire the corresponding asset, with corresponding collateral and corresponding period. Right-of-use assets are presented as tangible fixed assets and measured at acquisition value less accumulated depreciation and any impairment losses. Depreciation of the asset is reported on a straight-line basis over the contract period. The leasing cost is reported as depreciation of the asset in Operating profit and interest expenses in Net financial items. Payments are divided between interest paid and amortisation of the Lease liabilities.

Existing leases are primarily agreements relating to properties (such as offices and warehouses) and company cars. For leases of properties and company cars, service components normally constitute a significant part of the contracts, whereby the leased asset and the service are separated. The service components are therefore reported as operating expenses and are not included in the right-of-use asset and Lease liabilities. If the lease agreement is of low value or has a lease term of less than twelve months, the lease payments are reported as operating expenses when they arise.

## FOREIGN CURRENCY

Transactions in foreign currencies are translated into Swedish kronor at the exchange rate on the transaction date. Receivables and Liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange rate differences on operating receivables and operating Liabilities are included in Operating profit, while differences on financial receivables and Liabilities are reported under financial items.

## EMISSION COSTS

Transaction costs directly attributable to the issue of new shares, convertibles or options are recognised, net of tax, in Equity as a deduction from the issue proceeds.

## TAXES

Income taxes consist of current taxes and deferred taxes. Income taxes are recognised in profit or loss except when the underlying transaction is recognised in Other comprehensive income or Equity, in which case the associated tax effect is recognised in Other comprehensive income or Equity. Current taxes are taxes that are payable or receivable for the current year and adjustments to current taxes for previous years. Deferred taxes are calculated using the balance sheet method on all significant temporary differences. A temporary difference exists when the carrying amount of an asset or liability differs from its tax base. Such a difference may arise, for example, when an asset is written up or subjected to impairment, or when the Accounting policies applied differ between the accounts of individual Group companies and the consolidated accounts. Deferred tax liabilities are recognised in principle for all taxable temporary differences, while deferred tax assets are recognised to the extent that it is probable that the amounts can be utilised against future taxable surpluses.

Tax loss carryforwards that are expected to be used for future offsets are available in the Swedish Parent Company and in the subsidiaries in Sweden. For further information, see Note 12. Loss carryforwards in Sweden currently have no time limit, but if changes in ownership occur that result in changes in the controlling influence over the Company, this may lead to restrictions on the right of disposal.

The reported value of deferred tax assets, SEK 19.1 (19.1) million, is reviewed at each year-end and reduced to the extent that it is no longer probable that sufficient taxable losses will be available to utilise all or part of the deferred tax asset. The company is expected to be taxable in the coming years. Deferred tax is calculated according to the tax rates expected to apply for the period when the asset is recovered or the liability is settled. Deferred tax assets and liabilities are offset when they relate to income tax charged by the same tax authority and when the Group intends to settle the tax on a net basis. The deferred tax liability reported relates to temporary differences relating to customer relationships.

## PARENT COMPANY ACCOUNTING POLICIES

The Parent Company has prepared its Annual Report in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The opinions issued by the Swedish Financial Reporting Board for listed companies are also applied. RFR 2 means that the Parent Company must apply all EU-approved IFRS and interpretations from IFRIC in the Annual Report for the legal entity as far as possible within the framework of the Swedish Annual Accounts Act and the Security Act, taking into account the connection between accounting and taxation. The recommendation specifies which exceptions and additions shall be made compared with IFRS. The differences between the Group's and the Parent Company's accounting policies are set out below. The specified accounting policies for the Parent Company are applied consistently to all periods presented in the Parent Company's financial reports.

### Shares in subsidiaries

Shares in subsidiaries are reported according to the acquisition value method, and the value of subsidiaries is reviewed when there are indications of a decline in value.

### Acquisition-related costs for subsidiaries

Acquisition-related costs for subsidiaries, which are expensed in the consolidated accounts, are included as part of the acquisition value for shares in subsidiaries.

### Group contributions

Group contributions are reported as appropriations in accordance with the alternative rule.

**Lease agreement**

All leases are accounted for in the Parent Company in accordance with the rules for operating leases.

## NOTE 3 RISKS

**RISK FACTORS**

Image Systems' operations are affected by a number of external factors whose potentially negative effects on the Group's earnings and financial position can be counteracted and mitigated to varying degrees. When assessing Image Systems' future development, it is important to consider these risk factors alongside any opportunities.

**FUTURE CAPITAL REQUIREMENTS**

The Company needs capital to develop the products required to attract the market. If the Company does not generate sufficient surplus, there is no guarantee that it will be possible to raise external capital to develop new products or continue to operate the Company.

**COMPETITORS**

The company operates in highly competitive markets. Both business units have a number of competitors offering high-quality products. It is therefore important to continuously develop new innovative products in order to maintain and consolidate its leading positions in each unit.

**ECONOMIC DEVELOPMENTS**

Fluctuations in economic trends affect the willingness to invest in the products and services offered by Image Systems. This can result in orders not being placed, being withdrawn or postponed. A weakened economy and economic climate therefore have a negative impact on the Group's operations.

**DEPENDENCE ON QUALIFIED STAFF AND KEY PERSONS**

Image Systems' goal is to create a working environment where employees develop and feel committed. The company strives to offer competitive terms and conditions and a stimulating working environment for its employees, but there are no guarantees that the company's efforts will be successful. If Image Systems is unable to retain key personnel and other staff who are important to its operations, the company's earnings capacity and profitability may be adversely affected.

**INTELLECTUAL PROPERTY RIGHTS**

The Group strives to protect its intellectual assets through patents and confidentiality agreements, among other measures. If Image Systems' measures to protect its intellectual assets are insufficient or if they are misused, this could have a negative impact on the company's operations and results. Image Systems may also be forced to initiate legal proceedings to protect its intellectual assets and trade secrets. Such proceedings may result in significant costs and take up time for senior executives within the Group.

**PRODUCT DEPENDENCY AND PRODUCT DEVELOPMENT**

Image Systems is dependent on subcontractors for the manufacture of certain products. At present, conditions are in place for stable deliveries from Image Systems' subcontractors. However, if subcontractors and other parties on which Image Systems is dependent for the delivery of products are unable to deliver on time or with the required quality and volume, this could have a negative impact on the Group's operations and results.

**TECHNICAL DEVELOPMENT AND CHANGE**

The markets in which Image Systems operates are greatly affected by rapid technological developments in the IT field. Delays in development work or an inability to keep pace with technological developments can lead to reduced or lost competitiveness. Overall, it is therefore very important that development projects can be carried out within established time and cost frames in order for Image Systems to maintain and develop its position in these markets.

**Financial risks**

Through its operations, Image Systems is exposed to various types of financial risks, such as market, financing, liquidity and credit risks. Market risks mainly consist of interest rate risk and currency risk. The company's Board of Directors is ultimately responsible for the exposure, management and monitoring of Image Systems' financial risks.

**FINANCIAL RISK**

Financing risk refers to the risk that the cost will be higher when raising new loans and that refinancing of mature loans will be difficult or impossible. As of December 31, 2025, the Group's interest-bearing liabilities amounted to SEK 0.0 (3.1) MSEK, excluding Lease liabilities of SEK 11.8 (16.4) MSEK. The total unutilised credit facility amounted to SEK 17.9 (15.5) MSEK.

The company estimates that with its current credit facilities and financing, it will be able to continue operations for the next 12 months.

The Group's policy for managing financing risk is to conduct ongoing twelve-month liquidity simulations and, when necessary, secure liquidity through overdraft facilities, bank loans or other loans.

**CURRENCY RISK**

The Group's accounts are prepared in Swedish kronor. The Group's foreign subsidiaries are not significantly affected by flow exposure, as income and expenses are denominated in local currency. However, the situation is different in Sweden. In these operations, revenues are distributed between Swedish kronor, US dollars, Japanese yen and euros, while expenses are mainly affected by Swedish kronor and euros, which results in flow exposure to the Swedish krona. As a result, the Group has significant Currency exposure, which in the event of unfavourable developments between the dollar, euro and Swedish krona could have a negative impact on earnings and financial position.

Image Systems' currency policy means that the Group's sales can be hedged for up to six months. However, the company has not utilised this option during 2025. In addition to the above Currency exposure, Image Systems is exposed to translation exposure when translating the monetary items in its foreign subsidiaries. This translation exposure is not hedged.

## NOTES

The table below shows the Group's assets and liabilities in foreign currencies translated into Swedish kronor as of the balance sheet date.

	USD	EUR	JPY	NOK	Total
Assets	12.8	5.3	0.3	0.7	19.1
Liabilities	10.1	6.8	0.3	0.5	17.7
Net exposure	2.7	-1.5	0.0	0.2	1.4

A change in relevant exchange rates in relation to the Swedish krona of +/- 5% would, on the balance sheet date, have a profit effect of +/- 0.1 for USD, +/- 0.1 for EUR, +/- 0.0 for JPY and +/- 0.0 for NOK. Overall, this gives a total weighted profit effect of +/- SEK 0.1 million.

### INTEREST RATE RISK

Interest rate risk is the risk of a negative impact on the Consolidated Income Statement and cash flows due to changes in market interest rates. Since the Group has no financial assets or financial liabilities measured at fair value, changes in market interest rates do not have any immediate effect on its Consolidated Income Statement. The Group's credit facilities currently consist of overdraft facilities, the interest rates on which may change due to changes in the general interest rate situation or company-specific events. Given full utilisation of the Group's overdraft facilities and other loan facilities, an interest rate increase of one percentage point would result in increased interest expenses for the Group of approximately SEK 0.2 million per year.

### Credit and counterparty risk

Credit risk is the risk that the counterparty will not be able to fulfil its contractual obligations to the Group, resulting in a financial loss. Image Systems' exposure to credit risk is mainly attributable to trade receivables.

To limit credit risk, the Group only works with counterparties that are deemed capable of fulfilling their obligations to the Group. In cases where the Company considers that a customer poses a counterparty risk, the Company requires advance payments. The markets in which Image Systems operates are not currently considered to pose any political risks. However, the Company always strives to eliminate or minimise potential risks by securing payment flows. As of 31 December 2025, there were no concentrations of credit risk.

