



Q4 2024 Update

March 6, 2025

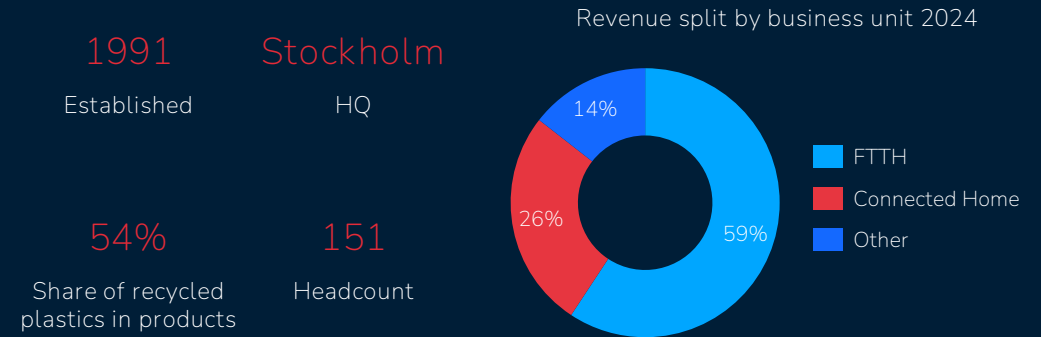


About Genexis Group

Background

- Developer and provider of high-speed fiber CPE products, powered by leading open-source software platform for CPE, RGW and IoT devices
- Operational through two business units:
 - Fiber-to-the-home (FTTH): fiber termination
 - Connected Home: Residential gateway, in-home Wi-Fi products and software solutions
- The market leading developer and provider of high-speed fiber CPE products

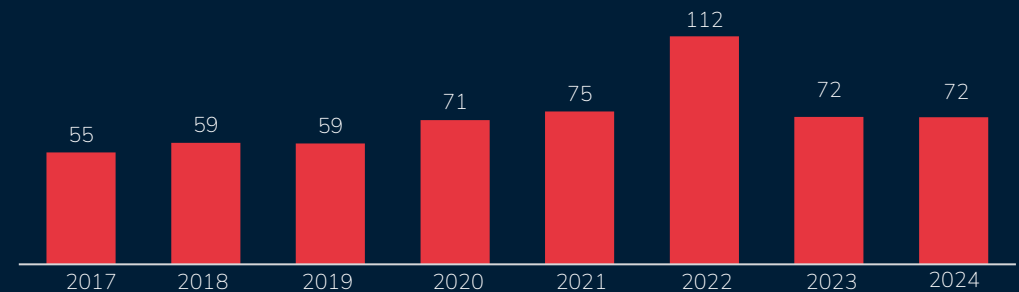
Corporate overview



Longstanding relationships with major operators



Revenue development (EURm)





Q4 2024 overview

Gross Margins at high level, but market pick-up takes time

- Revenue higher than Q4 2023 as well as previous quarter
 - Net sales lower than expected at EUR 16.9 million.
 - The strong gross margin development continues with 40.4% for the quarter
 - Cost savings realized according to plan – now leveling out
 - Overall EBITDA margin 8.9%
 - EBITDA less capitalized R&D at EUR 1.0 million compared to EUR -1.5 million in Q4 2023

- Continued underlying market recovery, but at slower pace than anticipated
 - Order intake for Q4 at EUR 24 million continues the positive trend on order intake, starting after summer 2023.
 - LTM order intake now at EUR 69 million and slowly increasing

