

INCOAX

# Annual Report 2024





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InCoax Vision

*Reliable and affordable  
high performance  
internet access to all*





InCoax Networks AB (publ) re-purposes existing property coaxial networks in fiber and fixed wireless access (FWA) extension deployments for Communication Service Providers (CSP) globally. The technology is a high performance, future proof, reliable and cost-effective complement, that reduces installation time and improves take-up rate, to boost digital inclusion and Internet access for all.

Vator Securities AB, tel. +46 8-5800 6599 [ca@vatorsec.se](mailto:ca@vatorsec.se), is acting as the company's Certified Adviser.



3.

Growth potential

## High growth with strong partners

- 25% increased net sales 2023 - 2024
- 57% gross margin 2024; 64% gross margin in Q1 2025
- Scalable business model with low capital requirements, enabling growth without fixed costs increasing in line with sales.
- Significant and long-term sales to Google Fiber.
- Agreement with Nokia provides access to leading operators with significant market potential on the global market. Full integration into product portfolio and management systems offers the opportunity for uniform procurement, installation, commissioning, and seamless organic operation of the system.

**25%**  
increased net sales

**64%** **57%**  
gross margin

See CEO's comments  
p. 8 - 10.

4.

Values

## Sustainability, social and digital inclusion

- Reusing existing infrastructure in properties saves on the production of fiber, cable (FWA), construction materials, as well as fuel for vehicles and electricity for machines.
- Residents in multi-family buildings (MDUs) that were previously not profitable to connect can access a stable connection for job seekers, contacts with authorities, etc.
- InCoax Vision:

**ISO 9001**  
**ISO 14001**

**"Reliable and affordable high performance  
internet access to all"**

See ESG at InCoax p. 7.

5.

Future

## Qualified staff, management and board with high ambitions

- Target of at least 50% average annual organic revenue growth over a three-to-five-year period.
- Positive operating cash flow and an EBIT margin of at least 10% from 2025.
- Management and staff with extensive experience from global IT- and telecom companies.
- Industry-leading and strategically anchored through engagement in leading industry organizations and standardization bodies.
- Long-term main owners and an experienced board provide stability and purposefulness.

**50%**  
organic  
revenue growth





## 2024 in figures

- Net sales amounted to SEK 74,794,775 (previous year: 59,619,447), corresponding to a 25 percent increase compared to the same period last year.
- The operating result for the year was SEK -19,378,406 (previous year: -16,729,885). The change is mainly due to increased development costs related to a strategic collaboration with a global fiber network provider, as well as postponed orders that are now expected to be fulfilled in 2025. These factors negatively impacted the operating result, although the gross margin remained high, thanks to a greater share of service and support in the product mix.
- The net result after tax amounted to SEK -19,150,134 (previous year: -16,908,631), corresponding to a loss per share of SEK -0.18 (-0.23).
- Cash flow including financing activities for the full year amounted to SEK -12,758,133 (-21,306,145).

### Key ratios

| SEK   | 2024        | 2023        |
|---|-------------|-------------|
| Net sales   | 74,497,775  | 59,619,447  |
| Gross profit/loss   | 42,179,123  | 31,021,930  |
| Gross margin, %   | 57%         | 52%         |
| Operating loss (EBIT)   | -19,378,406 | -16,729,885 |
| Operating margin (EBIT %)   | Neg         | Neg         |
| Loss after financial items  | -19,150,134 | -16,908,631 |
| Loss after tax  | -19,150,134 | -16,908,631 |
| Earnings per share  | -0.18       | -0.23       |
| Earnings per share after dilution                                     | -0.17       | -0.23       |
| Equity ratio, %   | 80.8%       | 69.3%       |
| Cash flow, including financing activities                             | -12,758,134 | -21,306,145 |
| Cash flow per share   | -0.12       | -0.30       |
| Cash flow per share after dilution                                    | -0.12       | -0.29       |
| Number of shares outstanding at the end of the period                 | 108,157,093 | 72,104,729  |
| Number of shares outstanding at the end of the period after dilution  | 109,787,048 | 74,089,802  |
| Average number of shares outstanding during the period                | 90,130,911  | 72,104,729  |
| Average number of shares outstanding during the period after dilution | 91,760,866  | 73,719,825  |



# ESG at InCoax

## Enabling sustainable broadband access

At InCoax, ESG (Environmental, Social, and Governance) is not a standalone initiative – it is integrated into our core mission: to enable fast, cost-effective broadband connectivity in a sustainable and inclusive way.

Our MoCA Access™ technology enables broadband delivery over existing coaxial infrastructure, eliminating the need for invasive and resource-intensive fiber installations. This approach not only reduces environmental impact but also accelerates time to market and lowers costs.

## Environmental responsibility

Reusing or extending existing coaxial networks eliminates the need for extensive installation work and generates minimal electronic waste. Our solution supports circularity and reduces emissions typically associated with the rollout of new fiber and fixed wireless access (FWA) networks.

Our technology plays a key role in supporting our customers' sustainability goals. By enabling high-performance broadband delivery over existing in-building infrastructure, we help customers avoid the climate impact of new fiber and cabling, reduce CO<sub>2</sub> emissions, minimize material use, and accelerate the availability of digital services

in underserved areas. This directly contributes to their ESG performance and strengthens their climate and circularity reporting.

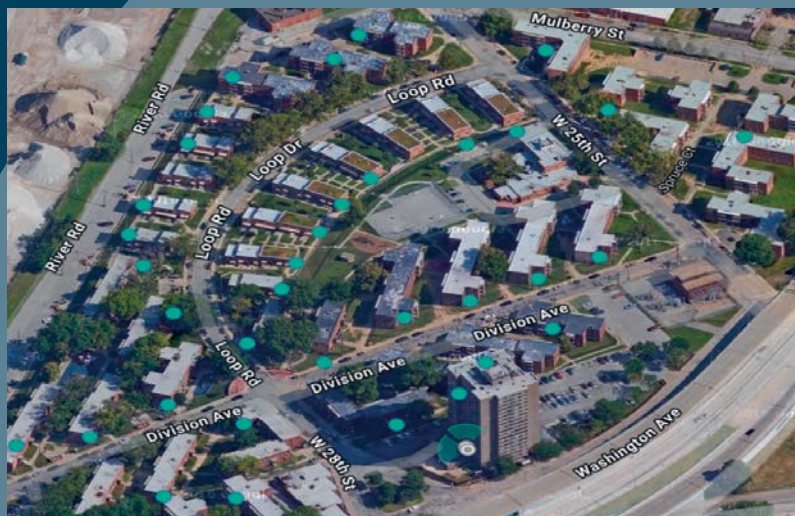
## Social responsibility

Broadband is a key enabler of education, economic participation, and digitally & socially inclusive communities. By delivering high-speed access in buildings where fiber is economically or technically impractical, we promote digital inclusion and help bridge the digital divide. This aligns with InCoax's Vision: *Reliable and affordable high performance internet access to all.*

## Governance & ethics

InCoax practices responsible corporate governance, focusing on ethical decision-making, product integrity, and secure supplier engagement.

Our operations are certified under ISO 9001 and ISO 14001, reinforcing our commitment to quality management and environmental performance. These standards help structure our ESG work and enable measurable improvements across the product lifecycle, supply chain, and internal processes. The company also maintains an internal function for anonymous whistleblowing.



In collaboration with Tarana (the market-leading provider of FWA solutions), InCoax delivered a complete system solution to DigitalC, enabling the deployment of 47 buildings and 502 apartments in just 45 days in an Affordable Housing area in Cleveland, Ohio (USA).

DigitalC is a non-profit broadband operator based in Cleveland, Ohio. The organization focuses on bridging the digital divide by providing affordable, high-capacity internet to households in underserved neighborhoods—often in multi-dwelling units where traditional fiber installation is difficult or costly.





## CEO's comments

# Continued growth and strengthened market position

**InCoax took important steps in 2024 through increased sales, new strategic partnerships, and extensive preparations for a global launch together with Nokia.**

**This development reflects a strengthened market position and the ability to address larger operators with growing broadband demands.**

InCoax increased its sales by 25% in 2024, improved its gross margin, and deepened the collaboration with Nokia through a final agreement and technical integration ahead of the launch of a joint system solution. Sales to Google Fiber continued to develop, and the partnership has deepened, underscoring the demand for InCoax solutions.

### **Collaboration with Nokia**

In 2024, intensive integration work was carried out with Nokia. The goal was to integrate InCoax's MoCA Access™-based fiber extension solution with Nokia's Altiplano™, a system for controlling and monitoring fiber networks. A final agreement, based on the Memorandum of Understanding (MoU) signed in 2023, was signed in June 2024. The first commercial version was launched by Nokia in March 2025 and is now part of Nokia's "Gigabit Connect" offering to the operator market.

The launch means that InCoax's solution—designed for fiber extension with multigigabit performance over coaxial networks in Multi-Dwelling Units (MDUs)—is now sold globally by Nokia. Currently, approximately 25 initial operator customers are being engaged, primarily in North America and Taiwan.

To meet high demands, InCoax continued in 2024 to strengthen its expertise and resources and improve processes and tools within development, quality assurance,

and delivery capability. These investments have been necessary to finalize the solution and, together with Nokia, launch it to the market.

We assess that the partnership with Nokia carries significant business potential for InCoax for many years to come.

### **Google Fiber**

Sales to the U.S.-based Fiber/LAN operator Google Fiber continued to develop positively in 2024, and the partnership has deepened. However, the operator reduced its orders in the fourth quarter compared to the previous year, explained by postponed rollout programs. We still see strong potential for a long-term and growing collaboration.

### **American Tier-1 operator**

In 2024, the operator began deploying InCoax equipment for home networks in single-family homes, and a first follow-up order was received in April 2025. In addition, testing of our access solution for MDUs resumed during the year.

### **Continued operator interest and orders**

We have received new inquiries and orders from several Finnish operators, who are now entering a phase of recurring purchases. In these cases, InCoax's system replaces previous DOCSIS- or VDSL-based solutions.



In the U.S., we carried out a successful collaboration with Tarana Wireless and DigitalC for broadband expansion in Cleveland, Ohio. This has evolved into a strategic partnership with CTIconnect—a well-regarded distributor of Tarana Wireless FWA solutions with strong presence in the U.S. and Canada.

Fixed Wireless Access (FWA) is growing rapidly in the U.S., especially in areas where fiber deployment is difficult or costly. InCoax now has several reference installations for the use case of FWA via radio link.

### 5G FWA and standardization

We are actively participating in the Broadband Forum (BBF) efforts concerning 5G mmWave technology. The goal is to enable extended in-building connectivity where 5G coverage is limited by, for example, wall attenuation. We expect a new 5G FWA standard to be in place by the latter part of 2025. InCoax has an active role in this work and plans to address this future market with an evolved version of our system.

### Market potential

The market for multigigabit services over existing coaxial networks in MDUs remains very large. Through the Nokia partnership, we reach operator channels with high potential more rapidly. The need is reinforced by the gradual replacement of legacy DOCSIS and VDSL solutions and the expansion of new FTTH and FWA networks.