The Group's and the Parent Company's maximum exposure to credit risk corresponds to the carrying amounts of all financial assets and is shown in the table below. The carrying amount corresponds to Fair value.

	THE GROUP	
	2025	2024
Trade receivables	16.9	47.7
Receivables from subsidiaries	-	-
Other receivables	0.9	0.9
Prepaid expenses and accrued income	9.0	4.9
Cash and cash equivalents	8.9	12.7
<b>MAXIMUM EXPOSURE TO CREDIT RISK</b>	<b>35.7</b>	<b>66.2</b>

	PARENT COMPANY	
	2025	2024
Trade receivables	-	-
Receivables from Group companies	23.0	24.6
Other receivables	0.1	0.2
Prepaid expenses and accrued income	0.5	0.3
Cash and cash equivalents	0.2	0.2
<b>MAXIMUM EXPOSURE TO CREDIT RISK</b>	<b>23.8</b>	<b>25.3</b>

### TRADE RECEIVABLES

The company's assessment is that the credit quality of trade receivables that are neither past due nor impaired is good, given that customers have a good payment history.

At each balance sheet date, the company assesses whether there are objective indications that a trade receivable needs to be subject to impairment due to events that have occurred. Examples of such events include a significant deterioration in the financial position of the counterparty or non-payment of amounts due.

	THE GROUP	
	25-12-31	24-12-31
Trade receivables	17.6	49.6
Opening accumulated provisions for doubtful debts	-1.9	-1.5
Provisions for doubtful debts for the period	-	-0.4
Provisions reversed during the period	1.2	-
Confirmed customer losses	-0,7	-
Outgoing accumulated provisions for doubtful debts	-0.7	-1.9
<b>TOTAL TRADE RECEIVABLES</b>	<b>16.9</b>	<b>47.7</b>

	PARENT COMPANY	
	25-12-31	24-12-31
Trade receivables	0.0	0.0
Opening accumulated provisions for doubtful debts	0.0	0.0
Provisions for doubtful debts for the period	-	-
Provisions reversed during the period	-	-
Confirmed customer losses	-	-
Outgoing accumulated provisions for doubtful debts	-	-
<b>TOTAL TRADE RECEIVABLES</b>	<b>0.0</b>	<b>0.0</b>

Historically, the Group has had low customer losses. Risk diversification is good across companies and geographical markets. There is no single customer whose impairment requirement amounts to a significant amount. During the year, provisions for bad customer debts were made in the amount of SEK 1.2 (-0.4) million. The assessment is that the provision for bad customer debts adequately covers any future impairment requirements. The provisions for trade receivables relate partly to provisions in accordance with the scale introduced in accordance with IFRS 9 and partly to old trade receivables that are more than two years past due and where the customers' willingness to pay is assessed as low. The Group's customer losses have been, and remain after the transition to the new standard, immaterial.

Each subsidiary applies its own impairment model for trade receivables based on assumptions and historical information and has chosen to apply a simplified impairment model.

#### OVERDUE TRADE RECEIVABLES NOT ASSESSED AS DOUBTFUL

	THE GROUP	
	25-12-31	24-12-31
Overdue:		
1–30 days	4.9	2.5
31–60 days	1.1	1.2
61–90 days	0.1	0.8
91–180 days	0.3	1.1
> 180 days	2.2	3.6
<b>TOTAL</b>	<b>8.6</b>	<b>9.2</b>

	PARENT COMPANY	
	25-12-31	24-12-31
Overdue:		
1–30 days	-	-
31–60 days	-	-
61–90 days	-	-
91–180 days	-	-
> 180 days	-	-
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>

Trade receivables that are more than 90 days past due but not considered bad, amounting to SEK 2.5 (4.7) million, mainly relate to agreed performance guarantees. These are expected to be received after final approval has been granted.

## NOTES

### LIQUIDITY RISK

Liquidity risk refers to the risk that the Group will be negatively affected by inadequate management and control of Cash and cash equivalents and payment flows. Image Systems monitors the Parent Company's and the Group's liquidity by continuously compiling liquidity forecasts, which form the basis for decisions on any borrowing or investment.

The maturity distribution of contractual payment obligations related to the Group's financial liabilities is shown in the table below.

### EXPIRY OF CONTRACTUAL PAYMENT COMMITMENTS RELATED TO GROUP/PARENT COMPANY FINANCIAL LIABILITIES

2025	<1 month	1-3 months	3 months-1 year	1-5 years	>5 years	Total
<b>THE GROUP</b>						
Loan liabilities and loans from credit institutions	-	-	-	-	-	-
Accounts payable	5.9	0.2	-	-	-	6.1
Other liabilities	2.4	0.1	2.0	-	-	4.5
Lease liabilities	0.4	1.3	3.5	6.6	-	11.8
Accruals and deferred income	5.1	2.1	5.0	-	-	12.2
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>13.8</b>	<b>3.7</b>	<b>10.5</b>	<b>6.6</b>	<b>-</b>	<b>34.6</b>

2024	<1 month	1-3 months	3 months-1 year	1-5 years	>5 years	Total
<b>THE GROUP</b>						
Loan liabilities and loans from credit institutions	-	-	3.1	-	-	3.1
Accounts payable	14.3	0.6	-	-	-	14.9
Other liabilities	6.5	0.5	11.8	-	-	18.8
Lease liabilities	0.5	1.5	3.9	10.5	-	16.4
Accruals and deferred income	2.6	3.8	9.4	-	-	15.8
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>23.9</b>	<b>6.4</b>	<b>28.2</b>	<b>10.5</b>	<b>-</b>	<b>69.0</b>

2025 PARENT COMPANY	<1 month	1-3 months	3 months-1 year	1-5 years	>5 years	Total
Loan liabilities and loans from credit institutions	-	-	-	-	-	-
Accounts payable	0.2	-	-	-	-	0.2
Other liabilities	0.3	0.1	-	-	-	0.4
Accruals and deferred income	1.8	0.0	0.1	-	-	1.9
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>2.3</b>	<b>0.1</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>2.5</b>

2024 PARENT COMPANY	<1 month	1-3 months	3 months-1 year	1-5 years	>5 years	Total
Loan liabilities and loans from credit institutions	-	-	-	-	-	-
Accounts payable	0.2	-	-	-	-	0.2
Other liabilities	0.2	0.1	-	-	-	0.3
Accruals and deferred income	0.2	0.8	1.3	-	-	2.3
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>0.6</b>	<b>0.9</b>	<b>1.3</b>	<b>-</b>	<b>-</b>	<b>2.8</b>

## NOTE 4 FINANCIAL TARGETS AND CAPITAL MANAGEMENT

The Board of Directors of Image Systems has set a financial target whereby the company shall ensure that its financial obligations are fulfilled and that expansion proceeds at the pace stipulated in the business plan.

Image System's goal regarding capital structure is to secure the Group's ability to continue its operations and to create long-term value growth for its shareholders and other stakeholders, and to maintain an optimal capital structure in order to keep capital costs down. In order to adjust the capital structure, the Group may issue new shares in order to increase Net debt.

To achieve this, the Board of Directors has set a target for the Group to achieve a long-term EBITDA operating margin of 15 per cent, a level of solidity of no less than 50 per cent and a net debt ratio of less than 1. In 2025, the operating margin target was not achieved, as the EBITDA operating margin was 5.1 (13.4) per cent, the Solidity ratio was 58 (55) per cent and the net debt ratio was 0.0 (0.1).

In the same way as other companies in the industry, the Group assesses capital on the basis of the Debt-to-equity ratio, which is calculated as follows:

Net debt, according to Note 25  
divided by  
Total equity

In 2025, the Group's strategy, which remained unchanged from 2024, was to maintain a Debt-to-equity ratio of between 10% and 25%, as the Group had not yet achieved its long-term EBITDA operating margin of 15% at the beginning of the year. The debt-to-equity ratio excluding Lease liabilities in accordance with IFRS 16 amounted to 2.6 per cent, which was better than the set targets.

The debt-to-equity ratio as at 31 December 2025 and 2024 was as follows:

The Group's main loan facilities are overdraft facilities, secured by chattel mortgages, with no other loan terms attached to these overdraft facilities.

	2025	2024
Net debt	2.9	6.8
Total equity	109.7	124.6
Debt-to-equity ratio, %	2.6	5.5

The Group's main loan facilities are overdraft facilities, secured by chattel mortgages, with no other loan terms attached to these overdraft facilities.

## NOTE 5 BREAKDOWN OF REVENUE

### REVENUE RELATED TO NET SALES IN DIFFERENT MARKETS

THE GROUP	Motion Analysis				RemaSawco				The Group			
	2025		2024		2025		2024		2025		2024	
	MSEK	%	MSEK	%	MSEK	%	MSEK	%	MSEK	%	MSEK	%
North and South America	18.8	54	12.7	33	1.1	1	4.9	1	19.9	12	17.6	9
Europe <sup>1</sup>	11.0	32	11.4	30	132.4	99	141.9	99	143.4	85	153.3	83
Asia including Oceania	5.0	14	14.0	37	0.2	0	-	0	5.2	3	14.0	8
<b>TOTAL</b>	<b>34.8</b>	<b>100</b>	<b>38.1</b>	<b>100</b>	<b>133.7</b>	<b>100</b>	<b>146.8</b>	<b>100</b>	<b>168.5</b>	<b>100</b>	<b>184.9</b>	<b>100</b>

<sup>1</sup> The Group's Parent Company is located in Sweden. The Group's revenue from external customers in Sweden amounted to SEK 106.1 (104.7) million.

## NOTES

### REVENUE FROM AGREEMENTS WITH CUSTOMERS

The Group's net sales consist of the following main types of revenue per Operating segment

	RemaSawco		Motion Analysis		The Group	
	2025	2024	2025	2024	2025	2024
Licences	-	-	0.7	14.8	0.7	14.8
Project income	99.3	111.6	-	-	99.3	111.6
Product sales	8.1	13.4	4.8	4.3	12.9	17.7
Services	26.3	21.8	29.3	19.0	55.6	40.8
<b>TOTAL REVENUE</b>	<b>133.7</b>	<b>146.8</b>	<b>34.8</b>	<b>38.1</b>	<b>168.5</b>	<b>184.9</b>

### DESCRIPTION OF THE GROUP'S REVENUES

Below is a description of the business units' revenues in terms of nature, invoicing, timing of performance commitments and revenue recognition, as well as important payment terms.