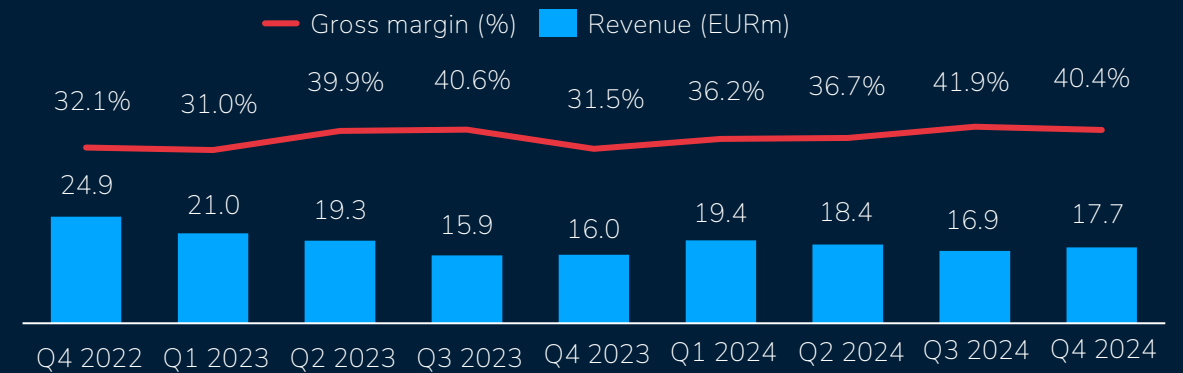
- Cash flow negative
 - Cash flow before interest and CAPEX at EUR 1.9 million
 - Operating cash flow after CAPEX of EUR -0.2 million
 - The NWC increased during the quarter by EUR 0.4 million because of higher inventory and ST receivables, as well as higher ST payables
 - Net cash position of minus EUR 4.0 million as per December 31

Q4 2024 update

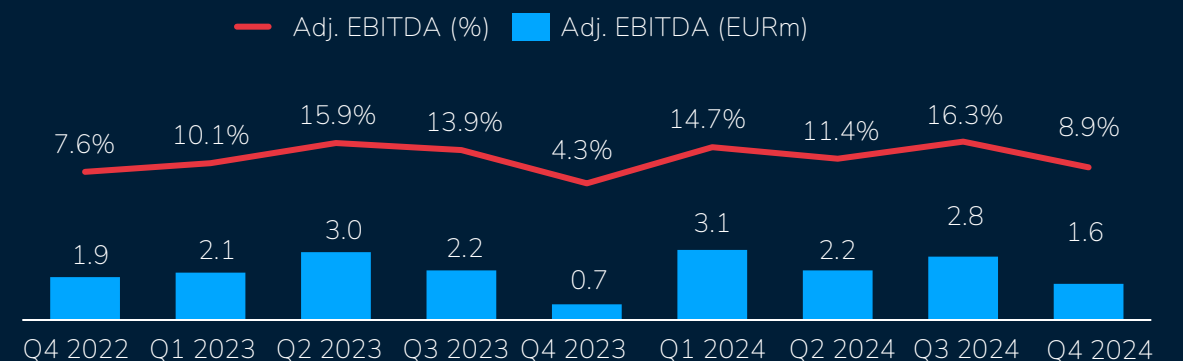


- The Q4 2024 revenue is a clear improvement over Q4 last year. We still see that orders are being pushed out, confirming the trend throughout the year, that the market is picking up slower than anticipated.
- Gross margin is on a high level driven by good geographical mix. Stand-alone software revenue was lower than anticipated.
- EBITDA higher than Q4 2023 despite negatively impacted by lower share of activated R&D expenses. Impact EUR 0.5 million compared to last year.
- FTTH – The revenue decreased in Q4 compared to Q3. General high cost of funding for the investments in the fiber area makes the fiber roll out in Europe slower than forecasted. We expect this to improve as interest rates continue to decrease. Further work is being done to prepare for the North American market.
- Connected Home – Several opportunities are being realized and the business unit Connected Home is increasing its CPE market share in Europe. The revenue has increased consequently during the year.