Our latest product generation offers good compatibility with the standards operators use for operations, monitoring, and customer support, making it attractive to larger players.

Even though many operators temporarily reduced investments during the year due to external factors, the demand for high-speed broadband remains or increases. At the same time, a shift is taking place from traditional cable TV to IPTV and streaming. This favors fiber conversion, especially among MSOs previously relying on DOCSIS.



*InCoax is contributing to the development of a new standard under the auspices of the Broadband Forum for fixed high-speed broadband via mobile networks in multi-dwelling units, known as 5G (mmWave) FWA.*



Subsidy programs such as BEAD enable more U.S. operators to connect households—yet many MDUs have so far remained unconnected. This creates a growing unaddressed subscriber base that we can reach with our solution.

Our system is compatible with PON and XGS-PON, allowing it to be integrated into operator networks, which is critical to our relevance. The Altiplano integration is an example of the kind of solution that is in demand.

### Strategy

Our strategy, established in 2020, has been executed methodically. The collaboration with Nokia and other partners confirms that we chose the right path. The focus has been on high-volume segments, multigigabit capacity, and interoperability with existing operator systems.

In 2024, we completed NEBS certification of hardware, implemented a new supply chain, and reduced our dependence on China—with improved efficiency, lower costs, and increased capacity as a result.

### Organization and resources

To meet the increased demands from Nokia and its customer base, we have strengthened the organization with competence, tools, and processes. We are now ISO 9001 and ISO 14001 certified by an external certification body and passed customer audits. This gives us a strong foundation to manage larger sales volumes within our current resource framework.

For larger orders from Tier-1 operators, we can activate partners for integration, manufacturing, and distribution. Our participation in standardization forums has continued and is a key to gaining insights and building relationships.

We have also reorganized the commercial function into a sales department led by Andreas Bergman and a business development department led by Helge Tiainen. The collaboration with external development partners has continued and will deepen in 2025.

### Financial position and goals

The sales increase in 2024 has improved operational cash flows. As we remain in an investment phase, this needs to be supplemented with external financing. In the first quarter of 2024, an oversubscribed rights issue of SEK 52.6 million was completed. After the end of the year, a directed share issue of SEK 33.5 million was carried out to existing owners and the French VC fund Eiffel Invest.

To increase flexibility, a credit facility from the main owner Saugatuck Invest AB (up to SEK 10 million) was extended to April 2026. Interest accrues at 8% per year on the utilized amount, with no other fees.

We continuously analyze the company's future financing needs and options.

In June 2024, the Board announced new financial targets:

- An average of at least 50% annual organic revenue growth on average over a three-to-five-year period
- Positive operating cash flow and an EBIT margin of at least 10% starting in 2025

The goals are ambitious but achievable despite today's geopolitical situation.

### Focus on sales and scalability

During the year, we have continued converting testing operators into purchasing customers to broaden the base. Nokia is now selling our solution as an official part of its Gigabit Connect offering. Around 25 operators are evaluating the solution in various stages, and we look forward to announcing the first major deals.

We have good scalability within the current organization but will strengthen resources as needed in line with increasing sales. Operators' interest in multigigabit in MDUs is growing—and InCoax is well-positioned to meet this demand.

Finally, I would like to extend my sincere thanks for the trust and perseverance shown by shareholders, the Board, partners and employees during the year.

Lund in May 2025

Jörgen Ekengren  
CEO



Coaxial cable with waterproof connector.



A low-angle, upward-looking photograph of a multi-story brick building. The building features red brick walls, white window frames, and decorative cornices. The sky is a vibrant blue with scattered, fluffy white clouds. The text is overlaid on the upper portion of the image.

Reinventing Connectivity  
for smart and cost-effective  
high performance internet  
access in existing  
property coaxial  
networks.

InCoax Mission



# Business overview

**InCoax is meeting the growing global demand for fast, cost-efficient broadband deployment in multi-dwelling units. By reusing existing coaxial infrastructure, the company offers a powerful alternative to traditional fiber installations—especially in buildings where fiber or broadband via fixed wireless access (FWA) is difficult or expensive to bring all the way into the apartments. With low capital expenditure, short time to revenue, and high compatibility with operators’ existing networks, InCoax is well positioned to capitalize on the growing investments in broadband expansion, both in established and emerging markets.**

## InCoax in brief

InCoax Networks AB, founded in 2009 and listed on Nasdaq First North, is a Swedish technology and development company offering system solutions for broadband access via existing coaxial cable<sup>1</sup> networks in multi-dwelling units (MDUs). Using technology based on the international MoCA Access™ 2.5 standard, InCoax enables symmetrical broadband speeds of up to 2.5 Gbps<sup>2</sup>—without the need for new cabling. This makes the technology a future-proof, scalable, and cost-efficient alternative to full fiber installation in buildings.

Bringing fiber all the way into each apartment often involves technical, legal, and financial challenges, particularly in older buildings and densely populated areas. InCoax’s technology leverages existing infrastructure and enables fast, low-impact installation, which in turn reduces CAPEX and shortens time to revenue for operators.

The InCoax solution complements fiber and FWA<sup>3</sup> (Fixed Wireless Access) networks but is a standalone technology. Fiber and FWA are access methods up to the building, whereas InCoax addresses the in-building network that connects each residence. This makes the technology central to achieving broadband coverage with high capacity and reliability.

## Technology and products

The system consists of three main components:

- InCoax Control DPU / in:xtnd Control (control units)
- InCoax Access A101 (subscriber modem)
- InCoax Combine (diplexers that combine broadband and TV signals over the same coaxial cable)

In addition, the InCoax Manage software platform provides full control of monitoring, configuration, troubleshooting, and remote support—features that are in varying degrees demanded by all types of operators.

The system is interoperable with both Active Ethernet<sup>4</sup> and GPON/XGS-PON<sup>5</sup>, and works in parallel with CATV<sup>6</sup>, VoIP<sup>7</sup>, and satellite TV. It enables gradual upgrades of the building network without service disruption or excavation.

## Strategy and business model

InCoax’s strategy is to offer a technically and commercially scalable alternative for access networks<sup>8</sup> in MDUs, specifically targeting markets where full fiber installation is uneconomical. The company focuses on operators with growth potential and a need for fast connectivity in buildings with challenging infrastructure. The technology can be used regardless of whether the external connection to the building is via fiber or FWA (broadband via radio link).

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1. Coaxial cable is a two-conductor electrical cable consisting of a metallic conductor (the core), surrounded by an insulating material (dielectric), which in turn is enclosed by a conductive shield. Coaxial cable is designed for the transmission of high-frequency signals with low attenuation, making it suitable for carrying high-capacity data traffic.

2. Gbps stands for billions of bits per second and is a unit of information used to measure data transmission speed; it is a multiple of the bit.

3. FWA (Fixed Wireless Access) is a communication technology that delivers broadband via radio link connections.

4. Aktiv Ethernet is a fiber-based broadband technology in which each user receives a dedicated fiber connection using a point-to-point topology. This enables high, symmetrical bandwidth and straightforward network management.

5. GPON/XGS-PON are passive optical network technologies in which multiple users share a single fiber connection through an optical splitter. GPON supports asymmetrical gigabit capacity, while XGS-PON supports symmetrical gigabit services, allowing efficient broadband deployment.

6. CATV refers to cable television.

7. VoIP stands for Voice Over Internet Protocol. IP telephony refers to the transmission of voice calls and related services over computer networks based on the Internet Protocol.

8. Access network is the part of a communication network that connects the end user’s residence or premises to the operator’s core network. It often includes the “last mile” to the customer—delivered via fiber, coaxial cable, copper wire, or wireless link.



The business model combines hardware sales with recurring revenues from support and maintenance agreements. This model reduces the customer's initial investment and creates long-term business value for InCoax. Significantly reduced installation time in the building enables short time to revenue and thus faster ROI<sup>9</sup> for the operator. In larger rollouts, collaboration takes place with distributors and system integrators, enabling both market penetration and cost efficiency.

A key strategic focus is the collaboration with Nokia, where InCoax technology is included in Nokia's Gigabit Connect portfolio<sup>10</sup>. The solution is integrated with Nokia's Altiplano™ management system<sup>11</sup>, allowing global operators to procure, install, and operate the InCoax solution as a integrated part of their existing infrastructure. This enhances the attractiveness and scalability of large-scale deployments and opens doors to operators with millions of subscribers.

### Customer segments

InCoax targets several customer categories:

- **Fiber/LAN operators:** These operators often seek alternatives to expensive in-building fiber deployment and want to offer gigabit speeds. InCoax's technology is compatible with both Active Ethernet (AON) and passive optical fiber networks (GPON/XGS-PON), allowing services up to 2.5 Gbps with minimal infrastructure changes.
- **FWA operators:** Wireless Internet Service Providers (WISPs) use wireless technology to deliver broadband to the building. InCoax enables indoor distribution over the coaxial network, making it possible to quickly and easily connect each household.
- **Cable operators:** Many cable operators with existing coaxial networks are considering transitioning from DOCSIS to alternative technologies. InCoax offers an efficient path to gigabit speeds without needing to upgrade the entire network, allowing continued use of coaxial infrastructure with lower investment requirements.
- **Internet Service Providers (ISPs):** These players need a stable and fast access solution that complements their existing networks. InCoax technology offers easy integration and high performance without major investment.
- **Hospitality:** Hotels and multi-unit accommodations often have pre-installed coaxial networks. InCoax enables an upgrade to gigabit speeds without disrupting operations or affecting the guest experience.



*InCoax DPU D2501 (Distribution Point Unit).*



*in:xtnd™ Control C254 (control unit).*



*InCoax Access A101/A251 (NTE modem).*



*InCoax Combine (diplexer/triplexer).*

9. ROI, Return On Investment: The payback period for a completed investment
10. Nokias Gigabit Connect is an end-to-end concept for delivering gigabit speeds via fiber, coax, or existing infrastructure.
11. Nokia Altiplano is Nokia's software platform within the Gigabit Connect concept, used for remote management, provisioning, and monitoring of access networks.



- **Tier-1 operators:** Demanding customers with millions of subscribers, requiring high operational reliability, standard integration, monitoring, and compatibility with existing management systems. InCoax's solution is compatible with such environments.
- **Installation and service companies:** Contractors skilled in coaxial cable and broadband installation can expand their business with MoCA Access technology.
- **Distributors and resellers:** Local and international partners who support InCoax in market development, logistics, and distribution—particularly in Europe and North America.

### Production and supply chain

Production is carried out through carefully selected contract manufacturers in Sweden and South East Asia (ODM<sup>12</sup>/EMS<sup>13</sup>). Through close cooperation with these manufacturers, InCoax ensures high quality, flexible capacity, and scalability for larger orders. Quality assurance and production testing follow established processes, creating the conditions for growth without compromising delivery precision.

### Financial targets

In 2024, net sales increased by 25% to SEK 74.5 million (SEK 59.6 million in 2023). The gross margin rose to 57% (from 52%), driven by an increased share of software and service revenues. At the same time, earnings were impacted by growth investments and postponed orders. Operating profit amounted to SEK -19.4 million. Sales to Google Fiber and other operators are expected to intensify in 2025.