#### RemaSawco

##### Project income

Revenue is recognised based on the proportion of the total project that has been transferred to the customer. These projects include both the company's products and project components. In fixed-price projects, the customer pays the agreed price at the agreed payment dates. If the Group's delivery exceeds the payment, a contract asset is reported. If the payments exceed the completed delivery, a contract liability is reported.

##### Product sales

Mainly refers to spare parts and replacement units. Customers are invoiced at the time of delivery and the payment terms are normally 30 days.

##### Services

Mainly refers to service and support, which is provided on a running account basis and reported as the services are performed. Customers are usually invoiced and pay in arrears for services rendered.

#### Motion Analysis

##### Licences

Revenue from perpetual software licences is recognised immediately upon delivery, when the customer obtains control of the software. Customers are invoiced upon signing the agreement/upon delivery, and the payment terms are normally 30 days.

##### Product sales

Mainly refers to measuring equipment such as cameras, optics, and calibration equipment. Customers are invoiced at the time of delivery and the payment terms are normally 30 days.

##### Services

Mainly refers to subscriptions, support and Education. Revenue is either recognised on a current account basis and reported as the services are performed, or as an annual support agreement or subscription agreement that is recognised as revenue on a straight-line basis over the term of the agreement. Customers are usually invoiced and pay in arrears for Education. Support agreements and subscription agreements are normally invoiced annually in advance.

#### Contract assets and contract liabilities

The Group recognises trade receivables when there is an unconditional right to payment for services rendered. Accrued income is reported for fees earned and other compensation for services rendered that have not yet been invoiced on the balance sheet date. Pre-invoiced agreements are reported as prepaid income in the balance sheet. Invoiced fees in fixed-price assignments for services not yet rendered are reported as advances from customers.

##### Accrued income

Of the opening balance of SEK 0.7 million for the year, SEK 0.7 million has been reclassified to trade receivables in 2025. Revenue reported in 2025 includes Accrued income at the end of the year of SEK 0.7 million.

##### Prepaid income

Of the opening balance of SEK 24.8 million for the year, SEK 19.4 million has been recognised as revenue in 2025. Until 31 December 2025, pre-invoiced agreements are included in prepaid revenue, which amounted to SEK 33.5 million at the end of the year.

##### Non-invoiced project revenue

Of the opening balance of SEK 1.8 million for the year, SEK 1.8 million has been recognised as revenue in 2025. Invoiced fees in fixed-price assignments for services not yet performed amount to SEK 0.0 million in the closing balance for the year.

#### Trade receivables and anticipated and expected credit losses

The Group has historically had very low credit loss costs. The provision for bad customer debts amounted to SEK 0.7 (1.9) million on the balance sheet date of 31 December 2025, and mainly relates to anticipated credit losses in respect of customers in the RemaSawco business unit. The expected level of credit losses is very low in relation to outstanding trade receivables and Net sales. The monetary effects of the model for calculating provisions for expected credit losses in accordance with IFRS 9 amount to SEK 0.3 million.

**Contractual expenses**

The Group has not reported any assets due to expenses incurred in obtaining or fulfilling agreements with customers.

**Transaction price allocated to remaining performance obligations**

The table below shows revenue expected to be recognised in the future in respect of unfulfilled or partially unfulfilled performance obligations on the balance sheet date and when revenue recognition is expected to occur.

Within one year of the balance sheet date	41.2
Later than one but within five years after the balance sheet date	27.2
Later than five years after the balance sheet date	1.4
<b>TOTAL</b>	<b>69.8</b>

**Parent Company**

The Parent Company's revenue mainly relates to invoicing for services rendered and re-invoiced Group-wide costs.

## NOTE 6 PURCHASES AND SALES BETWEEN GROUP COMPANIES

The same pricing principles apply to purchases and sales between Group companies as to transactions with external parties.

	PARENT COMPANY	
	2025	2024
Percentage of sales to Group companies	100%	100%
Percentage of purchases from Group companies	0%	0%

## NOTE 7 OPERATING SEGMENTS

The operating segments are based on the information processed by Image Systems' CEO, who is the Image Systems Group's "chief operating decision maker" and who uses this information to monitor operations and make strategic decisions. Key figures such as sales, gross margin and EBITDA are monitored per business unit and in total. The operating segments in Image Systems are the RemaSawco business unit and the Motion Analysis business unit. The segments have their own sales and marketing organizations but share some administrative functions, such as finance and HR. Operating profit before depreciation and amortisation (EBITDA) is the performance measure monitored by company management and includes Capitalized development costs. No single customer accounts for more than 10 per cent of the Group's revenue. There are no sales between the segments, with the exception of charged costs for shared rents and administrative services. All transactions are conducted on market terms. The Group's segments are defined according to the Group's main product groups, which are aimed at completely different customer categories. Customers for all segments are located globally, and the geographical distribution, which is based on the geographic location of the customers, is shown in Note 5. No further breakdown is made in the Group's internal reporting system.

Net sales and capitalized development hours, as well as earnings per segment	2025	2024
RemaSawco	137.8	153.7
Motion Analysis	41.3	46.1
Parent Company and group items	-	-
<b>Total revenue</b>	<b>179.1</b>	<b>199.8</b>
EBITDA (including Capitalized development costs)		
RemaSawco	19.8	28.0
Motion Analysis	-4.0	5.1
Head office costs and Group items	-6.7	-6.3
<b>EBITDA Total (including Capitalized development costs)</b>	<b>9.1</b>	<b>26.8</b>
Depreciation and amortization of intangible and tangible fixed assets	-23.8	-18.0
Operating profit	-14.7	8.8
Net financial items	-0.5	-0.8
Profit before tax	-15.2	8.0
Taxes	0.6	0.6
<b>Profit/loss for the period</b>	<b>-14.6</b>	<b>8.6</b>

## NOTES

The Group's fixed assets that are not financial instruments and tax assets distributed according to their physical location, i.e. to the markets in which the Group conducts its own operations.

<b>THE GROUP</b>	<b>2025</b>	<b>2024</b>
Sweden	86.3	85.9
Finland	36.2	41.0
Norway	0.0	0.1
United States	0.0	0.0
Japan	0.0	-
<b>TOTAL</b>	<b>122.5</b>	<b>127.0</b>

## NOTE 8 SALARIES, OTHER BENEFITS, AND SOCIAL COSTS

	<b>THE GROUP</b>	
	<b>2025</b>	<b>2024</b>
<b>Board of Directors and CEO</b>		
Salaries and other remuneration	2.7	3.3
Social costs on salaries and benefits	1.0	0.9
Pension costs	0.6	0.5
<b>Total</b>	<b>4.3</b>	<b>4.7</b>
<b>Other employees</b>		
Salaries and other remuneration	53.4	52.1
Social costs on salaries and benefits	16.5	16.3
Pension costs	7.5	7.3
Other personnel costs	5.7	1.3
<b>Total</b>	<b>83.1</b>	<b>77.0</b>
<b>TOTAL</b>	<b>87.4</b>	<b>81.7</b>

The Parent Company includes SEK 1.2 million (1.1) relating to costs for Board members, which are reported under Other costs.

	<b>PARENT COMPANY</b>	
	<b>2025</b>	<b>2024</b>
<b>Board of Directors and CEO</b>	<b>2.7</b>	<b>3.3</b>
Salaries and other remuneration	1.0	1.1
Social costs on salaries and benefits		
Pension costs	0.6	0.5
<b>Total</b>	<b>4.3</b>	<b>4.9</b>
<b>Other employees</b>		
Salaries and other remuneration	1.7	0.6
Social costs on salaries and benefits	0.5	0.2
Pension costs	0.4	0.1
Other personnel costs	1.1	0.0
<b>Total</b>	<b>3.7</b>	<b>0.9</b>
<b>TOTAL</b>	<b>8.0</b>	<b>5.8</b>

## REMUNERATION OF SENIOR EXECUTIVES

2025	Basic salary/ Director's fee	Variable remuneration	Benefits	Pension expenses	Other remuneration	Total remuneration
Chairman of the Board Anders Fransson	0.23					0.23
Director Catharina Lagerstam	0.23					0.23
Director Jan Molin	0.15					0.15
Director Matilda Wernhoff	0.15					0.15
Director Jörgen Hermansson	0.15					0.15
CEO Johan Friberg until 13 April 2025	0.47	0.04	0.03	0.23		0.77
CEO Emilien Saindon between 14 April-14 Dec 2025	1.28		0.05	0.36		1.69
CEO Jan Molin from 15 Dec 2025	0.04					0.04
Other senior executives	2.03	0.04	0.08	0.59		2.74
<b>TOTAL</b>	<b>4.74</b>	<b>0.07</b>	<b>0.15</b>	<b>1.19</b>	<b>0.00</b>	<b>6.15</b>

2024	Basic salary/ Director's fee	Variable remuneration	Benefits	Pension expenses	Other remuneration	Total remuneration
Chairman of the Board Anders Fransson	0.21					0.21
Director Catharina Lagerstam	0.20					0.20
Director Annika Ölme	0.05					0.05
Director Jan Molin	0.14					0.14
Director Matilda Wernhoff	0.14					0.14
Director Jörgen Hermansson	0.14					0.14
CEO Johan Friberg	1.60	0.80	0.10	0.50		3.00
Other senior executives	2.60	0.90	0.10	0.80		4.40
<b>TOTAL</b>	<b>5.06</b>	<b>1.70</b>	<b>0.20</b>	<b>1.30</b>	<b>0.00</b>	<b>8.26</b>

**Comments on tables**

Other senior executives refer to the persons who, together with the Chief Executive Officer, constitute the Group Management. For further information on pensions, see below.

**Principles**

Remuneration to the Board of Directors is decided by the general meeting. Remuneration is paid to the Chairman of the Audit and Remuneration Committee in accordance with the decision of the general meeting. The entire Board of Directors constitutes the Remuneration Committee. Remuneration to the CEO consists of a basic salary, variable salary (bonus) and pension. Remuneration of senior executives consists of a base salary, variable salary (bonus) and pension. Variable remuneration to the CEO for the 2025 financial year amounted to SEK 0.0 (0.8) million. Variable remuneration to other senior executives amounted to SEK 0.0 (0.9) million.