Revenue* & Gross margin development



EBITDA development

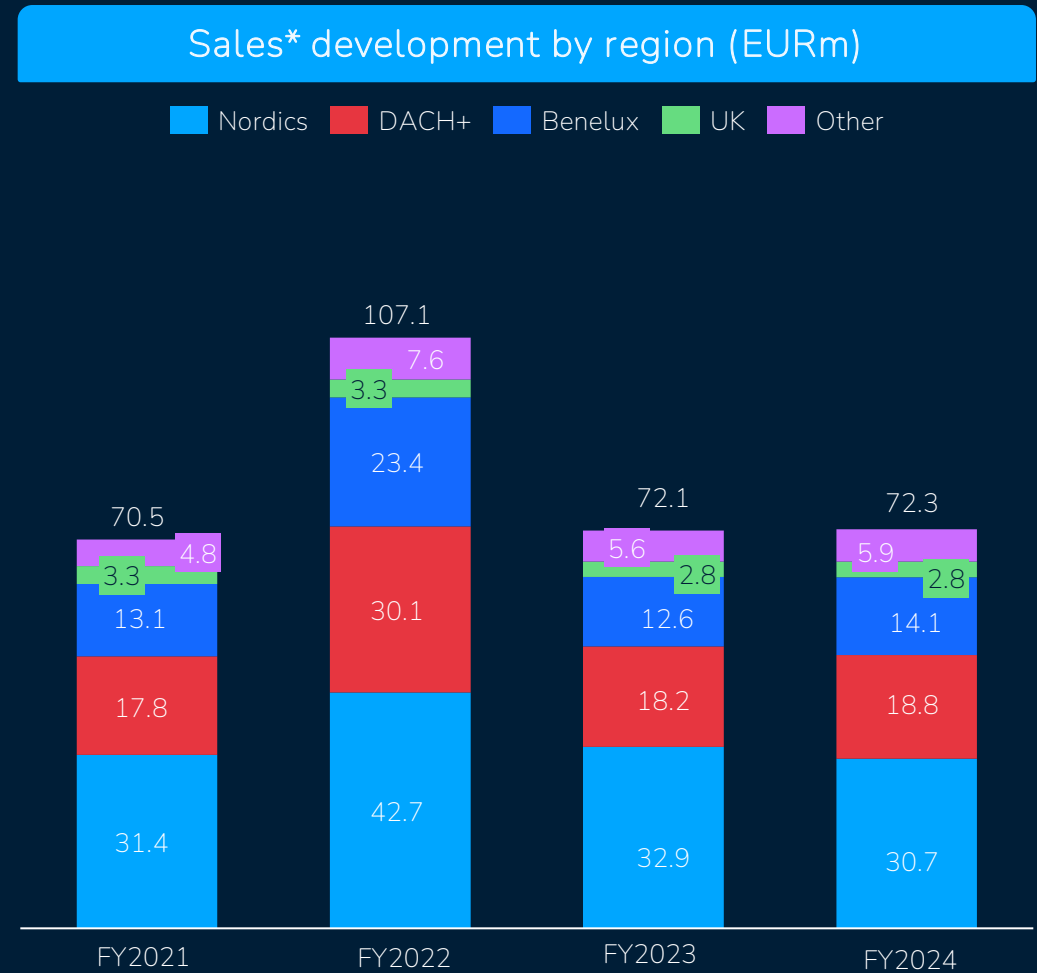


* Net Sales and Other Income



Sales development by region during 2021 - 2024

- Nordics
 - LTM sales in Nordics picked up during Q4 2024, but is still 2.2 million below FY 2023 levels with Sweden and Denmark in particular showing lower sales
 - The Finnish market continues to do well
 - Norway is picking up sales with increasing customer activity
- DACH+
 - While not yet making a large impact in the LTM revenue, we see our large base of small and mid-size operators ordering more
 - Continued good gross margin
- Benelux
 - The market is picking up now and has a high LTM growth compared to FY 2023
 - Customer activities are picking up
- UK, North America & Other
 - Expansion in UK and other regions underway
 - Genexis established in the US and first employees contracted
 - Secured additional distribution partners for North America and a few customers have started to place orders
 - Lead pipe-line is developing nicely