The targets remain:

- At least 50% average annual organic revenue growth over a three-to-five-year period.
- Positive operational cash flow and EBIT margin  $\geq 10\%$  from 2025

The growing cooperation with global system vendors, including Nokia, creates financial opportunities within the strategic cable operator segment. This target group represents high volume potential, and the business model—built on partnerships and royalty-based revenues—reduces capital requirements and improves scalability. InCoax has thus established a foundation for

profitable growth combined with international expansion.

### Future opportunities and challenges

Post-pandemic, digitalization, remote work, and increased media consumption have led to growing demand for high-capacity, stable broadband. InCoax operates in a market where decision-making processes are often lengthy and customer requirements are high, especially in the MDU segment. To effectively address these demands, the company works closely with customers in pilot projects and evaluations, often in partnership with other stakeholders.

Both in Europe and North America, political initiatives are opening up opportunities for technologies that enable broadband deployment in buildings where fiber is too expensive or complex to install. InCoax's technology can play a crucial role in this development by offering a fast, reliable, and affordable way to reach end users.

To scale and meet demand, InCoax is actively building a network of distributors, system integrators, and technology partners. These collaborations reduce business risk, capacity challenges, and time to market. The long-term goal is to establish InCoax as a key player in access networks for MDUs—both in fiber-rich markets and where FWA is the external access method.

### Brief on MoCA Access 2.5

- **What it is:** An international standard for broadband over coaxial cable, supporting point-to-point (P2P) and point-to-multipoint (P2MP) topology.
- **Speed:** Up to 2.5 Gbps symmetrical over 200 meters of coaxial cable.
- **Capacity:** Supports up to 31 simultaneous subscribers per cable port.
- **Cable type:** Reuses existing coaxial cable with no need for new cabling.
- **Compatibility:** Can be used simultaneously with cable TV, satellite TV, and legacy versions of DOCSIS<sup>14</sup>.
- **Advantages:** Low installation cost, short time to revenue, and a future-proof alternative to fiber deployments in buildings.

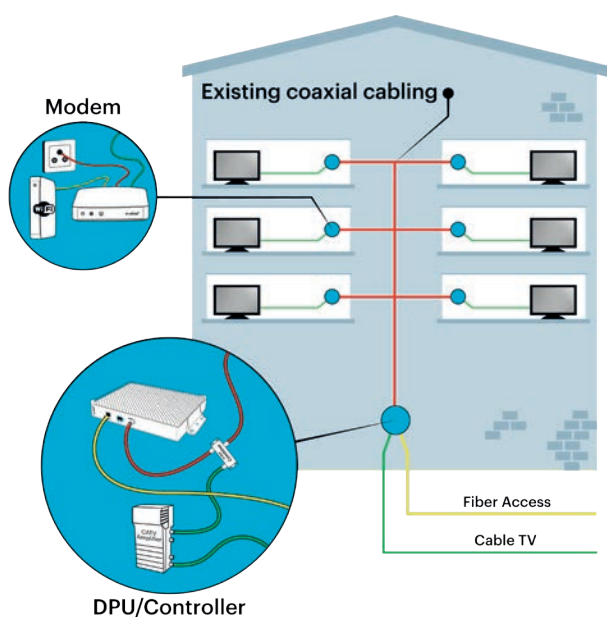


12. Original Design Manufacturer (ODM): A company that designs and manufactures a product according to specifications, which is later rebranded and sold under another company's name.

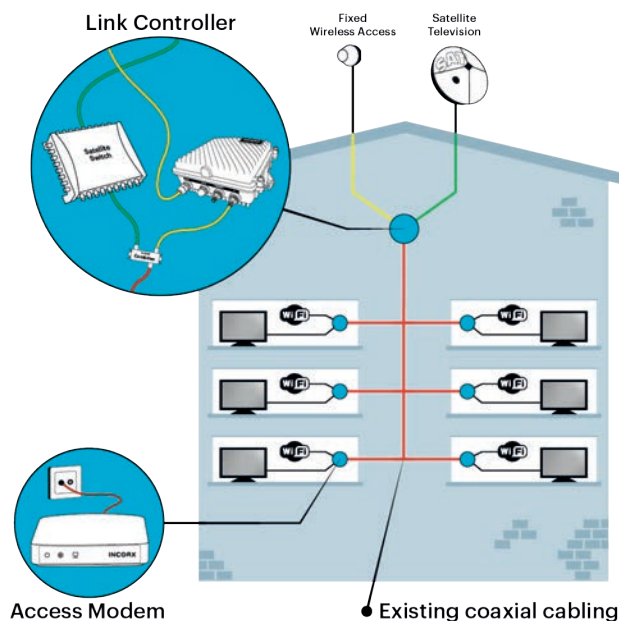
13. Electronics Manufacturing Services (EMS): A term used for companies that design, manufacture, test, distribute, and provide return/repair services for electronic components and devices on behalf of original equipment manufacturers (OEMs).

14. Data Over Cable Service Interface Specification (DOCSIS): A standard for transmitting data over cable television networks.





The image above shows InCoax fiber extension in a cable TV network.  
The same principle applies to a satellite TV network and different types of control units.



The image above shows InCoax FWA extension in a satellite TV network.  
The same principle applies to a cable TV network and different types of control units.

#### Available fixed comparable technologies for broadband connectivity in multi-family residences

|  | MoCA<br>Access 2.5<br>P2MP | MoCA<br>Access 2.5<br>P2P | G.hn<br>P2MP   | G.hn P2P          | G.hn P2P                     | G.fast P2P        | G.fast P2P                   | Fiber P2P          | CAT6 P2P                      |
|--|----------------------------|---------------------------|----------------|-------------------|------------------------------|-------------------|------------------------------|--------------------|-------------------------------|
| Maximum speed<br>200m cable<br>downstream/upstream | 3.2 Gbps                   | 3.2 Gbps                  | 1.5 Gbps       | 1.5 Gbps          | 0.85 Gbps                    | 2.0 Gbps          | 1 Gbps                       | 20 Gbps            | 10 Gbps,<br>max 100m<br>cable |
| Number of users                                    | Max 31                     | Max 1                     | Max 15         | Max 1             | Max 1                        | Max 1             | Max 1                        | Max 1              | Max 1                         |
| Symmetrical<br>download/upload                     | Yes                        | Yes                       | No             | No                | No                           | No                | No                           | Yes                | Yes                           |
| Cable infrastructure                               | Shared<br>Coax             | Dedicated<br>Coax         | Shared<br>Coax | Dedicated<br>Coax | Dedicated<br>twisted<br>pair | Dedicated<br>Coax | Dedicated<br>twisted<br>pair | Dedicated<br>fiber | Dedicated<br>ETH/LAN          |
| Cost per apartment €                               | 130 - 150                  | 250 - 280                 | 135 - 190      | 265 - 300         | 265 - 300                    | 250 - 300         | 250 - 300                    | 300 - 450          | 200 - 300                     |
| Additional cost for<br>connecting apartments       | No                         | No                        | Yes            | Yes               | Yes                          | Yes               | Yes                          | Yes                | Yes                           |
| Additional cost for<br>apartment network €         | No                         | No                        | No             | No                | Yes, +100                    | No                | Yes, +100                    | Yes, +100          | Yes, +100                     |

Data according to InCoax's own estimates.



# Market overview

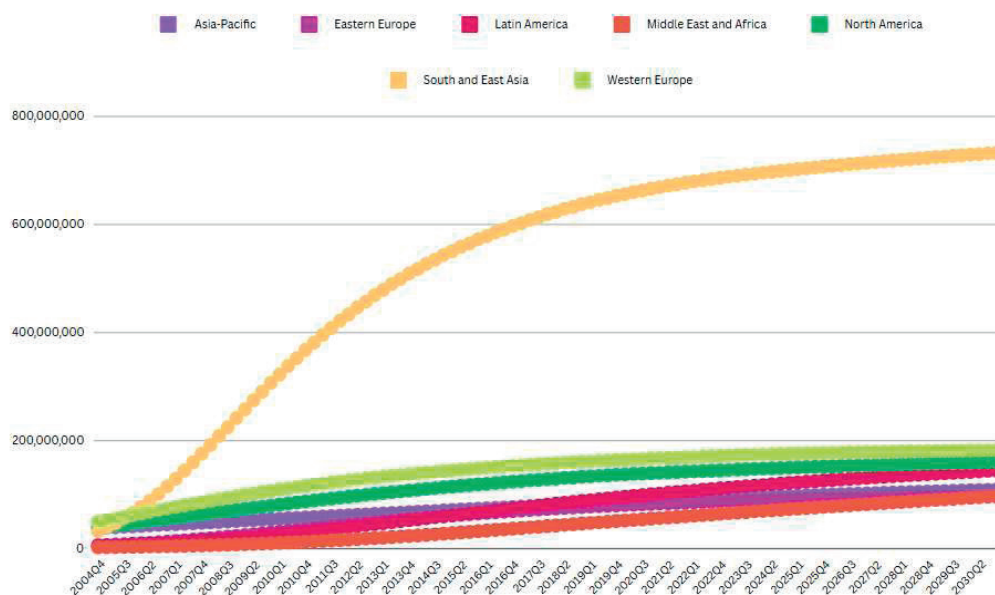
Broadband infrastructure is being rapidly expanded worldwide, but access to high-speed internet remains unevenly distributed. A growing gap exists between fiber reaching the building and actual connectivity to each individual residence—especially in multi-dwelling units (MDUs). At the same time, user behavior is evolving quickly: demands for gigabit speeds, low latency, and high reliability are driving the development of new solutions. In this landscape, there is a growing need for technologies that complement fiber and Fixed Wireless Access (FWA)—and enable fast, cost-effective in-building distribution. This market overview highlights trends, drivers, and conditions across both Europe and North America.

## Growing demand for bandwidth—but difficult to reach the finish line

Despite decades of broadband investment, a large share of households still lack access to stable high-speed connections. Fiber is often deployed to neighborhoods or buildings, but the final step into each residence—the so-called “Last Mile Challenge”—remains. This is due to practical, technical, and economic barriers, particularly in MDUs<sup>15</sup>, where new cabling is expensive, time-consuming, and often faces resistance from property owners.

In Europe, ADSL<sup>16</sup>/VDSL<sup>17</sup> over telephone lines remains common, even though the technology no longer meets modern user demands. In such environments, there is increasing demand for alternative solutions that can reuse existing infrastructure—such as coaxial cable—to deliver gigabit speeds with lower installation costs and faster time to revenue.

According to Point Topic<sup>18</sup> (March 2025), the number of global fixed broadband subscribers is expected to reach 1.614 billion by 2030. Much of this growth is driven by developing markets with high potential, while mature markets such as Western Europe are seeing slower growth.