**Fees and other remuneration**

In accordance with the general meeting's decision on remuneration to the Board of Directors, SEK 1.2 (1.1) million was expensed in 2025, of which SEK 0.2 (0.2) million was paid to the Chairman of the Board of Directors. For the CEO, salary and other remuneration amounting to SEK 1.9 million and pension contributions of SEK 0.6 million were expensed in 2025. For other senior executives, there are premium-based pensions within the framework of the general pension plan.

**Pensions**

Pension costs refer to the cost that has affected the Profit for the year. All pension commitments in the Group are defined contribution plans. The Swedish company has no agreement with Alecta. The pension agreement for senior executives stipulates that the premium shall amount to 15–30 per cent of the pensionable salary. The retirement age for all senior executives is 65.

**Warrants**

At the 2023 Annual General Meeting, an incentive program was approved consisting of 2.020.000 warrants with an expiry date of 31 August 2026 and an exercise price of SEK 2.835. Upon full utilisation, the company's share capital will increase by SEK 52.520.00 and equity by SEK 5.7 million. The exercise period will take place in August 2026.

**Severance pay**

All senior executives are deprived of the right to severance pay.

## NOTES

	2025	2024
<b>MEMBERS OF THE BOARD OF DIRECTORS</b>		
Men	3	3
Women	2	2
<b>Total</b>	<b>5</b>	<b>5</b>
<b>MANAGEMENT TEAM (INCLUDING CEO)</b>		
Men	3	3
Women	1	1
<b>Total</b>	<b>4</b>	<b>4</b>
	<b>2025</b>	<b>2024</b>
<b>EMPLOYEE DISTRIBUTION</b>		
<b>PARENT COMPANY</b>		
Men	2	1
Women	1	1
<b>Total</b>	<b>3</b>	<b>2</b>
<b>Group companies</b>	<b>74</b>	<b>73</b>
<b>Group total</b>	<b>77</b>	<b>75</b>
<b>Of which in</b>		
<b>SWEDEN</b>		
Men	62	58
Women	8	9
<b>Total</b>	<b>70</b>	<b>67</b>
<b>FINLAND</b>		
Men	1	5
Women	1	1
<b>Total</b>	<b>2</b>	<b>6</b>
<b>NORWAY</b>		
Men	2	2
Women	-	-
<b>Total</b>	<b>2</b>	<b>2</b>
<b>United States</b>		
Men	2	
Women	-	
<b>Total</b>	<b>2</b>	
<b>JAPAN</b>		
Men	1	
Women	-	
<b>Total</b>	<b>1</b>	
<b>GROUP TOTAL</b>	<b>77</b>	<b>75</b>
Men	68	65
Women	9	10
<b>TOTAL</b>	<b>77</b>	<b>75</b>

## NOTE 9 AUDITORS' REMUNERATION

Audit assignments refer to the auditors' remuneration for the statutory audit. The work includes the review of the Annual Report and accounting, the administration of the Board of Directors and the Chief Executive Officer, as well as fees for audit advice provided in connection with the audit assignment. Audit activities other than the audit assignment refer to a review of the quarterly report and other quality assurance services.

	THE GROUP	
	2025	2024
Öhrlings PricewaterhouseCoopers *		
Audit assignment	0.9	0.9
Audit activities other than the audit assignment	-	-
Tax advice	-	-
Other assignments	-	-
<b>OTHER AUDITORS</b>		
Audit assignment	0.1	0.1
Audit activities other than the audit assignment	-	-
Tax advice	-	-
<b>TOTAL</b>	<b>1.0</b>	<b>1.0</b>

	PARENT COMPANY	
	2025	2024
Öhrlings PricewaterhouseCoopers *		
Audit assignment	0.9	0.9
Audit activities other than the audit assignment	-	-
Tax advice	-	-
Other assignments	-	-
Other auditors		
Audit assignment	0.0	0.0
Audit activities other than the audit assignment	-	-
Tax advice	-	-
<b>TOTAL</b>	<b>0.9</b>	<b>0.9</b>

\*Starting with the 2017 financial year, information is provided on the proportion of the Group's total remuneration to auditors that relates to the audit firm elected by the Annual General Meeting in Sweden. For 2025, SEK 0.9 (0.9) million was paid to Öhrlings PricewaterhouseCoopers AB in Sweden.

## NOTE 10 OTHER OPERATING INCOME AND OPERATING COSTS

	THE GROUP	
	2025	2024
<b>Other operating income</b>		
Exchange differences	-	-
<b>Total</b>	-	-
<b>Other operating costs</b>		
Customer losses		-
<b>Exchange differences</b>	-0.6	-0.3
<b>TOTAL</b>	-0.6	-0.3

	PARENT COMPANY	
	2025	2024
Other operating income		
Exchange differences	-	-
<b>Total</b>	-	-
Other operating costs		
Customer losses	-	-
Exchange differences	-	-
<b>TOTAL</b>	-	-

## NOTE 11 GROUP CONTRIBUTIONS

The Parent Company has received Group contributions from RemaSawco AB of SEK 5.5 million (10.0) and from Image Systems Nordic AB of SEK 0.0 (5.0).

## NOTE 12 TAXES

RECOGNIZED IN THE INCOME STATEMENT

(MKR)	THE GROUP	
	2025	2024
Current taxes	-	-
Deferred tax	0.6	0.6
<b>TOTAL TAX ON PROFIT FOR THE YEAR</b>	<b>0.6</b>	<b>0.6</b>

(MKR)	PARENT COMPANY	
	2025	2024
Current taxes	-	-
Deferred tax	-	-
<b>TOTAL TAX ON PROFIT FOR THE YEAR</b>	<b>-</b>	<b>-</b>

## RECONCILIATION OF EFFECTIVE TAXES

	THE GROUP	
	2025	2024
Reported profit before tax	-15.2	8.0
Tax at the applicable tax rate of 20.6%	3.1	-1.6
Recognized tax on profit for the year	0.6	0.6
Difference	-2.5	2.2
<b>The difference is explained by:</b>		
Tax effect of non-deductible items	-0.9	-0.7
Tax effect of non-taxable income	0.1	0.1
Effect of difference in foreign tax rates	-	-
Increase in tax loss carryforwards without corresponding capitalisation of losses		
During the year, previous years' tax loss carryforwards that had not been capitalised were utilised.	-1.7	2.8
Activation of tax loss carryforwards	-	-
<b>TOTAL</b>	<b>-2.5</b>	<b>2.2</b>

	PARENT COMPANY	
	2025	2024
Reported profit before tax	-1.2	8.7
Tax at the applicable tax rate of 20.6%	0.2	-1.8
Recognized tax on profit for the year	0.0	0.0
Difference	-0.2	1.8
<b>The difference is explained by:</b>		
Tax effect of non-deductible items	0.0	0.0
Tax effect of non-taxable income		-
Effect of difference in foreign tax rates		-
Increase in tax loss carryforwards without corresponding capitalisation of losses		-
During the year, previous years' tax loss carryforwards that had not been capitalised were utilised.	-0.2	1.8
Activation of tax loss carryforwards	-	-
<b>TOTAL</b>	<b>-0.2</b>	<b>1.8</b>

## DEFERRED TAX ASSET

	THE GROUP	
	2025	2024
Opening acquisition value	19.1	19.1
Acquisitions in the year	-	-
Reclassifications	-	-
Utilisation for the year	-	-
<b>CLOSING CARRYING AMOUNT</b>	<b>19.1</b>	<b>19.1</b>

	PARENT COMPANY	
	2025	2024
Opening acquisition value	12.0	12.0
Acquisitions in the year	-	-
Reclassifications	-	-
Utilisation for the year	-	-
<b>CLOSING CARRYING AMOUNT</b>	<b>12.0</b>	<b>12.0</b>

## NOTES

The Group's tax loss carryforwards amount to approximately SEK 239 (228) million, of which SEK 239 (228) million can be utilised without any time limit. Deferred tax assets relating to unused tax loss carryforwards are recognised when the company considers it probable that taxable profits will be available within the foreseeable future (IAS 12). In 2025, tax loss carryforwards of SEK 93 million are expected to be utilised over the next five years, corresponding to a Deferred tax asset of SEK 19.1 million. The Deferred tax asset consists mainly of loss carryforwards.

The Parent Company's tax loss carryforwards of SEK 191 (190) million may be affected by significant changes in ownership. Image Systems AB has reported a deferred tax asset of SEK 12.0 (12.0) million.

### DEFERRED TAX LIABILITIES

	THE GROUP	
	2025	2024
Opening acquisition value	4.9	5.5
Acquisitions in the year	-	-
Utilisation for the year	-0.6	-0.6
<b>CLOSING CARRYING AMOUNT</b>	<b>4.3</b>	<b>4.9</b>

The Group's deferred tax liabilities arise from the acquisition of RemaSawco OY and will be resolved on a straight-line basis over 10 years.

## NOTE 13 INTANGIBLE FIXED ASSETS

### SIGNIFICANT JUDGEMENTS AND ESTIMATES FOR ACCOUNTING PURPOSES

Image Systems' most important Accounting policies are mainly described in Note 2 Accounting Policies. The preparation of Image Systems AB's consolidated financial statements requires a number of estimates and assumptions to be made that may affect the value of reported Assets, Liabilities and Provisions at the date of the financial statements. In order to prepare the financial statements, the Image Systems Group has made the best possible assessment of a number of amounts in the financial statements, taking into account their relevance and significance. As future results are unknown today, these assessments may result in actual outcomes not corresponding to previous estimates. In accordance with IAS 1, the company must disclose specifically which accounting policies may be affected by estimates and assumptions and which, if the outcome data does not correspond to the estimates made, may have a significant impact on the financial statements. The sources of uncertainty identified by the Image Systems Group that are considered to meet these criteria are described in Note 14 Goodwill, Note 15 Trademarks and Note 16 Customer relationships for impairment testing of intangible fixed assets.