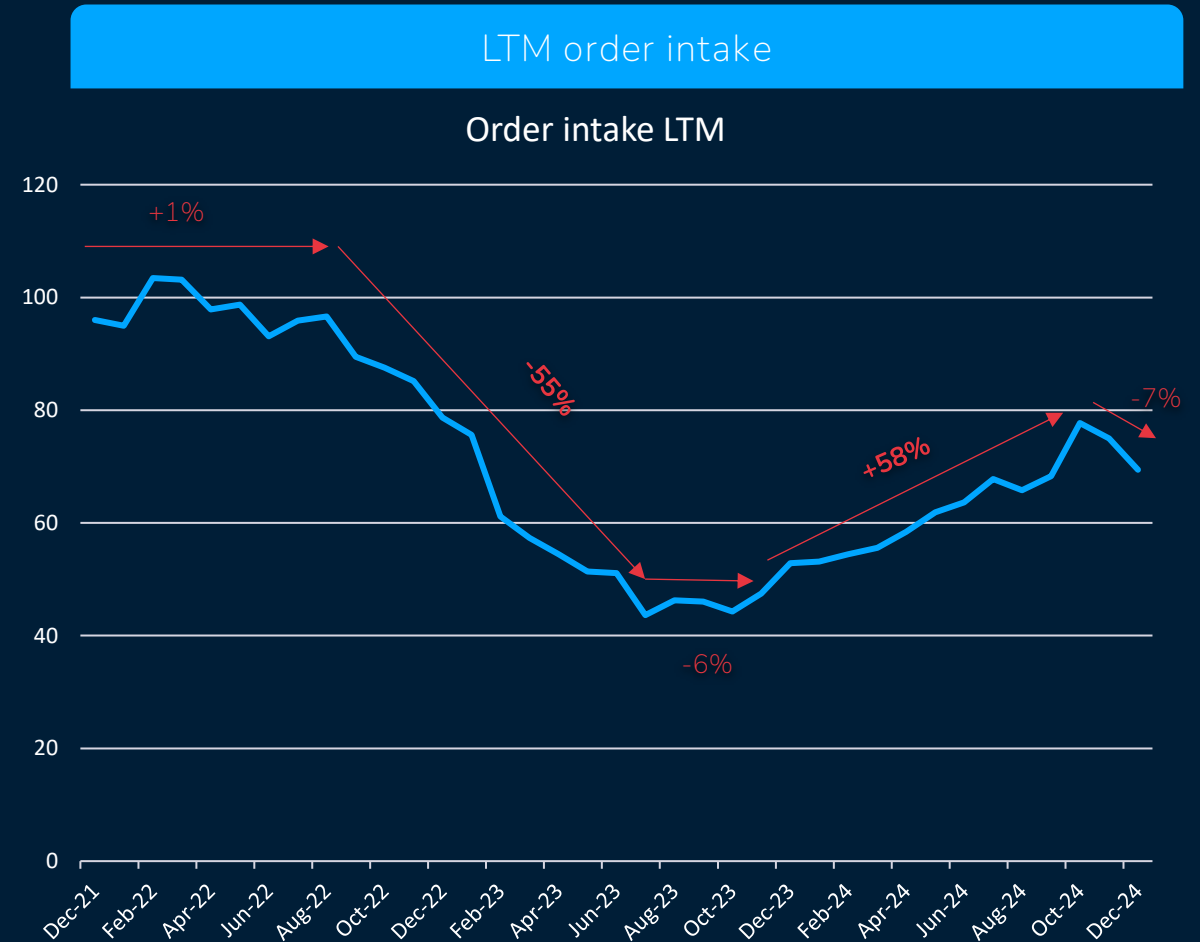


*Sales numbers based upon sales statistics, not fully matching Reported numbers



LTM order intake leveling out

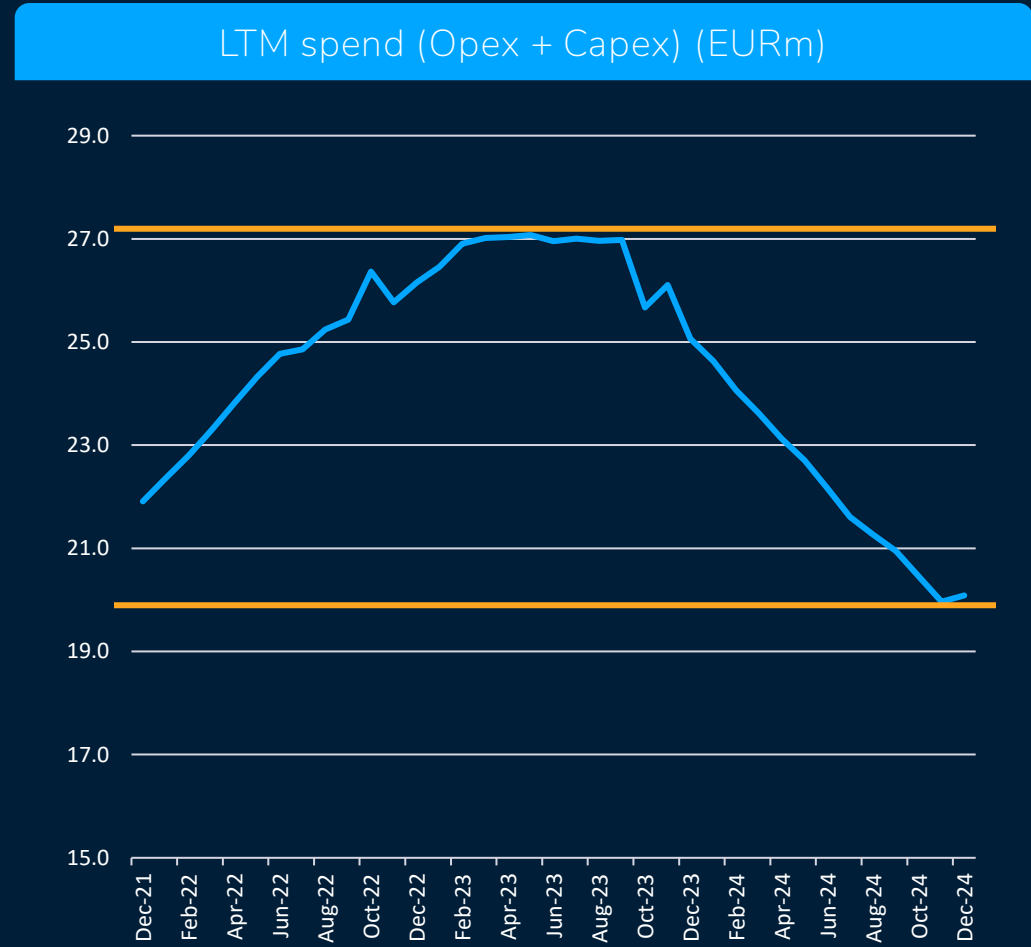
- LTM order intake is increasing and up by 46% since the “low period” of summer 2023. We see the drop in December-24 as temporary and caused by timing differences in certain large orders.
- H2 2024 reached EUR 39 million, which is 18% higher than H2 2023
- The trend of smaller customers increasing their orders continues