Source: Point Topic, Forecast of global fixed broadband subscribers to 2030 by region

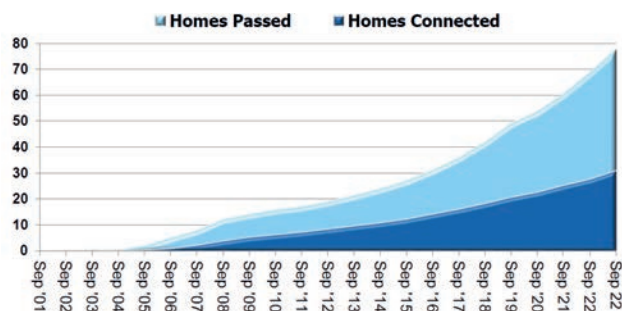
15. MDU, Multi Dwelling Unit: A residential building housing multiple separate units, such as apartments or condominiums.

16. ADSL stands for Asymmetric Digital Subscriber Line, a type of digital subscriber connection that uses copper wire connected to the telephone network.

17. VDSL stands for Very High Speed Digital Subscriber Line, a digital subscriber connection that offers much higher speeds than ADSL.

18. Point Topic is a UK-based analytics firm that publishes global forecasts and market data on broadband development.





Source: FBA/RVA 2023 Provider Study, State of the North American Fiber Industry

### Fiber and FWA—two technologies, different use cases

The rollout of fiber-to-the-home (FTTH) is central to the broadband strategies of both the EU and Sweden. At the same time, Fixed Wireless Access (FWA) has emerged as an important complement—especially in areas where fiber is difficult or expensive to deploy, such as in rural or complex urban environments.

Fiber and FWA are two entirely different technologies, but they complement each other in broadband expansion. Fiber is used where high capacity and long-term future-proofing are required, while FWA is prioritized where fast rollout and low initial investment are key. What both technologies have in common is the need for an internal building network to distribute the signal to each apartment within an MDU. This is where InCoax offers a solution through existing coaxial cable—a technology that is both proven and standards-based.

According to the latest report from the Fiber Broadband Association (FBA), as of September 2023, around 78 million U.S. homes were passed by fiber—but only 30.9 million were actually connected.

### Market situation in Europe and North America

In the EU39 region, according to FTTH Council Europe, there were around 244 million homes passed by fiber at the end of 2023, but only 121 million were connected—resulting in a penetration rate of 49.6%. At the same time, ADSL and DSL remain dominant in many countries, especially in the MDU segment. This situation drives demand for solutions that can complement or replace copper and cable in existing infrastructure.

In North America, cable TV operators have traditionally had a strong position. They were early in building Home Run<sup>19</sup>-based coaxial networks where each apartment has a dedicated point-to-point connection in the building. The MoCA standard has long been used as an in-home networking technology in these environments, making InCoax's solution especially relevant. The gap between passed and connected homes is widening, as subscriber growth lags behind the pace of infrastructure investment.

### Policy drivers and new technical guidelines

In the U.S., broadband expansion has gained new momentum through the BEAD<sup>20</sup> program, which is distributing over \$42 billion via the NTIA<sup>21</sup> to support broadband solutions in hard-to-reach buildings. A policy update from December 2024 clarified that non-fiber technologies—such as MoCA Access—can also qualify for funding, as long as they deliver sufficient capacity and meet digital inclusion requirements.

#### Reliable Broadband Service

The technologies that qualify as **Reliable Broadband Service** and are eligible for BEAD funding include:

- ✓ Fiber to the Home (FTTH) (**Priority Broadband Service**);
- ✓ Hybrid Fiber-Coaxial (HFC);
- ✓ Licensed Fixed Wireless (LFW); and
- ✓ Digital Subscriber Line (DSL)

#### Other Broadband Technologies

The technologies **not defined as Reliable Broadband Service** include:

- ✓ **Alternative Technology**, e.g., ULFW and LEO satellite service meeting the BEAD Program's speed and latency technical requirements (**eligible for BEAD funding**); and
- ✗ **Other technologies** not meeting the BEAD Program's technical requirements, e.g., Geostationary Orbit (GEO) Satellite (**ineligible for BEAD funding**)

Technologies marked with a ✓ are eligible for BEAD funding under the requirements outlined in the BEAD NOFO, whereas those with an ✗ are not eligible for BEAD funding.

Source: NTIA BEAD, Alternative Broadband Technology Policy Notice

19. Home Run is a network architecture in which each apartment or user has a dedicated cable running all the way from the building's connection point—usually a technical room—to the individual unit. This provides high capacity and minimal bandwidth sharing.

20. BEAD stands for Broadband Equity, Access, and Deployment—a U.S. federal investment program totaling \$42.45 billion, aimed at expanding access to high-speed and reliable internet, particularly in currently unserved areas.

21. NTIA stands for National Telecommunications and Information Administration—a U.S. government agency under the Department of Commerce, responsible for implementing federal broadband programs like BEAD and overseeing telecommunications and internet policy.



In Europe, the EU's Digital Decade targets are putting pressure on member states to ensure a minimum of 100 Mbps to all households by 2025. Sweden has set an even higher goal: 98% of households should have access to 1 Gbps. These policy directions are driving demand for faster, more flexible in-building solutions where traditional fiber installation is not feasible or economical.

### Consumer behavior and demand development

Post-pandemic, consumer needs have fundamentally changed. Remote work, video conferencing, streaming, gaming, and IoT are now part of everyday life in most homes. According to IoT Analytics, the number of connected IoT devices globally is expected to reach 18.8 billion by the end of 2024. At the same time, both Preseem and OpenVault report that more households are subscribing to gigabit services, especially in MDUs where expectations for stability and speed are particularly high.

Preseem data shows that average daily data usage over fixed wireless broadband now reaches 12.7 GB—a year-over-year increase of 8%.

### Competition and technological differentiation

The access network market is dominated by three main categories:

- Telecom operators (PON/GPON/XGS-PON)
- Fiber challengers (Active Ethernet, AON/PON/GPON/XGS-PON)
- Cable operators (DOCSIS<sup>27</sup> 3.0/3.1/4.0)

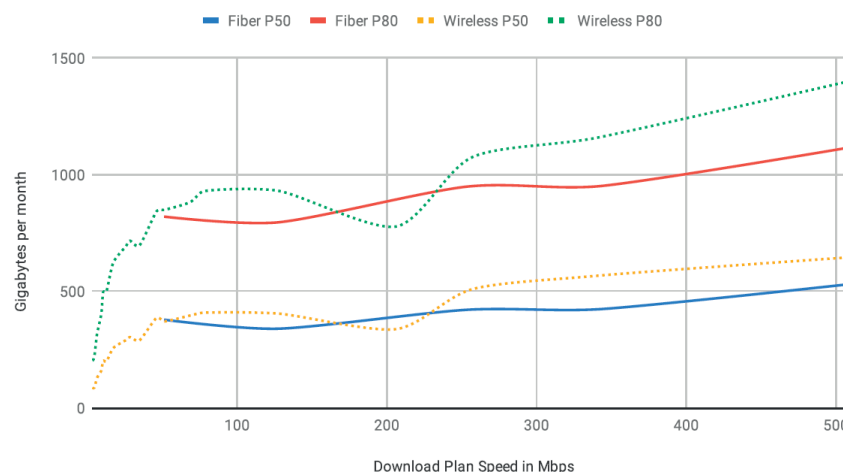
Most players are seeking solutions to reduce their CAPEX when connecting MDUs. G.fast and G.hn have been introduced over copper or coax, but generally offer limited capacity and are difficult to scale. InCoax was the first in the world with MoCA Access 2.5 and has established itself as a technology leader in the segment.

Thanks to the partnership with Nokia, which has strong market presence among Tier-1 cable operators, new opportunities are emerging to replace DOCSIS solutions in buildings where fiber has not yet been deployed all the way to the apartments.

### Conclusion

The global broadband market is rapidly evolving toward higher performance requirements, lower installation costs, and shorter time to revenue. Fiber and FWA each offer part of the solution—but both require in-building access. With support from standards, political initiatives, and accelerating demand, InCoax has positioned itself as a key player in this critical layer of broadband infrastructure.

Preseem Plan Speed vs. Monthly Downloaded Bytes



Source: Preseem 2025, Subscriber Usage by Speed Plan

- The EU's Digital Decade is the EU's long-term strategy for digital development through 2030. It includes targets for connectivity, digital skills, digital public services, and business digitalization. A key goal is for all households in the EU to have access to at least 100 Mbps broadband by 2025, and gigabit speeds by 2030.
- IoT Analytics is an independent market research firm based in Germany that specializes in data, trends, and insights related to the Internet of Things (IoT), industrial digitalization, and connected technologies. They regularly publish reports and forecasts on the global number of connected devices.
- IoT, short for Internet of Things, refers to networks of physical devices—such as sensors, household appliances, cameras, and vehicles—that are connected to the internet and can collect, exchange, and act on data without human intervention.
- Preseem is a North American software company that provides analytics and optimization tools for broadband networks, particularly for small and regional internet providers. It also publishes annual reports featuring performance data and user statistics for fiber and FWA networks, based on real-world traffic across thousands of networks.
- OpenVault is a U.S.-based data and analytics company specializing in broadband usage. It collaborates with internet operators to collect anonymized data on traffic, subscription types, and user behavior, and publishes quarterly reports on trends in data consumption and network performance.
- DOCSIS (Data Over Cable Service Interface Specification) is an international telecom standard that enables broadband delivery over cable TV networks. It is primarily used by cable operators and supports high-speed internet over coaxial cable. The most common versions are DOCSIS 3.0, 3.1, and 4.0, with each new generation offering higher speeds and more efficient spectrum usage.



# Partner organizations

**To be compatible with the operator's networks and influence future industry standards, InCoax is member of key organizations. The forums are also great platforms to reach out to potential customers.**

## Partner organizations

InCoax has been actively engaged with MoCA® for several years and has been elected to its board. Among other contributions, InCoax has led the working group that developed the MoCA Access™ 2.5 standard, upon which the current product generation is based. InCoax is also deeply involved in the development of the next generation MoCA 10, which enables 10 Gbps symmetric communication over coaxial cable.

InCoax is also a member of the Broadband Forum (BBF), which among other activities, defines standards for telecom operators. The aim is to influence how MoCA Access™ can be integrated into telecom operators' networks and systems. Membership also provides a strong platform for communication and marketing of InCoax to the industry's leading players.

To strengthen market knowledge and presence in the American market, InCoax became a member of the Fiber Broadband Association in 2021 and the Wireless Internet Service Providers Association in 2023.

InCoax are active marketing council members of both MoCA and the BBF.

## Multimedia over Coax Alliance

Multimedia over Coax Alliance (MoCA®) is an international standardization consortium that develops technology and publishes specifications for coaxial-cable based networks. MoCA Access™ is a solution suited for a variety of market segments where broadband access is offered:

- Broadband operators installing fiber deep into networks or to buildings (FTTep/FTTB), and who wish to use the existing coax cables of the property without diminishing performance.
- Cable TV operators that wish to offer symmetrical broadband services and higher guaranteed capacity than today's DOCSIS on their existing coax networks.
- Internet service providers building fiberbased networks where the optical signal ends in the basement and who wish to use existing coaxial cables to reach every unit or apartment in the property.