### SOURCES OF UNCERTAINTY IN ESTIMATES

Intangible fixed assets, except for Goodwill, shall be amortised over their estimated useful life. The estimated useful life is based on an estimate of the period during which the asset will generate income. If, at the balance sheet date, there is an indication that an intangible fixed asset has decreased in value, the asset's recoverable amount is calculated. The recoverable amount is the higher of the asset's net selling price and its value in use, which is based on management's estimate of future cash flows. If the estimated recoverable amount is less than the carrying amount, an impairment loss is recognised to the recoverable amount of the asset. To determine the recoverable amount in use, estimated future cash flows are used, which are based on internal business plans and forecasts. Even if management considers the estimated future cash flows to be reasonable, other assumptions regarding cash flows can significantly affect the valuations made.

The impairment requirement for Goodwill with an indefinite useful life is tested annually, or more frequently if necessary, by calculating its value. These calculations require management to determine the Fair value of the Group's cash-generating units based on projected cash flows and internal business plans and forecasts. Surplus value varies between the different operations and is therefore sensitive to varying degrees to changes in assumptions and external factors. See also Note 14.

Intangible assets consist of acquired Goodwill, acquired customer relationships and Trademarks relating to the acquisition of RemaSawco, acquired customer relationships and Trademarks relating to the acquisition of Image Systems Nordic, and acquired Goodwill and acquired customer relationships relating to RemaSawco OY. For a further description and explanation of the assessment of the useful life, see Notes 14, 15 and 16.

## NOTE 14 GOODWILL

Goodwill is reported as an intangible fixed asset with an indefinite useful life. For non-depreciable assets such as Goodwill, an annual impairment test is performed, in addition to when there is an indication of impairment, by calculating the asset's recoverable amount. If the calculated recoverable amount is less than the carrying amount, an impairment loss is recognised to the recoverable amount of the asset.

The recoverable amount for a cash-generating unit has been determined based on the estimated value-in-use. The most significant assumptions in the value-in-use calculations relate to growth rate, profit margin, investment needs, changes in working capital requirements and discount rate. Image Systems calculates future cash flows based on the most recent business plan approved by management for the cash-generating segments RemaSawco and Motion Analysis.

Company management has assessed future cash flows based on previous results, achieved growth and expectations of future Market development. During the period 2026–2028, cash-generating units are expected to show positive growth compared with 2025. Sales during the forecast period are expected to grow by fifteen (15) per cent per year, and the margin improvement is expected to increase by ten (10) percentage points over the period. Cash flows beyond the forecast period are extrapolated using an estimated growth rate of two (2) per cent. The growth rate beyond the three-year period is not expected to exceed the long-term growth rate for the industry in which the company operates. The discount rates used are stated before tax and reflect the prevailing interest rate (risk-free interest rate) and other specific risks deemed to apply to the cash-generating operations. The discount rate (WACC) before tax in the company's calculation amounts to 12.5 (12.5) per cent for RemaSawco.

The Image Systems Group has also assessed whether an increase in the discount rate would result in impairment. For RemaSawco, an increase in the discount rate of 5 percentage points would not result in any impairment. The carrying amount of Goodwill in the respective cash-generating units Motion Analysis and RemaSawco is SEK 0 million and SEK 36.1 million, respectively.

	THE GROUP	
	2025	2024
Opening acquisition value	36.1	36.1
Acquisitions in the year	-	-
<b>CLOSING ACCUMULATED ACQUISITION VALUE</b>	<b>36.1</b>	<b>36.1</b>

RemaControl and Sawco were acquired in 2012. At the time of acquisition, goodwill was determined to be SEK 10.5 million. In 2018, Limab Oy (re-named RemaSawco OY) was acquired. The goodwill amount for RemaSawco Oy was adjusted in spring 2019 and determined to be SEK 25.6 million, and is therefore not affected by currency effects.

## NOTE 15 TRADEMARKS

	THE GROUP	
	2025	2024
Opening acquisition value	19.5	19.5
Closing accumulated acquisition value	19.5	19.5
Opening depreciation and amortization and impairment losses	-19.5	-19.5
Depreciation for the year according to plan	-	-
<b>Closing accumulated depreciation/amortization</b>	<b>19.5</b>	<b>19.5</b>
<b>CLOSING CARRYING AMOUNT</b>	<b>0.0</b>	<b>0.0</b>

Upon the acquisition of RemaSawco, trademarks valued at SEK 10.0 million were identified. RemaSawco is a well-established and well-known brand in the Nordic sawmill industry. The useful life was set at 15 years at the time of acquisition. In 2014, a new analysis was conducted regarding the useful life, which was then changed to 10 years, meaning that the Trademarks were fully written off at the end of 2022.

## NOTE 16 CUSTOMER RELATIONSHIPS

	THE GROUP	
	2025	2024
Opening acquisition value	84.5	84.5
Acquisitions in the year	-	-
Closing accumulated acquisition value	84.5	84.5
Opening depreciation and amortization and impairment losses	-69.5	-65.2
Depreciation for the year according to plan	-4.4	-4.3
<b>Closing accumulated depreciation/amortization</b>	<b>-73.9</b>	<b>-69.5</b>
<b>CLOSING CARRYING AMOUNT</b>	<b>10.6</b>	<b>15.0</b>

Customer relationships refer partly to customer relationships within the Motion Analysis business unit, which were acquired in connection with the acquisition of Image Systems Nordic, amounting to SEK 9.1 million, and partly to customer relationships within the RemaSawco business unit, which were acquired in March 2012, amounting to SEK 29.9 million.

The useful life for the above customer relationships has been set at 10 years, which means that customer relationships will be fully amortised by the end of 2022.

On 1 June 2018, customer relationships worth SEK 43.7 million were added through Acquisitions in the year. The amortisation period has been set at 10 years, which means that customer relationships will be amortised at an amount of SEK 4.4 million per year until 2028.

## NOTE 17 CAPITALIZED DEVELOPMENT COSTS

	THE GROUP	
	2025	2024
Opening acquisition value	86.1	62.2
Acquisitions in the year	-	-
Acquisitions in the year	16.4	23.9
Disposals	-	-
Recalculation difference	-	-
<b>Closing accumulated acquisition value</b>	<b>102.5</b>	<b>86.1</b>
Opening depreciation and amortization and impairment losses	-29.9	-23.6
Depreciation for the year according to plan	-12.1	-6.3
<b>Closing accumulated depreciation/amortization</b>	<b>-42.0</b>	<b>-29.9</b>
<b>CLOSING CARRYING AMOUNT</b>	<b>60.5</b>	<b>56.2</b>

Expenses for specific development projects are capitalised as follows: Capitalisation of the Group's development expenses only occurs for new products if the expenses constitute significant amounts, the products have a probable earnings potential that is deemed to accrue to the company, and the expenses are clearly separable from ongoing product development costs. Depreciation is calculated on a straight-line basis based on the estimated useful life. Any impairment requirements are evaluated on an ongoing basis.

Capitalized development costs relate to thirty development projects in RemaSawco (of which seven projects were actively developed and twenty projects were written off). A further three projects within the RemaSawco business unit have already been fully written off. Capitalised development costs relate to six development projects in Image Systems Nordic AB (of which three projects were actively developed and three projects were written off). One additional project within Image Systems has been fully written off previously.

## NOTE 18 EQUIPMENT, TOOLS, AND INSTALLATIONS

	THE GROUP	
	2025	2024
<b>Equipment, tools, and installations</b>		
Opening acquisition value	11.8	10.1
Acquisitions in the year	-	-
Purchases of the year	1.4	1.7
Disposals	-	-
Recalculation difference	-	0.0
<b>Closing accumulated acquisition value</b>	<b>13.2</b>	<b>11.8</b>
Opening depreciation/amortization	-9.5	-9.0
Disposals	-	-
Depreciation/amortization for the year	-0.9	-0.5
Recalculation difference	-	-
<b>Closing accumulated depreciation/amortization</b>	<b>-10.4</b>	<b>-9.5</b>
<b>Closing carrying amount</b>	<b>2.8</b>	<b>2.3</b>

## NOTE 19 LEASING

### INFORMATION ABOUT LEASING

<b>Leasing</b>	<b>THE GROUP</b>	
	<b>2025</b>	<b>2024</b>
Opening acquisition value	35.5	23.6
Revaluation	0.4	3.6
Purchases	1.8	10.7
Disposals	-9.5	-2.4
<b>Closing accumulated acquisition value</b>	<b>28.2</b>	<b>35.5</b>
Opening depreciation/amortization	-18.1	-13.6
Disposals	8.8	2.3
Depreciation/amortization for the year	-6.4	-6.8
Reclassifications	-	-
<b>Closing accumulated depreciation/amortization</b>	<b>-15.7</b>	<b>-18.1</b>
<b>CLOSING CARRYING AMOUNT</b>	<b>12.5</b>	<b>17.4</b>

	<b>31 Dec 2025</b>	<b>31 Dec 2024</b>
<b>Right-of-use assets</b>		
Real estate	9.3	14.4
Motor vehicles	3.2	3.0
<b>TOTAL</b>	<b>12.5</b>	<b>17.4</b>

	<b>31 Dec 2025</b>	<b>31 Dec 2024</b>
<b>Lease liabilities</b>		
Non-current lease liabilities	6.6	10.5
Current lease liabilities	5.2	5.9
<b>TOTAL</b>	<b>11.8</b>	<b>16.4</b>

	<b>31 Dec 2025</b>	<b>31 Dec 2024</b>
<b>Depreciation/amortization for the year by type of right-of-use asset</b>		
Real estate	5.2	5.6
Motor vehicles	1.2	1.2
<b>TOTAL</b>	<b>6.4</b>	<b>6.8</b>

	<b>31 Dec 2025</b>	<b>31 Dec 2024</b>
<b>Maturity dates for future payments included in Lease liabilities as of 31 December 2025</b>		
Paid within one year	5.2	5.2
Paid within one to five years	6.6	11.2
Paid later than five years	0.0	0.0
<b>TOTAL FUTURE LEASE PAYMENTS</b>	<b>11.8</b>	<b>16.4</b>

Maturity analysis for lease liabilities is reported in Note 3. Contracted future lease fees are shown below, indicating the periods during which they fall due for payment.