Cost savings initiatives in effect

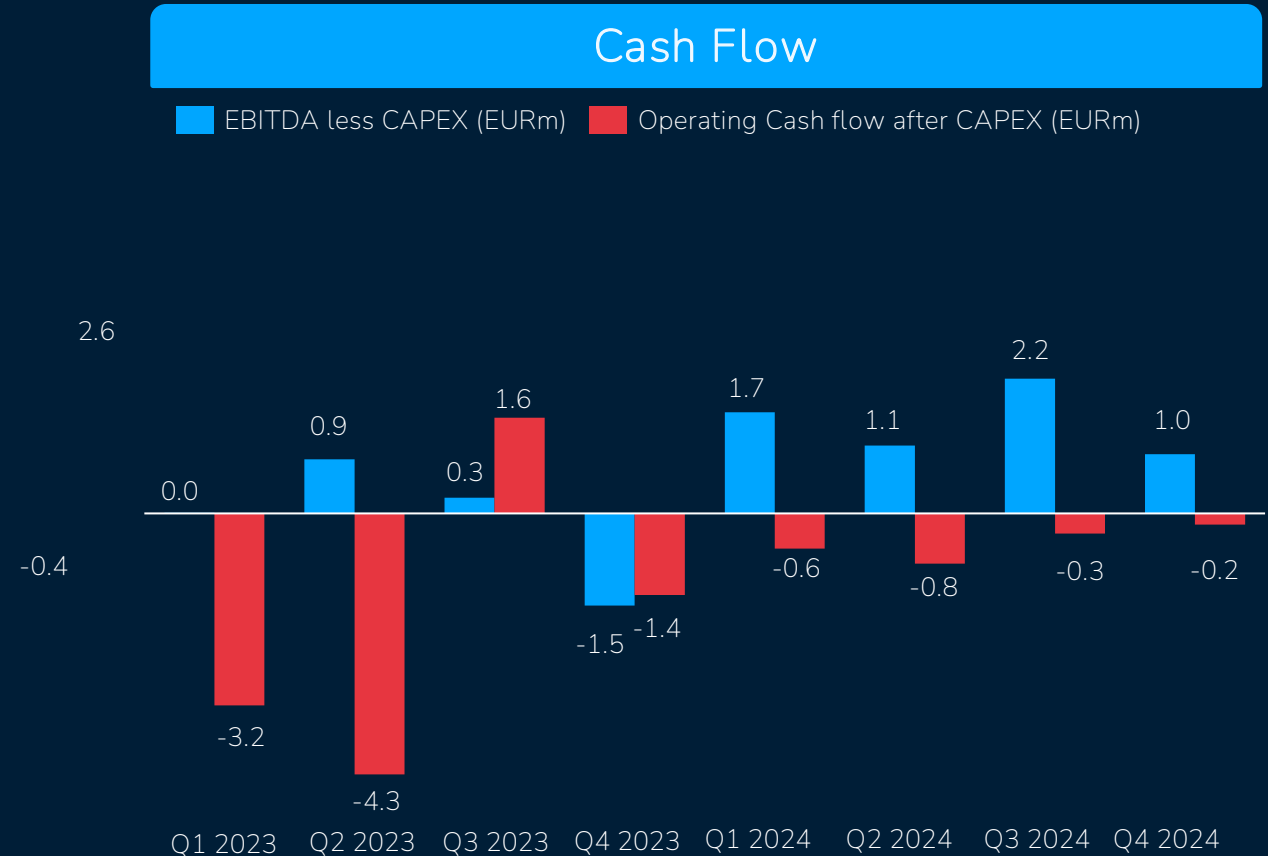
- Cost savings program fully implemented
- Cost savings in full effect as of March 2024. Full year run-rate currently at EUR ~20 million
- LTM spending kept decreasing also in Q4 and has now reduced to lower levels than seen in several years