- Operators using 4G/5G/WiFi in residential areas and need a connection between the wireless network and the individual apartment, without installing new cables.
- Companies that design and install networks in hotels, restaurants, offices and other buildings.
- MoCA Access™ 2.5 standard specifies for speeds of up to 2.5 Gbps in existing coaxial networks.

## Broadband Forum (BBF)

Broadband Forum is a consortium of approximately 200 leading actors in the telecom, equipment, computer, network and services sector. BBF's work ensures fast and effective market access for services and companies through standardized platforms and methods that allow good economy and scalability.

## Fiber Broadband Association (FBA)

The FBA is an American member-run organization for the promotion of broadband expansion in North and South America. The organization represents companies and interest organizations throughout the broadband ecosystem such as; manufacturers, consultants, consumers, decision makers, system and application providers.

## Wireless Internet Service Providers Association (WISPA)

*Broadband Without Boundaries* represents the interests of the evolving wireless Internet service provider (WISP) ecosystem: small innovative entrepreneurs who provide fixed wireless, fiber and other connectivity solutions to consumers, businesses, first responders and community anchor institutions.

## Svenska Stadsnätsföreningen

Svenska Stadsnätsföreningen is an industry and interest organization that represents municipal networks in nearly 200 municipalities and 125 providers of services and equipment in the broadband sector. The association thus represents an absolute majority of the actors actively investing in new modern broadband infrastructure in Sweden.





# Share and shareholders

## Ownership structure

The number of shareholders December 30, 2024, was 1,517. The largest shareholder was Saugatuck Invest AB, with 23.0% of the shares and votes in InCoax. The company's ten largest shareholders together hold shares equivalent to 73.19%.

## Shares and share capital

The company's registered share capital at the end of the period amounted to SEK 27,039,273, divided into 108,157,093 shares of the same type, each with a quota value of SEK 0.25.

All issued shares are fully paid up and are freely transferable.

The shares in the company are denominated in SEK.

The shares in the company have been issued in accordance with Swedish law.

According to InCoax's Articles of Association, adopted at the General Meeting on June 15, 2023, the share capital may not be less than SEK 18,000,000 and not exceed SEK 72,000,000, divided into no less than 72,000,000 shares and no more than 288,000,000 shares.

## Ownership structure on December 31, 2024

| Name                                     | Number of shares   | Holding, %   |
|--|--------------------|--------------|
| Saugatuck Invest AB                      | 24,845,893         | 23.0         |
| BLL Invest AB                            | 12,675,438         | 11.7         |
| Norrlandspojkarna Aktiebolag             | 12,168,625         | 11.3         |
| Nordea Livförsäkring Sverige AB          | 11,719,304         | 10.8         |
| Nordnet Pensionsförsäkring AB            | 5,420,610          | 5.0          |
| The Onelife Company SA                   | 5,034,572          | 4.7          |
| Bäckvall Juhlin Mats                     | 2,500,000          | 2.3          |
| Försäkringsaktiebolaget Avanza Pension   | 2,296,961          | 2.1          |
| Jacob Rajendram                          | 1,311,828          | 1.2          |
| Futur Pension Försäkringsaktiebolag      | 1,186,200          | 1.1          |
| Other shareholders (approximately 1,507) | 28,997,662         | 26.8         |
| <b>Total</b>                             | <b>108,157,093</b> | <b>100.0</b> |

Source: On the basis of lists from Euroclear on December 30, 2024, and information known by the company from major shareholders.



# Directors' Report

The Board of Directors and the CEO of InCoax Networks AB, registration number 556794-1363, based in Lund, hereby present the annual report for 2024. The annual report has been prepared in Swedish kronor (SEK).

## Business overview

The company, registered on November 23, 2009, develops and sells products for broadband access over coaxial cable.

## Market/Sales

During the year, the company has focused its sales activities on operator markets in Europe and North America.

Market activities have been conducted to the greatest extent possible according to the established strategy. In 2024, the company noted some seasonal variation in its sales, with a slight decline in the second and third quarters, primarily driven by purchasing patterns of existing customers.

## Comments on financial development in 2024

### Revenue

The company's net sales amounted to SEK 74,497,775 (previous year: 59,619,447), representing a 25 percent increase compared to the same period last year.

## Equity

| SEK   | Share capital     | Share capital under reg. | Share premium reserve under reg. | Retained earnings   | Profit/loss for the year |
|---|-------------------|--------------------------|----------------------------------|---------------------|--------------------------|
| At the beginning of the year                | 18,026,183        | 67,073,443               | 368,482,577                      | -357,047,959        | -16,908,632              |
| New issue                                   | 9,013,090         |                          | 41,052,370                       |                     |                          |
| Warrants                                    |                   |                          |                                  |                     |                          |
| Ongoing new issue                           |                   |                          |                                  |                     |                          |
| Transfer of earnings for the preceding year |                   |                          |                                  | -16,908,632         | 16,908,632               |
| Transfer fund development costs             |                   | 25,649,493               |                                  | -25,649,493         |                          |
| Loss for the year                           |                   |                          |                                  |                     | -19,150,134              |
| <b>At the end of the year</b>               | <b>27,039,273</b> | <b>92,722,937</b>        | <b>409,534,947</b>               | <b>-399,606,085</b> | <b>-19,150,134</b>       |

## Multi-year summary

| SEK  | Full year 2024 | Full year 2023 | Full year 2022 | Full year 2021 | Full year 2020 |
|--|----------------|----------------|----------------|----------------|----------------|
| Net sales  | 74,497,775     | 59,619,447     | 25,922,260     | 20,894,597     | 3,788,461      |
| Gross profit/loss  | 42,179,123     | 31,021,930     | 12,246,228     | 9,084,216      | -5,260,697     |
| Gross margin, %  | 57%            | 52%            | 47%            | 43%            | Neg            |
| Operating loss (EBIT)  | -19,378,406    | -16,729,885    | -22,329,647    | -24,331,638    | -57,405,382    |
| Operating margin (EBIT), %   | Neg            | Neg            | Neg            | Neg            | Neg            |
| Loss after financial items   | -19,150,134    | -16,908,631    | -22,815,010    | -24,496,940    | -57,822,219    |
| Loss after tax   | -19,150,134    | -16,908,631    | -22,815,010    | -24,496,940    | -57,822,219    |
| Result per share   | -0.18          | -0.23          | -0.32          | -0.60          | -2.11          |
| Result per share after dilution                                      | -0.17          | -0.23          | -0.31          | -0.58          | -2.03          |
| Equity ratio (%)   | 80.8%          | 69.3%          | 78.1%          | 74.5%          | 58.3%          |
| Cash flow incl. financing activities                                 | -12,758,134    | -21,306,145    | 2,012,771      | 17,449,945     | -12,643,002    |
| Cash flow per share  | -0.12          | -0.30          | 0.03           | 0.42           | 0.46           |
| Cash flow per share after dilution                                   | -0.12          | -0.29          | 0.03           | 0.42           | 0.44           |
| Number of outstanding shares at the end of the period                | 108,157,093    | 72,104,729     | 72,104,729     | 41,113,418     | 27,442,396     |
| Number of outstanding shares after dilution at the end of the period | 109,787,048    | 74,089,802     | 73,349,847     | 42,400,536     | 28,531,396     |
| Average number of shares during the period                           | 90,130,911     | 72,104,729     | 56,609,074     | 34,277,907     | 20,581,797     |
| Average number of shares after dilution during the period            | 91,760,866     | 73,719,825     | 57,875,192     | 35,490,966     | 21,252,782     |

\* The company reported internally processed intangible fixed assets according to the cost accounting model up to and including 2020-06-30.



This growth is primarily attributed to increased deployment of the company's products through Google Fiber. Of total net sales, 93% (94) pertained to goods and products.

### Result

The operating result for the year was SEK -19,378,406 (-16,729,885). The change is primarily due to increased costs related to a strategic collaboration with a leading global provider of fiber networks, resulting in higher development expenses. Another contributing factor was deferred orders, now expected to be fulfilled during the 2025 fiscal year, which had a direct negative impact on operating results.

Despite this, the gross margin remained high, which is attributed to a greater share of service and support in the product mix.

Capitalized development costs in the income statement amounted to SEK 25,649,493, entirely attributable to the company's development of next-generation products.

Net loss after tax for the year was SEK -19,150,134 (-16,908,631).

### Costs

The company's overall cost base increased in 2024. In addition to higher costs for goods for resale, increases were primarily due to higher personnel costs and other external expenses.

The average number of employees rose to 31 (27).

Physical customer interactions intensified during the year, impacting travel-related expenses.

Other external costs were mainly driven by increased consultancy fees. In 2024, these fees primarily related to the company's development projects, with parts of these costs being capitalized during the year.

Costs for goods for resale amounted to SEK 32,318,652 (28,597,518), with the increase explained by greater product sales.

### Cash flow

During 2024, a new share issue was completed, raising SEK 52.6M before issuance costs.

Cash flow from operating activities was SEK -27,117,256 (-10,093,491) which can partly be attributed to inventory build-up.

Investment activities generated a cash flow of SEK -25,706,339 (-20,999,050), mostly related to capitalized development expenses for ongoing internal projects.

Total cash flow for the year amounted to SEK -12,758,134 (-21,306,145).

### Investments

Total investments in 2024 were SEK 25,706,339 (20,999,050), of which SEK 25,649,491 was related to capitalized development costs for next-generation products. These include costs for in-house staff and hired consultants actively contributing to product development. The remaining SEK 56,847 refers to other tangible fixed assets.

### Research and development

In 2024, research and development activities continued with increased intensity. This included the filing of patent applications and further development of the updated version of the InCoax MoCA Access 2.5 platform.

### The stock

During 2024, the company carried out a new share issue, which resulted in the share capital as of December 31 amounting to SEK 27,039,273 (previous year: 18,026,183), divided into 108,157,093 (72,104,729) outstanding shares of a single share class. The condition for the fully subscribed share issue was that for each share held on the record date, January 8, 2024, one subscription right was granted, and two subscription rights entitled the holder to subscribe for one new share at a price of SEK 1.46 per share. The subscription period ran from January 10 to 24, 2024, and payment was to be made in cash during the same period. According to the resolution on the share issue, the share capital could increase by a maximum of SEK 9,013,091 through the issuance of up to 36,052,364 new shares.

### Convertible bonds

Outstanding convertible bonds on December 31 amounted to SEK 3,245,786. The holder has the right to request conversion of all or part of the amount up until June 30, 2025, at a conversion rate of SEK 9.14 per share.

### Warrants

As of December 31, the total number of outstanding warrants amounted to 1,692,955, referring to TO2023/2026.

### Significant events during the fiscal year

During the financial year, InCoax continued to receive orders from the American Fiber/LAN operator Google Fiber, and the collaboration with the North American Tier 1 operator continued. Initial orders were also received from operators in Finland and the USA.

Partnerships were initiated with Tarana Wireless and CTI-Connect for the North American market.



The commercial function was divided into two departments: Sales, led by Andreas Bergman—who also became a new member of the management team—and Business Development, led by Helge Tiainen.

To increase InCoax's financial flexibility during the execution of its growth plan, the main shareholder, Saugatuck Invest AB, has extended a credit facility to the company of up to SEK 10 million, to be utilized as needed. As of December 31, 2024, the credit remained unused.