## NOTES

### OTHER INFORMATION

	31 Dec 2025	31 Dec 2024
Interest on leasing commitments is included in Net financial items for the full year 2025 with	0.5	0.5
Payments for rental contracts and leases will impact cash flow for 2025 with	7.0	5.5
Investments in rights of use in 2025	1.8	10.7
Contracted future investments in rights of use as of 31 December 2025 that have not yet been reported amount to	0.0	0.0

The Group has no outstanding short-term leases and has no low-value leased assets.

The reporting of Leasing costs in the form of depreciation of right-of-use assets and interest expenses has reduced operating profit for 2025 by approximately SEK 0.5 (0.6) million compared with the reporting according to previously applicable principles. Operating profit before depreciation and amortisation (EBITDA) has improved by SEK 7.0 (6.7) million.

During the year, the Group paid SEK 7.0 (7.1) million in leasing fees in accordance with current agreements. Of the Group's costs for leasing agreements, 80 (81) per cent relates to rental contracts for premises, with the Other portion relating to leased cars. There are no agreements with variable fees.

During the year, the Parent Company paid SEK 0.1 (0.1) million in leasing fees.

Maturity analysis for lease liabilities is presented in Note 3.

## NOTE 20 SHARES IN SUBSIDIARIES

	PARENT COMPANY	
	2025	2024
Opening acquisition value	82.8	82.8
Acquisitions in the year (shareholder contribution and Impairment)	-	-
<b>OUTGOING ACQUISITION VALUE</b>	<b>82,8</b>	<b>82,8</b>

### THE GROUP COMPRISES THE FOLLOWING SUBSIDIARIES

Subsidiaries	Capital share	Voting rights share	Number of shares	Carrying amount	
				2025	2024
Image Systems Nordic Limited	100%	100%	541 125	10.0	10.0
RemaSawco Ltd	100%	100%	1 000	46.1	46.1
RemaSawco Ltd	100%	100%	1 000	26.7	26.7
<b>TOTAL CARRYING AMOUNT</b>				<b>82.8</b>	<b>82.8</b>

### INFORMATION ABOUT THE REGISTERED OFFICES OF SUBSIDIARIES

Company	Registration number	Headquarters
Image Systems Nordic Limited	556550-5400	Linköping
RemaSawco Ltd	556241-9365	Linköping
RemaSawco Ltd	0882861-1	Helsinki, Finland
<b>Other Group companies</b>		
Image Systems Trackeye Inc,	4521078	Delaware, United States
Image Systems Japan K.K.	0104 - 01 - 189192	Tokyo, Japan
RemaSawco International AB, dormant	556731-1948	Linköping
RemaSawco AS	985272808	Konsvinger, Norway

## NOTE 21 INVENTORIES

	THE GROUP	
	2025	2024
Output stocks	12.2	13.6
<b>TOTAL</b>	<b>12.2</b>	<b>13.6</b>

## NOTE 22 OTHER CURRENT RECEIVABLES

	THE GROUP	
	2025	2024
Non-invoiced project revenue	-	0.2
Tax asset	0.8	0.4
Vendor note	-	-
Other	0.1	0.3
<b>TOTAL</b>	<b>0.9</b>	<b>0.9</b>

	PARENT COMPANY	
	2025	2024
Non-invoiced project revenue	-	-
Tax asset	0.1	0.2
Vendor note	-	-
Other	0.0	0.0
<b>TOTAL</b>	<b>0.1</b>	<b>0.2</b>

## NOTE 23 PREPAID EXPENSES AND ACCRUED INCOME

	THE GROUP	
	2025	2024
Prepaid rents	0.2	0.1
Prepaid leasing fees	0.5	0.1
Prepaid insurance premiums	0.5	0.6
Other prepaid items	7.1	3.0
Accrued income	0.7	1.1
<b>TOTAL</b>	<b>9.0</b>	<b>4.9</b>

	PARENT COMPANY	
	2025	2024
Prepaid rents	-	-
Prepaid leasing fees	0.0	0.0
Prepaid insurance premiums	0.3	0.2
Other prepaid items	0.2	0.1
Accrued income	-	-
<b>TOTAL</b>	<b>0.5</b>	<b>0.3</b>

## NOTE 24 LOANS FROM CREDIT INSTITUTIONS

	THE GROUP	
	2025	2024
Long-term loans from credit institutions	-	-
Short-term loans from credit institutions	-	3.1
<b>TOTAL</b>	<b>-</b>	<b>3.1</b>

	PARENT COMPANY	
	2025	2024
Long-term loans from credit institutions	-	-
Short-term loans from credit institutions	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

Loans from credit institutions consist partly of an overdraft facility utilised in the amount of SEK 0.0 (3.1) million. Chattel mortgages have been provided as collateral for the loans. There are no additional covenants. The undrawn part of the credit facility amounted to SEK 17.9 (15.5) million.

## NOTE 25 RECONCILIATION OF NET DEBT

The net debt and changes in net debt for the periods presented are analysed below.

	THE GROUP	
	2025	2024
Cash and cash equivalents	8.9	12.7
Loan liabilities (including overdraft facilities)	0.0	3.1
Lease liabilities	11.8	16.4
<b>Net debt</b>	<b>2.9</b>	<b>6.8</b>
Cash and cash equivalents	8.9	12.7
Gross debt with fixed interest rate	11.8	16.4
Gross debt with variable interest rate	0.0	3.1
<b>Net debt</b>	<b>2.9</b>	<b>6.8</b>

## NOTE 26 FINANCIAL INSTRUMENTS

### FAIR VALUE

The carrying amount of short-term receivables corresponds to their fair value. The fair value of receivables with variable interest rates corresponds to their carrying amount. Most of the interest-bearing liabilities have variable interest rates, which is why the fair value on the balance sheet date corresponds to their fair value. The Group has not used any derivative instruments for either assets or liabilities. Nor does the Group have any assets classified as available for sale.

### ASSETS IN THE BALANCE SHEET CLASSIFIED AS LOANS AND TRADE RECEIVABLES

	THE GROUP	
	2025	2024
Trade receivables and other receivables	16.9	47.7
Cash and cash equivalents	8.9	12.7
<b>TOTAL</b>	<b>25.8</b>	<b>60.4</b>

	PARENT COMPANY	
	2025	2024
Trade receivables and other receivables	23.0	24.6
Cash and cash equivalents	0.2	0.2
<b>TOTAL</b>	<b>23.2</b>	<b>24.8</b>

#### LIABILITIES IN THE BALANCE SHEET CLASSIFIED AS OTHER FINANCIAL LIABILITIES AT AMORTISED COST ACQUISITION VALUE

	THE GROUP	
	2025	2024
Liabilities to credit institutions	0.0	3.1
Accounts payable	6.1	14.9
Lease liabilities	11.8	16.4
<b>TOTAL</b>	<b>17.9</b>	<b>34.4</b>

	PARENT COMPANY	
	2025	2024
Liabilities to credit institutions	-	-
Accounts payable	0.2	0.2
Lease liabilities	-	-
<b>TOTAL</b>	<b>0.2</b>	<b>0.2</b>

## NOTE 27 TRANSACTIONS WITH RELATED PARTIES

Remuneration and terms and conditions in employment contracts for senior executives and individual Board members are disclosed in Note 8. The company has not provided any guarantees or sureties to or for the benefit of Board members or senior executives. None of the Board members or senior executives has, during the current or previous financial year, had any direct or indirect involvement in business transactions with the company that are or were unusual in nature or in terms of their conditions and that in any respect remain unregulated or uncompleted.

Purchases and sales between the Parent Company and subsidiaries, and between subsidiaries, have been conducted on market terms and have been eliminated in the Group accounts.

#### Option programme

At the 2023 Annual General Meeting, an incentive program was approved consisting of 2.020.000 warrants with an expiry date of 31 August 2026 and an exercise price of SEK 2.835. Upon full utilisation, the company's share capital will increase by SEK 52.520.00 and Equity by SEK 5.7 million. See also Note 8. 2.020.000 warrants have been issued at a price of SEK 0.0260 per warrant.

## NOTE 28 ACCRUALS AND DEFERRED INCOME

	THE GROUP	
	2025	2024
Personnel related costs	10.4	12.4
Accrued board, audit, and consultancy fees	1.7	3.2
Prepaid service contracts	40.8	27.3
Other items	0.2	0.3
<b>TOTAL</b>	<b>53.1</b>	<b>43.2</b>

## NOTES

	PARENT COMPANY	
	2025	2024
Personnel related costs	1,3	1,4
Accrued board, audit, and consultancy fees	0,6	0,9
Prepaid service contracts	-	-
Other items	-	-
<b>TOTAL</b>	<b>1,9</b>	<b>2,3</b>

## NOTE 29 COLLATERAL PROVIDED AND CONTINGENT LIABILITIES

	THE GROUP	
	2025	2024
Collateral provided		
Chattel mortgages	55,3	55,3
<b>TOTAL</b>	<b>55,3</b>	<b>55,3</b>
Contingent liabilities		
Advance payment guarantees	4,3	6,9

	PARENT COMPANY	
	2025	2024
Collateral provided		
Chattel mortgages	11,3	11,3
<b>TOTAL</b>	<b>11,3</b>	<b>11,3</b>
Contingent liabilities		
Advance payment guarantees	-	-

Advance payment guarantees refer to bank guarantees provided in full for advances received within RemaSawco.

## NOTE 30 ADJUSTMENTS FOR NON-CASH ITEMS

	THE GROUP	
	2025	2024
Depreciation of assets	23,8	18,0
Unrealized exchange rate differences		
Other items	0,3	-1,3
<b>TOTAL</b>	<b>24,1</b>	<b>16,7</b>

	Parent Company	
	2025	2024
Depreciation of assets		
Unrealized exchange rate differences		
Group contributions	5,5	15,0
Other items	0,0	0,0
<b>TOTAL</b>	<b>5,5</b>	<b>15,0</b>

## NOTE 31 FINANCING ACTIVITIES

THE GROUP (MSEK)	Cash and cash equivalents	Loans from credit institutions	Short-term Lease liabilities	Long-term Lease liabilities	Total
Net debt as of 1 January 2024	6,6	-5,4	-5,0	-4,2	-8,0
Cash flow	6,1	2,3	-0,9	-6,3	1,2
Net debt as of 31 December 2024	12,7	-3,1	-5,9	-10,5	-6,8
Cash flow	-3,8	3,1	0,7	3,9	3,9
Net debt as of 31 December 2025	8,9	0,0	-5,2	-6,6	-2,9

Cash and cash equivalents refer to bank balances in SEK, USD, EUR, JPY and NOK.