Liquidity position challenging but under control

- Net utilization of credit facility of EUR 4.0m as of December 31, 2024
 - ...leaving EUR 2.0m unutilized
 - Increase in NWC of EUR 0,4m during Q4 2024 and expected to increase further as sales ramp up
 - Operating cash flow for the quarter negative of EUR 0.2 million
- As NWC is expected to increase during Q1, the owners have injected EUR 3.6 million to cover the increase



Appendix



Income Statement



| EUR thousands | Q4 2024 01.10-31.12 | Q4 2023 01.10-31.12 | FY 2024 01.01-31.12 | FY 2023 01.01-31.12 |
|--|------------------------|------------------------|------------------------|------------------------|
| Net Sales | 16 850 | 15 293 | 69 872 | 69 688 |
| Other Operating Income | 843 | 674 | 2 470 | 2 494 |
| Capitalized R&D | 612 | 1 064 | 3 401 | 6 851 |
| Total Income | 18 306 | 17 031 | 75 744 | 79 033 |
| Raw materials and goods for resale | -10 048 | -10 476 | -42 859 | -44 870 |
| Other Direct Costs | -1 510 | -467 | -3 125 | -2 096 |
| Cost of Goods Sold | -11 558 | -10 943 | -45 984 | -46 966 |
| Other External Costs | -1 641 | -1 642 | -7 327 | -9 386 |
| Personnel Costs | -3 471 | -3 719 | -12 771 | -14 962 |
| Depreciation, Amortization and Impairment | -2 415 | -3 218 | -11 114 | -12 425 |
| Operating Profit/Loss | -779 | -2 492 | -1 452 | -4 706 |
| Financial Income | 728 | 54 | 682 | 225 |
| Financial Expenses | -2 504 | -2 861 | -8 264 | -7 481 |
| Net Financial Items | -1776 | -2 807 | -7 582 | -7 256 |
| Profit/Loss Before Tax | -2 555 | -5 298 | -9 033 | -11 963 |
| Income taxes | 580 | 460 | 1 012 | 925 |
| Net result for the period | -1 974 | -4 838 | -8 021 | -11 038 |
| Number of shares | 109 282 | 109 282 | 109 282 | 109 282 |
| Profit per share (EUR) | -18,1 | -44,3 | -73,4 | -101,0 |
| Average number of employees | 139 | 153 | 141 | 162 |

Balance Sheet



| EUR thousands | Note | 31.12.2024 | 31.12.2023 |
|--------------------------------------|------|----------------|----------------|
| ASSETS | | | |
| Non-current assets | | | |
| Goodwill | | 52 221 | 53 324 |
| Capitalized Expenditure for Software | | 17 694 | 20 626 |
| Customer Contracts | | 15 142 | 18 146 |
| Trademarks | | 6 006 | 6 673 |
| User rights | | 1 418 | 2 012 |
| Machines & Inventory | | 2 319 | 628 |
| Financial Assets | | 11 | 34 |
| Total Fixed Assets | | 94 812 | 101 442 |
| Current assets | | | |
| Stock & Work In Progress | | 9 117 | 8 551 |
| Accounts Receivable | | 11 093 | 6 975 |
| Prepayments & Accrued Income | | 1 522 | 1 587 |
| Cash & Bank Balances | | 0 | 0 |
| Total current assets | | 21 732 | 17 114 |
| TOTAL ASSETS | | 116 544 | 118 556 |