The credit facility runs until April 15, 2026, with an annual interest rate of 8% on the utilized amount. No additional fees apply.

### **Expected future development, significant risks and uncertainty factors**

#### **Expected future development**

The company assesses that there is significant market potential for its system solution that enables multi-gigabit services over existing coaxial networks in multi-dwelling units (MDUs).

Through the collaboration with Nokia, InCoax gains faster access to key operator channels with high growth potential. The market is steadily expanding as fiber and fixed wireless access (FWA) networks grow, and the demand for effective last-mile solutions for individual users becomes increasingly clear.

InCoax is targeting a multi-billion market with long-term sales potential. The company's latest product generation is an attractive choice for large operators as it offers high compatibility with the communication standards used for operation, customer support, monitoring, and maintenance of broadband networks.

A clear example of this is the integration with Nokia Altip-lano™.

In 2024, several major operators, due to external factors such as higher inflation and rising interest rates, postponed investment decisions or reduced their investment budgets related to large-scale infrastructure expansions. This has also affected InCoax to some extent, although our solution allows operators to add more subscribers to existing fiber and FWA networks with relatively small investments.

In the U.S., we are also seeing that various broadband subsidy programs (such as BEAD) are now available to operators, which is positive for our position.

We expect the market to gradually strengthen during 2025. InCoax operates in a market characterized by com-

plex and lengthy decision-making processes among larger operators. However, once selected as a supplier, this typically leads to long-term rollouts spanning several years.

#### **Significant risks and uncertainty factors**

The company has identified several risks and uncertainties, including competition, technological development, supplier dependency, key personnel, and financing.

InCoax operates in an industry characterized by intense competition and rapid changes in technology, patents, and service development. To manufacture, sell, and deliver its products, the company is dependent on the quality, delivery capability, and availability of key components from external suppliers.

The company's success and future growth are closely tied to the competence and experience of key individuals within management and the development team, including the company's co-founders, who remain actively involved. These individuals are crucial for the implementation of InCoax's updated business plan and strategy.

There is also a risk that the company may not secure sufficient financing to achieve its strategic objectives. Future capital requirements will be influenced by several factors, such as costs for product development and commercialization, as well as the timing and scale of future sales revenues. The Board continuously works to identify and evaluate different financing opportunities.

The tariffs announced by the United States may affect the company's order intake, ability to secure deliveries, and could lead to higher raw material and component costs.

#### **Proposal for profit distribution**

| SEK  | 2024              |
|--|-------------------|
| The amount at the disposal of the Board of Directors |                   |
| Retained earnings                                    | -399,606,085      |
| Share premium reserve                                | 409,534,947       |
| Loss for the year                                    | -19,150,134       |
| <b>Total</b>   | <b>-9,221,271</b> |
| To be carried forward                                |                   |
| <b>Total</b>   | <b>-9,221,271</b> |

For information about the company's profit/loss and position in general, refer to the following income statement and balance sheet with accompanying notes.



# Income statement

| SEK   | Note | 2024-01-01<br>- 2024-12-31 | 2023-01-01<br>- 2023-12-31 |
|---|------|----------------------------|----------------------------|
| <i>Operating income</i>   |      |                            |                            |
| Net sales   | 1    | 74,497,775                 | 59,619,447                 |
| Capitalized development costs   | 2    | 25,649,493                 | 19,201,472                 |
| Other operating income  | 3    | 1,719,351                  | 34,396                     |
|   |      | <b>101,866,619</b>         | <b>78,855,315</b>          |
| <i>Operating expenses</i>   |      |                            |                            |
| Goods for resale  |      | -32,318,652                | -28,597,518                |
| Other external costs  | 4    | -49,840,502                | -36,382,521                |
| Personnel costs   | 5    | -38,201,669                | -29,351,640                |
| Depreciation, amortization and impairment of tangible and intangible assets |      | -846,501                   | -852,605                   |
| Other operating expenses  |      | -37,701                    | -400,916                   |
| <b>Operating loss</b>   |      | <b>-19,378,406</b>         | <b>-16,729,885</b>         |
| <i>Profit from financial items</i>  |      |                            |                            |
| Interest profit and similar profit/loss items                               |      | 513,215                    | 179,036                    |
| Interest expenses and similar profit/loss items                             |      | -284,943                   | -357,782                   |
| <b>Loss after financial items</b>   |      | <b>-19,150,134</b>         | <b>-16,908,631</b>         |
| <b>Loss before tax</b>  |      | <b>-19,150,134</b>         | <b>-16,908,631</b>         |
| <b>Loss for the year</b>  |      | <b>-19,150,134</b>         | <b>-16,908,631</b>         |



# Balance sheet

| SEK  | Note | Jan 1, 2024–<br>Dec 31, 2024 | Jan 1, 2023–<br>Dec 31, 2023 |
|--|------|------------------------------|------------------------------|
| <b>ASSETS</b>  |      |                              |                              |
| <i>Fixed assets</i>  |      |                              |                              |
| Intangible assets  |      |                              |                              |
| Capitalized expenses for development work and similar work | 6    | 92,722,936                   | 67,073,444                   |
|  |      | <b>92,722,936</b>            | <b>67,073,444</b>            |
| <i>Tangible assets</i>                                     |      |                              |                              |
| Machinery and other technical equipment                    | 7    | 1,215,957                    | 2,005,611                    |
| <b>Total non-current assets</b>                            |      | <b>93,938,894</b>            | <b>69,079,056</b>            |
| <i>Current assets</i>                                      |      |                              |                              |
| Inventories, etc.  |      |                              |                              |
| Finished products and goods for resale                     |      | 30,207,239                   | 21,596,302                   |
| Advances to suppliers                                      |      | 446,724                      | 4,927,749                    |
|  |      | <b>30,653,963</b>            | <b>26,524,051</b>            |
| <i>Current receivables</i>                                 |      |                              |                              |
| Trade receivables  |      | 5,494,834                    | 519,306                      |
| Current tax claim  |      |                              | 90,025                       |
| Other receivables  |      | 3,345,056                    | 2,319,113                    |
| Prepaid expenses and accrued income                        |      | 1,150,399                    | 1,407,921                    |
|  |      | <b>9,990,288</b>             | <b>4,336,365</b>             |
| Cash and bank balances                                     |      | 2,231,929                    | 14,990,063                   |
| <b>Total current assets</b>                                |      | <b>42,876,180</b>            | <b>45,850,479</b>            |
| <b>TOTAL ASSETS</b>  |      | <b>136,815,074</b>           | <b>114,929,534</b>           |



# Equity and liabilities

| SEK                                      | Note | Jan 1, 2024–<br>Dec 31, 2024 | Jan 1, 2023–<br>Dec 31, 2023 |
|--|------|------------------------------|------------------------------|
| <b>Equity</b>                            |      |                              |                              |
| <i>Restricted equity</i>                 |      |                              |                              |
| Share capital                            |      | 27,039,273                   | 18,026,183                   |
| Unregistered share capital               |      | 92,722,936                   | 67,073,443                   |
|  |      | <b>119,762,209</b>           | <b>85,099,626</b>            |
| <i>Unrestricted equity</i>               |      |                              |                              |
| Share premium reserve under registration |      | 409,534,948                  | 368,482,577                  |
| Retained profit or loss                  |      | -399,606,084                 | -357,047,960                 |
| Loss for the year                        |      | -19,150,134                  | -16,908,631                  |
|  |      | <b>-9,221,270</b>            | <b>-5,474,014</b>            |
| <b>Total equity</b>                      |      | <b>110,540,939</b>           | <b>79,625,612</b>            |
| <i>Non-current liabilities</i>           | 8    |                              |                              |
| Convertible debt instruments             |      | 0                            | 3,245,786                    |
| Other non-current liabilities            |      | 0                            | 299,601                      |
|  |      | <b>0</b>                     | <b>3,545,387</b>             |
| <i>Current liabilities</i>               |      |                              |                              |
| Trade payables                           |      | 6,975,883                    | 10,580,099                   |
| Current tax liability                    |      | 131,077                      | 0                            |
| Other current liabilities                |      | 4,448,324                    | 11,137,384                   |
| Accrued expenses and deferred income     |      | 14,718,851                   | 10,041,052                   |
| <b>Total current liabilities</b>         |      | <b>26,274,135</b>            | <b>31,758,535</b>            |
| <b>Total liabilities</b>                 |      | <b>26,274,135</b>            | <b>35,303,922</b>            |
| <b>TOTAL EQUITY AND LIABILITIES</b>      |      | <b>136,815,074</b>           | <b>114,929,534</b>           |



# Cash flow statement

| SEK  | Jan 1, 2024–<br>Dec 31, 2024 | Jan 1, 2023–<br>Dec 31, 2023 |
|--|------------------------------|------------------------------|
| <i>Operating activities</i>  |                              |                              |
| Loss after financial items   | -19,150,134                  | -16,908,631                  |
| Adjustment for non-cash items  | -177,668                     | 744,134                      |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>-19,327,802</b>           | <b>-16,164,497</b>           |
| <i>Cash flow from changes in working capital</i>                             |                              |                              |
| Increase (-)/decrease (+) in inventories                                     | -8,610,937                   | -12,934,206                  |
| Increase (-)/decrease (+) in receivables                                     | -1,059,786                   | 20,573,016                   |
| Increase (-)/decrease (+) in operating liabilities                           | 1,881,269                    | -1,513,804                   |
| <b>Cash flow from operating activities</b>                                   | <b>-27,117,256</b>           | <b>-10,039,491</b>           |
| <i>Inventory operations</i>  |                              |                              |
| Acquisition of tangible assets   | -56,847                      | -1,797,576                   |
| Acquisition of intangible assets   | -25,649,491                  | -19,201,474                  |
| <b>Cash flow from investing activities</b>                                   | <b>-25,706,339</b>           | <b>-20,999,050</b>           |
| <i>Financing activities</i>  |                              |                              |
| Share options redeemed   |                              | 277,092                      |
| New issue  | 52,636,451                   |                              |
| Issuance costs   | -2,570,990                   |                              |
| Prepaid issuance costs   |                              | -544,697                     |
| Borrowings raised  |                              | 10,000,000                   |
| Amortization of loans  | -10,000,000                  |                              |
| <b>Cash flow from financing activities</b>                                   | <b>40,065,462</b>            | <b>9,732,395</b>             |
| <b>Cash flow for the year</b>  | <b>-12,758,134</b>           | <b>-21,306,145</b>           |
| <b>Cash and cash equivalents at the beginning of the year</b>                | <b>14,990,063</b>            | <b>36,296,208</b>            |
| <b>Cash and cash equivalents at the end of the year</b>                      | <b>2,231,929</b>             | <b>14,990,063</b>            |
| <i>Interest paid and dividends received</i>                                  |                              |                              |
| Interest received  | 513,215                      | 163,864                      |
| Interest paid  | -284,943                     | -434,768                     |

\* Adjustments for items that are not included in cash flow, etc.

|  |                 |                |
|--|-----------------|----------------|
| Depreciation   | 846,501         | 852,605        |
| Unrealized exchange rate differences   | -1,024,169      | -108,471       |
| <b>Adjustments for items that are not included in cash flow, etc., total</b> | <b>-177,668</b> | <b>744,134</b> |



# Supplementary disclosures

## Accounting and valuation principles

### General accounting principles

The annual report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general recommendation, BFNAR 2012:1 Annual reports and consolidated financial statements (K3). The accounting principles are unchanged from last year.