## NOTE 32 EARNINGS PER SHARE

	2025	2024
Of which attributable to Parent Company shareholders, SEK million	-14,6	8,6
Earnings per share in SEK, before dilution	-0,16	0,10
Earnings per share in SEK, after dilution	-0,16	0,10
The weighted average number of shares before dilution, pcs.	89 207 818	89 207 818
The weighted average number of shares after dilution, no.	89 207 818	89 207 818

## NOTE 33 PROPOSAL ON ALLOCATION OF PROFITS

At the disposal of the Annual General Meeting is:	MSEK
Retained earnings	108,4
Profit for the year	-1,2
<b>TOTAL</b>	<b>107,2</b>

The Board of Directors proposes that:	MSEK
to carry forward	107,2
<b>TOTAL</b>	<b>107,2</b>

## NOTE 34 EVENTS AFTER THE BALANCE SHEET DATE

Group CEO Jan Molin has appointed Per Skogsberg as the Group's Chief Communications Officer (CCO) as of 1 January 2026, and he will thus become a member of the Group Management Team. Ohad Zangi, Chief Operating Officer of Motion Analysis, left the company on 31 January. The Board of Directors of Image Systems AB has appointed Erik Swerup as the new CEO of RemaSawco as of 1 February 2026.

## NOTE 35 SHARE INFORMATION

### SHARE CAPITAL

As of 31 December 2025, Image Systems' share capital amounts to SEK 8.920.781.80, divided into 89.207.818 shares with a quota value of SEK 0.10 per share. According to Image Systems' Articles of Association, the share capital shall amount to a minimum of SEK 8.500.000 and a maximum of SEK 34.000.000. The Number of shares shall be a minimum of 85.0 million and a maximum of 340.0 million.

All issued shares are fully paid up and confer equal rights to the Company's assets and profits and entitle the holder to one vote. In the event of the liquidation of the Company, shareholders are entitled to a share of the surplus in proportion to the number of shares held by the shareholder. The shares in Image Systems have been issued in accordance with Swedish law and are denominated in Swedish kronor (SEK). The shares are registered in electronic form and are accounted for by Euroclear Sweden AB in accordance with the reconciliation provision in the Articles of Association. Share certificates are not issued. There are no restrictions on the transferability of the shares. The company's shares are also not subject to any offer submitted as a result of a mandatory bid, redemption right or redemption obligation.

### SHARE CAPITAL PERFORMANCE

The number of shares issued at the beginning of the period was 89.207.818 shares with a quota value of SEK 0.10 per share. At the end of the period, the number of shares issued was 89.207.818 shares with a quota value of SEK 0.10 per share.

# The Board's Attestation

---



The Consolidated Financial Statements and the Annual Report have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council (EC) No 1606/2002 of 19 July 2002 on the application of international accounting standards and generally accepted accounting policies, and provide a true and fair view of the Group's and the Parent Company's financial position and results. The Statutory Administration Report for the Group and the Parent Company provides a fair overview of the development of the Group's and the Parent Company's operations, financial position and results, and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

The annual report was approved for issue by the Board of Directors on 2 April 2026  
Linköping, 2 April 2026

Anders Fransson  
Chair of the Board of Directors

Catharina Lagerstam  
Director

Matilda Wernhoff  
Director

Jörgen Hermansson  
Director

Jan Molin  
Acting Chief Executive Officer and Director

Our auditor's report was submitted on 2 April 2026.

Öhrlings PricewaterhouseCoopers AB

Andreas Skogh  
Authorized Public Accountant

# Auditor's report



To the Annual General Meeting of Image Systems AB (publ), corporate identity number 556319–4041

## REPORT ON THE ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

### OPINIONS

We have audited the Annual Report and consolidated accounts of ImageWe have audited the annual accounts and consolidated accounts of Image Systems AB (publ) for the year 2025. The Company's annual accounts and consolidated accounts are included on pages 34–72 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2025 and its financial performance and cash flow for the year in accordance with the Swedish Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and its financial performance and cash flow for the year in accordance with IFRS Accounting Standards as adopted by the EU and the Swedish 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 adopt the income statement and balance sheet for the parent company and the income statement and 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 Article 11 of the Audit Regulation (537/2014/EU).

### BASIS FOR OPINIONS

We conducted the audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are described more fully in the section Auditor's responsibilities. We are independent of the parent company and the group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, to the best of our knowledge and belief, no prohibited services referred to in Article 5.1 of the Audit Regulation (537/2014/EU) have been provided to the audited company or, where applicable, its parent undertaking or its controlled undertakings 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

#### Scope and focus of the audit

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered the areas where the CEO and the Board of Directors made subjective judgments, for example significant accounting estimates based on assumptions and forecasts about future events, which are inherently uncertain. As in all audits, we also considered the risk of management override of internal control by the Board of Directors and the CEO and, among other matters, whether there was evidence of systematic deviations giving rise to a risk of material misstatement due to fraud.

We tailored our audit to perform appropriate procedures in order to express an opinion on the financial statements as a whole, taking into account the company's and the group's structure, accounting processes and controls, and the industry in which the group operates.

#### Materiality

The scope and focus of the audit were affected by our assessment of materiality. An audit is designed to obtain reasonable assurance about 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgment, we determined certain quantitative materiality thresholds, including for the financial reporting as a whole. Using these, together with qualitative considerations, we determined the scope and focus of the audit and the nature, timing and extent of our audit procedures, and evaluated the effect of identified misstatements, individually and in aggregate, on the financial statements as a whole.

**KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Annual Report and consolidated accounts for the current period. These matters were addressed in the context of our audit of, and in our opinion on, the Annual Report and consolidated accounts as a whole, but we do not provide separate opinions on these matters.

**Particularly important area**

---

**Valuation of ongoing projects in the RemaSawco business unit**

The group's total revenue for 2025 amounts to SEK 168.5 million, of which SEK 133.7 million is attributable to the RemaSawco business area. Revenue in this business area is largely attributable to fixed-price projects and is recognized over time. This means that revenue and costs within the projects are recognized in line with the stage of completion of the project. At the balance sheet date, the company must calculate and assess the relationship between costs incurred and total estimated costs in each project. We consider this to be a key audit matter in our audit as this assessment is based on significant estimates and judgments and as the business area constitutes a significant portion of the group's total revenue.

Reference is also made to the following sections: Note 2 accounting principles, Note 3 risks, Note 5 disaggregation of revenue, and Note 7 operating segments.

**How our audit took into account the key audit matters**

Our audit includes evaluating the accounting principles applied for revenue recognition, evaluating the internal control and procedures the company has in place in relation to revenue recognition, analytical review of revenue and balance sheet accruals. Our audit also includes reviewing the company's project compilation relating to revenue recognition over time and detailed testing of selected projects against supporting documentation to ensure the existence and accuracy of the data on which the calculations are based. In addition, we review that revenue is recognized in the correct period.

**Valuation of intangible assets attributable to the RemaSawco business unit**

Valuation of intangible assets attributable to the RemaSawco business area

Goodwill and other intangible assets constitute a significant part of the group's balance sheet. Under IFRS, management is required to perform an annual impairment test of goodwill, which includes an assessment of, for example, expected future cash flows, expected future growth and the discount rate. This requires a high degree of judgment and subjectivity and may be affected by external factors. The company's impairment test has not resulted in any impairment.

Reference is also made to the following sections: Note 2 accounting principles, Note 3 Risks and Notes 13–17 (goodwill, trademarks, customer relationships and capitalized development costs).

**How our audit took into account the key audit matters**

Our audit includes a combination of evaluating internal control over financial reporting, analytical review and detailed review of management's impairment testing. We have reviewed and assessed the reasonableness of the assumptions regarding annual growth rate, sales volumes and discount rate presented to us by management. We have reviewed cash flow forecasts by checking their accuracy and that they are consistent with the budget prepared by management. We have also reviewed the methodology and management's assumptions in the model used for the impairment testing. We have assessed the content of the disclosures regarding impairment testing provided in the annual report.

## INFORMATION OTHER THAN THE ANNUAL REPORT AND CONSOLIDATED ACCOUNTS

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–23, 29–33 and 77–80. The other information also includes the remuneration report that we obtained prior to the date of this auditor's report. The Board of Directors and the CEO are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this 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 review, we also consider the knowledge otherwise obtained during the audit and assess whether the information otherwise appears to contain material misstatement.

If, based on the work performed regarding this information, we conclude that the other information contains a material misstatement, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors and the CEO

The Board of Directors and the CEO are responsible for the preparation of the annual accounts and consolidated accounts and that they present a fair view in accordance with the Swedish Annual Accounts Act and, regarding the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the CEO are also responsible for such internal control as they determine is necessary to prepare annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the CEO are responsible for assessing the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters that may affect the ability to continue as a going concern and to use the going concern basis of accounting. However, the going concern basis of accounting is not applied if the Board of Directors and the CEO intend to liquidate the company, cease operations, or have no realistic alternative but to do so.

The Board of Directors' Audit Committee shall, without prejudice to the Board of Directors' responsibilities and duties in general, among other things monitor the company's financial reporting.

### Auditor's responsibilities

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 ISA and generally accepted auditing standards in Sweden will always detect a material misstatement when one 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 the annual accounts and consolidated accounts.

A further description of our responsibilities for the audit of the annual accounts and consolidated accounts is available on the website of the Swedish Inspectorate of Auditors: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description forms part of the auditor's report.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### The auditor's review of management and proposal for the allocation 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 by the Board of Directors and the CEO of Image Systems AB (publ) for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend that the General Meeting of Shareholders appropriate the profit in accordance with the proposal in the statutory administration report and discharge the members of the Board of Directors and the CEO 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 this are described more fully in the section Auditor's responsibilities. We are independent of the parent company and the group in accordance with generally accepted auditing standards 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 CEO

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. In proposing a dividend, this includes, among other things, an assessment of whether the dividend is justifiable considering the requirements that the nature, scope and risks of the company's and the group's operations 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 administration of the company's affairs. This includes, among other things, continuously assessing the company's 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 in general are controlled in a reassuring manner. The CEO shall manage the day-to-day administration in accordance with the Board of Directors' guidelines and instructions and, among other things, take such measures as are necessary to ensure that the company's accounting is carried out in accordance with law and that the management of assets is handled in a reassuring manner.