| EUR thousands | Note | 31.12.2024 | 31.12.2023 |
|--|------|----------------|----------------|
| EQUITY | | | |
| Equity | 3 | 16 656 | 25 961 |
| Total Equity | | 16 656 | 25 961 |
| Liabilities | | | |
| Non-current Liabilities | | | |
| Provisions For Guarantees | | 0 | 182 |
| Provisions For Deferred Taxes | | 6 440 | 8 481 |
| Other Provisions | | 1 189 | 0 |
| Other Long-Term Liabilities | 5 | 59 940 | 59 551 |
| Total non-current Liabilities | | 67 569 | 68 214 |
| Current Liabilities | | | |
| Bank Overdrafts | | 3 987 | 2 132 |
| Other Short-Term Financial Liabilities | 5 | 8 739 | 7 093 |
| Current Liabilities To Customers & Suppliers | | 15 048 | 9 000 |
| Tax Liabilities | | 679 | 817 |
| Vat & Special Excise Duties | | 2 018 | 1 556 |
| Personnel Taxes, Fees & Salary Deductions | | 35 | 17 |
| Accrued Expenses & Deferred Income | | 1 814 | 3 767 |
| Total Current Liabilities | | 32 319 | 24 381 |
| Total Liabilities | | 99 888 | 92 595 |
| TOTAL EQUITY AND LIABILITIES | | 116 544 | 118 556 |

Cash-flow



| EUR thousands | Q4 01.10- 31.12.2024 | Q4 01.10- 31.12.2023 | FY 01.01- 31.12.2024 | FY 01.01- 31.12.2023 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| Cash flows from operating activities | | | | |
| EBITDA adjusted | 1 636 | 726 | 9 717 | 7 959 |
| Interest payments and adjustments FX | -826 | -2 480 | -6 754 | -6 625 |
| Non-cash Result | 0 | 0 | 0 | 0 |
| Income Taxes Paid | 66 | -301 | -491 | -1 757 |
| Cashflow Before Change In Net Working Capital | 877 | -2 055 | 2 473 | -422 |
| Change in working capital | | | | |
| Change in Inventory | -2 845 | 2 155 | -636 | 3 940 |
| Change in Accounts receivables | -1 076 | 1 719 | -4 231 | 1 777 |
| Change in Other ST Operating receivables / Accruals | -619 | 1 493 | -786 | 446 |
| Change in Accounts payables | 3 973 | -663 | 5 445 | -3 226 |
| Change in Other ST Operating payables / Accruals | 123 | -1 749 | -474 | -1 411 |
| Change in Net Working Capital | -444 | 2 956 | -682 | 1 527 |
| Net cash flow from Operating Activities | 433 | 901 | 1 791 | 1 105 |
| Cash flows from Investing Activities | | | | |
| Capex Intangible Assets | -618 | -2 484 | -3 668 | -8 272 |
| Capex Plant & Equipment | -3 | 226 | -89 | -120 |
| Other investing activities | -971 | 167 | -950 | 146 |
| Net cash flow from Investing Activities | -1 592 | -2 091 | -4 706 | -8 245 |

| EUR thousands | Q4 01.10- 31.12.2024 | Q4 01.10- 31.12.2023 | FY 01.01- 31.12.2024 | FY 01.01- 31.12.2023 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| Cash Flows from Financing Activities | | | | |
| Acquisitions | 0 | 0 | 0 | -12 093 |
| Equity issuance | 55 | 0 | 55 | -112 |
| Net Other Financial Items | 1 184 | 979 | 1 021 | 1 022 |
| Change in overdraft | 0 | 0 | 0 | -39 |
| Net Cash Flow from Financing Activities | 1 238 | 421 | 1 076 | -11 222 |
| Non-recurring Items in EBITDA | | | | |
| | -55 | -99 | -55 | -241 |
| Net Increase/Decrease in Cash | 24 | -869 | -1 895 | -18 604 |
| Cash & Cash equivalents by beginning of period | -4 050 | -1 725 | -2 132 | 17 437 |
| Exchange rate differences on cash | 39 | -96 | 39 | -965 |
| Cash & Cash equivalents by end of period | -3 987 | -2 132 | -3 987 | -2 132 |



Thank you