### Foreign currency

Monetary items in foreign currency are translated at the closing day rate. Non-monetary items are not translated but instead recognized at the rate on the acquisition date.

### Valuation principles, etc.

Receivables are recognized at the amount at which they are expected to accrue. Other assets and liabilities are recognized at cost, unless otherwise indicated below.

### Revenue recognition

Revenue is recognized at the fair value of the amount that has been received or will be received and recognized to the extent that it is probable that the financial benefits will accrue to the company and if the revenue can be reliably calculated. Invoiced revenues linked to service agreements are accrued and dissolved during the length of the service agreement.

### Sale of goods

When selling goods, revenue is reported on delivery.

### Government assistance

Government assistance received is reported as other income.

## Financial assets and liabilities

Financial assets and liabilities are accounted for in accordance with chapter 11 (Financial instruments valued at acquisition cost) in BFNAR 2012:1.

### Accounting in and derecognition from the balance sheet

Financial assets are valued at acquisition value at initial recognition, including any transaction expenses that are directly attributable to the acquisition of the asset.

Financial current assets are valued after the first reporting date at the lower of acquisition value and net sales value on the balance sheet date.

Accounts receivable and other receivables that constitute current assets are valued individually at the amount that is expected to be received.

Financial fixed assets are valued after the first reporting occasion at acquisition value less any write-downs and with supplements for any revaluations.

Interest-bearing financial assets are valued at accrued acquisition value.

## Valuation of financial liabilities

Financial liabilities are valued at amortised cost.

## Research and development expenditures

Expenditures on research, i.e., planned and systematic inquiry for the purposes of obtaining new scientific or technical knowledge and insights, are accounted for as costs when they arise. When accounting for development expenses, the activation model is applied. This means that an expenditure incurred during the development phase is recognized as an asset, provided that all of the following conditions are met:

- It is technically possible to complete the fixed asset so that it can be used or sold.
- The intention is to complete the intangible fixed asset and to use or sell it. - Conditions exist for using or selling the intangible fixed asset.
- It is likely that the fixed asset will generate future economic benefits
- The expenses attributable to the fixed asset can be reliably calculated.
- Necessary and adequate technical, financial and other resources exist to complete the development and to use or sell the intangible fixed asset.

Internally generated intangible fixed assets are reported as the cost of acquisition less accumulated depreciations and write-downs. The cost of acquisition of an internally generated intangible fixed asset consists of all directly attributable expenses (e.g., materials and salaries). Indirect manufacturing costs that represent a more than insignificant part of the total cost of production and amount to more than an insignificant sum are included in the cost. The reported balanced expenditures for development work are subject to management's write-down review. The most critical assumption, evaluated by management, concerns whether the intangible asset can be expected to generate future economic benefits that correspond, at minimum, to the book value of the intangible asset. Management's assessment is that the expected future cash flows are sufficient to justify the book value of the intangible asset, which is why no write-down has been made. However, this evaluation is based and dependent on the existence of conditions for continued operation.

## Intangible assets

The company reported internally generated intangible fixed assets according to the expense recognition model up to and including 30 June 2020.

This meant that all expenses relating to the development of an internally generated intangible fixed asset were not capitalized but were expensed directly.



From 2020-07-01, the Company applies the so-called The "capitalization model" for internally generated intangible fixed assets. The method means that all expenses that meet the criteria in K3 are capitalized as an intangible fixed asset and depreciated during the asset's estimated useful life.

#### **Fixed assets**

Intangible and tangible fixed assets are reported at acquisition value less accumulated depreciation and any write-downs. Depreciation takes place on a straight-line basis over the expected useful life, taking into account significant residual value. The following depreciation percentage:

- Machinery and other technical facilities - 5 years
- Capitalized expenses for development work - 5 years

#### **Leases**

The company recognizes all leases, both finance and operating, as operating leases. Operating leases are recognized as an expense on a straight-line basis over the lease term.

#### **Inventories**

The inventory has been valued at the lower of its acquisition value and its net sales value on the balance sheet date.

Net sales value refers to the goods' estimated sales price less sales costs. The chosen valuation method means that obsolescence in the inventory has been taken into account.

The acquisition value is calculated according to weighted average prices.

In addition to expenses for purchases, the acquisition value also includes expenses for bringing the goods to their current location and condition.

#### **Income tax**

Total taxes comprise current tax and deferred tax. Taxes are recognized in the income statement except when an underlying transaction is recognized directly against equity, in which case the related tax effect is also recognized in equity.

Current tax is income tax relating to the current financial year and the portion of income tax not yet recognized from previous financial years. Current tax is calculated using the tax rate prevailing at the end of the reporting period.

Deferred tax is income tax pertaining to future financial years arising from previous events. Deferred tax is recognized according to the balance sheet method. According to this method, deferred tax liabilities and deferred tax assets for temporary differences between the recognized and taxable values of assets and liabilities are recognized as are other taxable deductions or deficits.

Deferred tax assets are recognized net against deferred tax liabilities only if they can be paid in a net amount. Deferred tax is calculated using the tax rate applicable at the end of the reporting period. The effects of changes to applicable tax rates are recognized in the period when the change was legislated. Deferred tax assets are recognized as financial assets and deferred tax as a provision.

Deferred tax assets pertaining to loss carryforwards or other forward-looking taxable deductions are recognized to the extent that it is probable that the deduction can be set off against a future taxable surplus.

Due to the correlation between accounting and taxation, the deferred tax liability attributable to untaxed provisions is not recognized separately.

Taxable deficits amounted to SEK -329,421,169. The company has chosen not to recognize deferred tax assets on tax loss carryforwards.

#### **Remuneration of employees**

Remuneration of employees pertains to all forms of remuneration that the company offers to its employees. Short-term remuneration includes salaries, paid holidays, paid leave, healthcare and bonuses. Short-term remuneration is recognized as a cost and liability when there is a legal or informal obligation to disburse remuneration as a result of an earlier event and a reliable estimation of the amount can be made.

Compensation in the event of termination, to the extent that the remuneration does not give the company any future financial benefits, is only recognized as a liability and an expense when the company has a legal or informal obligation to either:

- (a) terminate the employment of an employee or group of employees prior to the normal date of termination of employment; or
- (b) provide compensation upon termination by offering to encourage voluntary resignation.

Severance payments are only reported when the company has a detailed plan for the termination and has no realistic opportunity to cancel the plan.

#### **Pensions**

The company's pension plans for remuneration after termination of employment consist solely of defined contribution pension plans. For defined contribution plans, the company pays fixed contributions to a separate legal entity. When the contribution is paid, the company has no further obligations. Defined contribution plans are recognized as a cost as the pension is earned.



# Notes

## Not 1 Net sales

### Net sales per business branch

| SEK              | Jan 1, 2024<br>-Dec 31, 2024 | Jan 1, 2023<br>-Dec 31, 2023 |
|------------------|------------------------------|------------------------------|
| Sale of services | 5,283,443                    | 3,546,240                    |
| Sale of products | 69,214,332                   | 56,073,207                   |
| <b>Total</b>     | <b>74,497,775</b>            | <b>59,619,447</b>            |

### Net sales per geographical area

| SEK           | Jan 1, 2024<br>-Dec 31, 2024 | Jan 1, 2023<br>-Dec 31, 2023 |
|---------------|------------------------------|------------------------------|
| EU            | 4,559,094                    | 3,846,069                    |
| North America | 69,556,761                   | 52,056,010                   |
| Other         | 381,920                      | 3,717,369                    |
| <b>Total</b>  | <b>74,497,775</b>            | <b>59,619,447</b>            |

## Not 2 Capitalized development costs

The company began to apply the activation model starting 1 July 2020. Refers to the capitalization of expenses for employees and consultants with the development of the updated version of the InCoax MoCA Access 2.5 Platform.

### Annual development costs

| SEK              | Jan 1, 2024<br>-Dec 31, 2024 | Jan 1, 2023<br>-Dec 31, 2023 |
|------------------|------------------------------|------------------------------|
| Personnel costs  | 6,537,045                    | 3,820,044                    |
| Consultant costs | 19,112,448                   | 15,381,428                   |
| <b>Total</b>     | <b>25,649,493</b>            | <b>19,201,472</b>            |

## Not 3 Other operating income

### Annual other operating income

| SEK                 | Jan 1, 2024<br>-Dec 31, 2024 | Jan 1, 2023<br>-Dec 31, 2023 |
|---------------------|------------------------------|------------------------------|
| Exchange rate gains | 1,719,351                    | 34,396                       |
| <b>Total</b>        | <b>1,719,351</b>             | <b>34,396</b>                |

## Not 4 Operating leases – lessee

Lease costs for leases during the year amounted to SEK 1,317,717 (1,133,655) and pertained to SEK 1,161,304 in lease of premises and SEK 20,543 in machinery leases.

### Lease costs for the year

| SEK                        | Jan 1, 2024<br>-Dec 31, 2024 | Jan 1, 2023<br>-Dec 31, 2023 |
|----------------------------|------------------------------|------------------------------|
| Lease costs for the year   | 2,088,888                    | 1,635,744                    |
| Of which lease of premises | 1,922,524                    | 1,398,112                    |
| Machinery leases           | 0                            | 79,115                       |
| Other                      | 166,364                      | 158,517                      |

### Future lease payments relating to lease of premises

| SEK               | Jan 1, 2024<br>-Dec 31, 2024 | Jan 1, 2023<br>-Dec 31, 2023 |
|-------------------|------------------------------|------------------------------|
| Within 1 year     | 1,378,763                    | 1,551,876                    |
| Between 1–5 years | 125,982                      | 772,529                      |
| >5 years          |                              |                              |
| <b>Total</b>      | <b>1,504,745</b>             | <b>2,324,405</b>             |

## Not 5 Employees, personnel costs and fees to the board

### Average number of employees

|              | Dec 31, 2024 | Proportion<br>women | Dec 31, 2023 | Proportion<br>women |
|--------------|--------------|---------------------|--------------|---------------------|
| Employees    | 31           | 12%                 | 27           | 10%                 |
| <b>Total</b> | <b>31</b>    | <b>12%</b>          | <b>27</b>    | <b>10%</b>          |

### Gender distribution in company management

|                         | Dec 31, 2024<br>Prop. women | Dec 31, 2023<br>Prop. women |
|-------------------------|-----------------------------|-----------------------------|
| Board                   | 0%                          | 0%                          |
| Other senior executives | 0%                          | 0%                          |

### Salaries and other remuneration as well as social security costs, including pension costs

| SEK                                     | Jan 1, 2024<br>-Dec 31, 2024 | Jan 1, 2023<br>-Dec 31, 2023 |
|---|------------------------------|------------------------------|
| Salaries and other remuneration         | 25,891,770                   | 19,925,965                   |
| Social security costs                   | 11,313,584                   | 8,791,497                    |
| (of which, pension costs) <sup>1)</sup> | 4,082,519                    | 3,171,133                    |

<sup>1)</sup> Of the company's pension costs, SEK 502,275 (511,164) relate to the company's CEO and board.