### Auditor's responsibilities

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence in order to assess with a reasonable degree of assurance whether any member of the Board of Directors or the CEO has, in any material respect:

- undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way acted in contravention of the Swedish Companies Act, the Swedish 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 on this matter, is to assess with a reasonable degree of assurance whether the proposal is in accordance with the Swedish Companies Act.

Reasonable assurance is a high level of assurance, but 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 a proposal for appropriations of the company's profit or loss is not in accordance with the Swedish Companies Act.

A further description of our responsibilities for the audit of the administration is available on the website of the Swedish Inspectorate of Auditors: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description forms part of the auditor's report.

## AUDITOR'S REVIEW OF THE ESEF REPORT

### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also examined whether the Board of Directors and the CEO 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 Image Systems AB (publ) for the year 2025.

Our examination and our statement relate only to the statutory requirement.

In our opinion, the ESEF report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

### **Basis for opinions**

We conducted the examination in accordance with FAR's recommendation RevR 18 The Auditor's Examination of the ESEF Report. Our responsibilities under this recommendation are described more fully in the section Auditor's responsibilities. We are independent in relation to Image Systems AB [(publ)] in accordance with generally accepted auditing standards 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 CEO**

The Board of Directors and the CEO are responsible for ensuring that the ESEF report has been prepared in accordance with Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and that such internal control exists as the Board of Directors and the CEO determine is necessary to prepare the ESEF report without material misstatement, whether due to fraud or error.

### **Auditor's responsibilities**

Our task is to express an opinion with reasonable assurance on 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 our examination.

RevR 18 requires that we plan and perform our procedures to obtain reasonable assurance that the ESEF report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an examination performed in accordance with RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when one exists. Misstatements can arise due to 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 the ESEF report.

The audit 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 compli-

ance 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 auditor selects the procedures to be performed, including by assessing the risks of material misstatement in the reporting, whether due to fraud or error. In performing this risk assessment, the auditor considers those parts of internal control that are relevant to how the Board of Directors and the CEO prepare the basis for the purpose of designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the CEO.

The procedures mainly include validation that the ESEF report has been prepared in a valid XHTML format and reconciliation that the ESEF report agrees with the audited annual accounts and consolidated accounts.

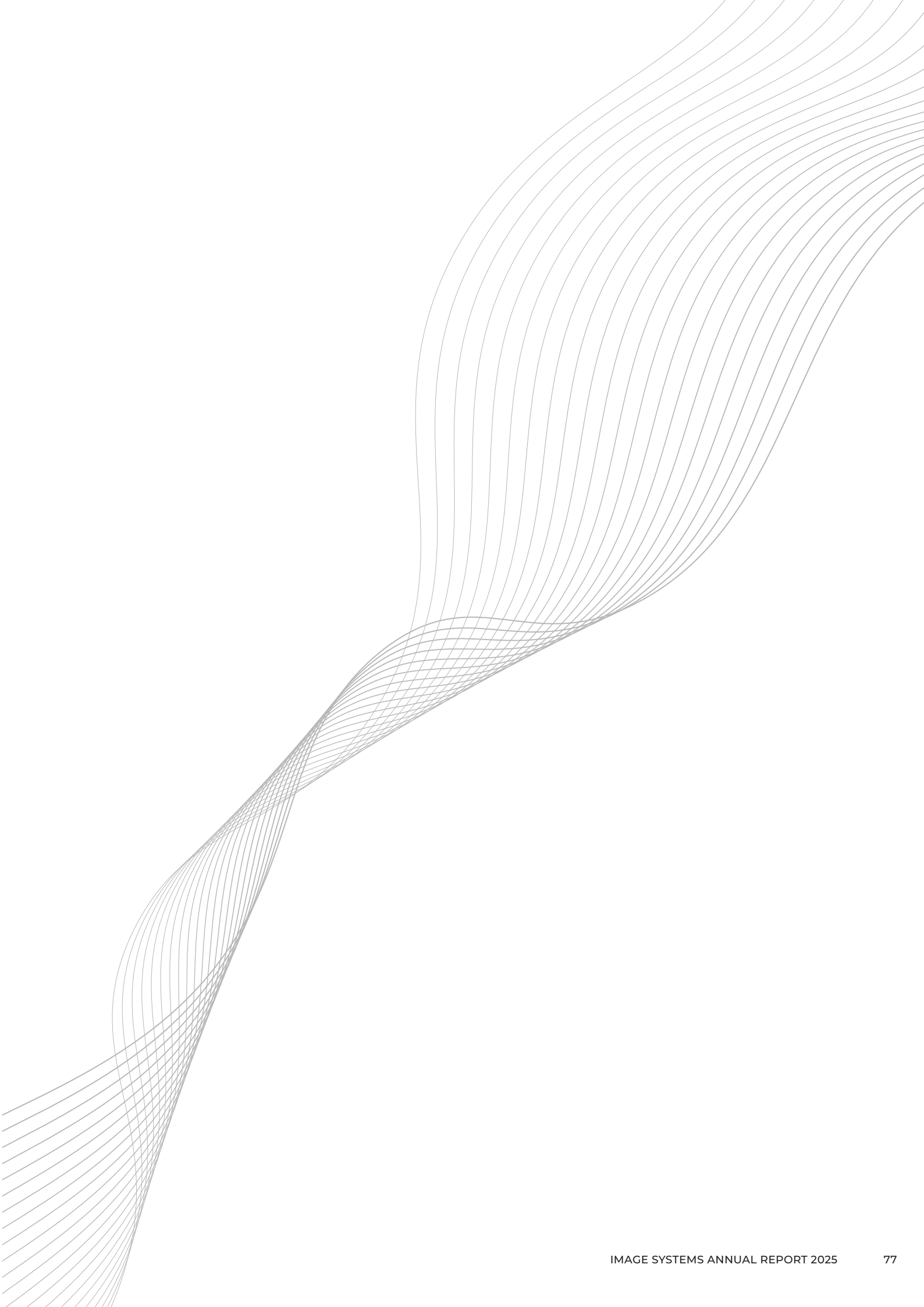
Furthermore, the examination also includes an assessment of whether the group's income statement, balance sheet and statement of changes in equity, cash flow statement and notes in the ESEF report have been tagged with iXBRL in accordance with the ESEF Regulation.

Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of Image Systems AB (publ) by the General Meeting of Shareholders on 8 May 2025 and has served as the company's auditor since 11 May 2017.

Stockholm, 2 April 2026

Öhrlings PricewaterhouseCoopers AB

Andreas Skogh  
Authorized Public Accountant



# DEFINITIONS PERFORMANCE MEASURES



## PERFORMANCE MEASURES

### Gross margin, %

Revenue minus Raw materials and consumables divided by revenue.

### EBITDA, SEK million

Operating profit plus depreciation and amortisation of tangible and intangible assets.

### Operating margin, %

Operating profit in relation to revenue.

### Profit margin, %

Profit before tax in relation to revenue.

### Return on average capital employed, %

Operating profit plus interest income in relation to average capital employed. Capital employed refers to total assets less non-interest-bearing Liabilities.

### Return on average equity, %

Profit/loss for the period in relation to average Equity.

## CASH FLOW MEASURE

Cash flow from operating activities, SEK million

Cash flow from operating activities plus changes in Working Capital.

## CAPITAL STRUCTURE

### Solidity ratio, %

Equity at the end of the period in relation to total assets.

### Debt-to-equity ratio, times

Interest-bearing liabilities at the end of the period minus Cash and cash equivalents in relation to Equity.

### Net debt, SEK million

Interest-bearing liabilities minus Cash and cash equivalents.

## OTHER

### Net investments in fixed assets, SEK million

Net investments in both intangible and tangible fixed assets as well as financial fixed assets during the period.

### Average number of employees, persons

Average number of employees during the period.

## DATA PER SHARE

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

Number of outstanding shares at the end of the period.

### Average number of shares, millions

Average number of shares during the period.

### Earnings per share, SEK

Profit 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.

# RELEVANT RECONCILIATIONS OF NON-CASH ITEMS IFRS-BASED KEY FIGURES, GROUP



## ALTERNATIVE KEY FIGURES

In addition to the financial key figures prepared in accordance with IFRS, Image Systems presents financial key figures that are not defined in accordance with IFRS, such as EBITDA and Net debt. These alternative key figures are considered important indicators of results and performance for investors and other users of the interim report. The alternative key figures should be viewed as a supplement to, but not a substitute for, the financial information prepared in accordance with IFRS. Image Systems' definitions of these key figures that are not defined in accordance with IFRS are described in the definitions section. These terms may be defined differently by other companies and are therefore not always comparable with similar key figures used by other companies.

### EBITDA

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

Million Swedish kronor	GROUP	
	Full year 2025	Full year 2024
Operating profit	-14.7	8.8
Depreciation and amortization of intangible and tangible fixed assets	23.8	18.0
Operating profit before depreciation and amortisation EBITDA	9.1	26.8

## NET DEBT

Image Systems considers Net debt to be a relevant measure for investors to understand the Group's indebtedness.

Million Swedish kronor	GROUP	
	Full year 2025	Full year 2024
Cash and cash equivalents	8.9	12.7
Lease liabilities	11.8	16.4
Interest-bearing liabilities	0	3.1
Net debt	2.9	6.8

## COMPANY DATA

Name of the reporting company:	Image Systems AB (publ)
Residence of the Company	Sweden
Legal form of the company:	Limited Liability company (LLC)
Country of registration:	Sweden
Address of the company's head office:	Snickaregatan 40 58226 Linköping Sweden
Description of the nature of the operations:	Licence sales and project sales, as well as related services



# IMAGE SYSTEMS GROUP

IMAGE SYSTEMS AB.  
SNICKAREGATAN 40, 582 26 LINKÖPING  
PHONE: +46 13 200 100  
INFO@IMAGESYSTEMS.SE

[HTTPS://IMAGESYSTEMSGROUP.SE](https://imagesystemsgroup.se)