### Salaries and other remuneration distributed between board members, CEO and other employees

|  | Jan 1 - Dec 31, 2024 |                    | Jan 1 - Dec 31, 2023 |                    |
|--|----------------------|--------------------|----------------------|--------------------|
|  | Board and<br>CEO     | Other<br>employees | Board and<br>CEO     | Other<br>employees |
| Wages and other compensation (of which royalties etc.) | 2,898,840            | 22,992,930         | 2,426,059            | 17,499,906         |
|  | ( - )                | ( - )              | ( - )                | ( - )              |

### Senior executives' remuneration

| 2024 (SEK)               | Basic salary,<br>board fee | Others<br>benefits | Pension<br>costs |
|--------------------------|----------------------------|--------------------|------------------|
| Chairman of the Board    | 200,000                    |                    |                  |
| Board member (4pcs)      | 600,000                    |                    |                  |
| CEO                      | 2,090,000                  | 8,840              | 502,275          |
| Other leading executives | 5,049,396                  | 40,017             | 1,032,845        |
| <b>Totalt</b>            | <b>7,939,396</b>           | <b>48,857</b>      | <b>1,535,120</b> |



**Remuneration in the event of termination of employment**

In the event of the CEO's employment being terminated, a mutual six-month (6) notice period will apply. If employment is terminated by the company, the CEO – in addition to the termination payment – has the right to receive severance pay corresponding to six (6) times the fixed monthly salary upon termination of employment. For other senior executives, a mutual period of notice is applied of between one (1) and four (4) months.

**Not 6 Capitalized expenditure for development work and similar activities**

The company began to apply the activation model starting 1 July 2020. Refers to the capitalization of expenses for employees and consultants with the development of the updated version of the Incoax MoCA Access 2.5 Platform.

| SEK   | Jan 1, 2024<br>-Dec 31, 2024 | Jan 1, 2023<br>-Dec 31, 2023 |
|---|------------------------------|------------------------------|
| <i>Accumulated cost</i>                       |                              |                              |
| At the beginning of the year                  | 67,073,444                   | 47,871,971                   |
| Acquisitions for the year                     | 25,649,491                   | 19,201,472                   |
| Scrapping                                     |                              |                              |
| At the end of the year                        | 92,722,935                   | 67,073,444                   |
| <i>Accumulated amortization</i>               | 0                            | 0                            |
| Amortization for the year                     |                              |                              |
| Scrapping                                     |                              |                              |
| At the end of the year                        | 0                            | 0                            |
| <b>Carrying amount at the end of the year</b> | <b>92,722,935</b>            | <b>67,073,444</b>            |

**Not 7 Machinery and other technical equipment**

| SEK   | Jan 1, 2024<br>-Dec 31, 2024 | Jan 1, 2023<br>-Dec 31, 2023 |
|---|------------------------------|------------------------------|
| <i>Accumulated cost</i>                       |                              |                              |
| At the beginning of the year                  | 7,174,605                    | 5,377,029                    |
| New purchases                                 | 56,847,111                   | 1,797,576                    |
| Reclassification                              |                              |                              |
| At the end of the year                        | 7,231,452                    | 7,174,605                    |
| <i>Accumulated amortization</i>               | -5,168,994                   | -4,316,389                   |
| Amortization for the year                     | -846,501                     | -852,605                     |
| Reclassification                              |                              |                              |
| At the end of the year                        | -6,015,495                   | -5,168,994                   |
| <b>Carrying amount at the end of the year</b> | <b>1,215,957</b>             | <b>2,005,611</b>             |

**Not 8 Non-current liabilities**

| SEK  | Jan 1, 2024<br>-Dec 31, 2024 | Jan 1, 2023<br>-Dec 31, 2023 |
|--|------------------------------|------------------------------|
| <i>Liabilities that fall due for payment more than one year from the end of the reporting period</i> |                              |                              |
| Convertible debt instruments   | 0                            | 3,245,786                    |
| Deferral from Skatteverket (Tax Agency)  | 0                            | 299,601                      |
| <b>Total</b>   | <b>0</b>                     | <b>3,545,387</b>             |

On August 17, 2020, a resolution was approved to issue a convertible debt instrument of SEK 3,245,786.25 to Norrlandsfonden, which was paid by through a set-off of existing debt instruments of SEK 3,245,786.25. The repayment date was set at July 31, 2025 and the conversion rate at SEK 9.14 per share. Since the convertible loan matures in 2024, the amount is reported as a current liability.

**Not 9 Transactions with related parties**

| kSEK                                 | Jan 1, 2024<br>-Dec 31, 2024 | Jan 1, 2023<br>-Dec 31, 2023 |
|--------------------------------------|------------------------------|------------------------------|
| Bayhood Management AB                | 1,524                        | 1,638                        |
| getITsafe Security Partner Norden AB | 2,813                        | 2,362                        |
| Home-Ice Consulting AB               | 1,822                        | 1,439                        |
| Tedako AB                            | 558                          |                              |
| Saugatuck Invest AB                  | 45                           | 96                           |
| <b>Totalt</b>                        | <b>6,762</b>                 | <b>5,535</b>                 |

The hired companies are wholly or partly owned by senior executives who have shares in InCoax Networks AB.

Compensation to Saugatuck Invest refers to interest on loans, interest rate 8%. The loan is paid in full during the financial year. Other compensation refers to technical consulting services.

All transactions have taken place on market terms.

**Not 10 Events after the balance sheet date****January**

- InCoax secures additional orders worth 1.36 MUSD (appr. 15 MSEK) from the US-based FiberLAN operator

**February**

- InCoax and CTIconnect partner to expand broadband solutions in the US and Canada
- InCoax MoCA Access based solution gains increasing traction in the network operator market
- The board of InCoax provides preliminary financial information for the fourth quarter and fiscal year 2024
- InCoax receives initial 1 MUSD order for InCoax MoCA Access solution from a leading global fiber network supplier
- InCoax carries out a directed new share issue of approximately SEK 33.5 million, partly conditional on subsequent approval from an extraordinary general meeting, and brings forward the publication of the year-end report for 2024
- Notice to an extraordinary general meeting of InCoax Networks (due to the company's new share issue)

**March**

- InCoax Networks AB Year-End Report 2024
- Bulletin from the extraordinary general meeting in InCoax Networks AB. (The company receives SEK 31.6 million in issue proceeds after issuance costs.)

**April**

- InCoax wins additional order of 3.2 MSEK from the US-based Tier-1 operator

Based on the industry in which the company operates, the conflicts in Ukraine and the Middle East have not yet impacted order intake. No serious delivery issues have arisen, nor have there been any significant increases in raw material prices.

The tariffs announced by the United States may affect the company's order intake, ability to secure deliveries, and could lead to higher raw material and component costs.



# Signatures of the Board of Directors and auditor

Lund the date indicated by the electronic signature

Peter Agardh  
Chairman of the Board

Tobias Lennér

Anders Nilsson

Pär Thuresson

Filip Näsholm

Jörgen Ekengren  
CEO

Our auditor's report was submitted the date indicated by the electronic signature  
KPMG AB

Niklas Antonsson  
Authorized Public Accountant



# Auditor's Report

To the general meeting of the shareholders of InCoax Networks AB, corp. id 556794-1363

## Report on the annual report Statements

We have conducted an audit of the annual report for InCoax Networks AB for the financial year 2024. The company's annual report is included on pages 21–31 of this document.

In our opinion, the annual report has been prepared in accordance with the Swedish Annual Accounts Act and provides, in all material respects, a true and fair view of InCoax Networks AB's financial position as of December 31, 2024, and of its financial performance and cash flows for the year in accordance with the Swedish Annual Accounts Act. The administration report is consistent with the other parts of the annual report.

We therefore recommend that the Annual General Meeting adopt the income statement and balance sheet.

## Basis for statements

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the section Auditor's Responsibility. We are independent of InCoax Networks AB 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.

## Information other than the annual report

This document also contains other information besides the annual report, found on pages 1–20 and 36–39. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our opinion on the annual report does not cover this other information and we do not express any form of assurance conclusion regarding it.

In connection with our audit of the annual report, it is our responsibility to read the information identified above and consider whether it is materially inconsistent with the annual report. In this review, we also take into

account the knowledge we have obtained during the audit and assess whether the information otherwise appears to contain material misstatements.

If, based on the work we have performed, we conclude that this 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 and CEO

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the annual report and for ensuring that it gives a true and fair view in accordance with the Swedish Annual Accounts Act. They are also responsible for such internal control as they determine is necessary to enable the preparation of an annual report that is free from material misstatement, whether due to fraud or error.

In preparing the annual report, the Board of Directors and the Chief Executive Officer are responsible for assessing the company's ability to continue as a going concern. They are to disclose, as applicable, matters related to going concern and to use the going concern basis of accounting. The going concern basis of accounting is not applied if the Board and CEO intend to liquidate the company, cease operations, or have no realistic alternative but to do so.

## Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual report as a whole is 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 it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual report.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit.



We also:

- Identify and assess the risks of material misstatement of the annual report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board and the CEO.
- Conclude on the appropriateness of the Board and the CEO's use of the going concern basis of accounting in preparing the annual report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the annual report, including the disclosures, and whether the annual report represents the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Report on other legal and regulatory requirements**

### **Statements**

In addition to our audit of the annual report, we have also audited the administration of the Board of Directors and the Chief Executive Officer of InCoax Networks AB for the financial year 2024, and the proposed appropriations of the company's profit or loss.

We recommend that the Annual General Meeting dispose of the loss in accordance with the proposal in the administration report and grant discharge from liability to the members of the Board and the Chief Executive Officer for the financial year.

### **Basis for opinions**

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the section Auditor's Responsibility. We are independent of InCoax Networks AB 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 and CEO**

The Board of Directors is responsible for the proposal regarding the appropriation of the company's profit or loss. In connection with a proposed dividend, this includes an assessment of whether the dividend is justifiable considering the requirements that the nature, scope, and risks of the business impose on the size of the company's equity, consolidation needs, liquidity, and overall financial position.

The Board of Directors is responsible for the company's organization and the management of its affairs. This includes ongoing assessment of the company's financial situation and ensuring that the company's organization is structured so that accounting, asset management, and the company's other financial matters are controlled in a satisfactory manner.

The Chief Executive Officer is responsible for managing the day-to-day operations according to the Board's guidelines and instructions and for taking the necessary actions to ensure that the company's accounting complies with applicable laws and that asset management is handled reliably.



**Auditor's responsibility**

Our objective regarding the audit of the administration, and thereby our opinion on discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board or the Chief Executive Officer has, in any material respect:

- undertaken any action or been guilty of any omission that could 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 company's Articles of Association.

Our objective regarding the audit of the proposed appropriation of the company's profit or loss, and thereby our opinion on this proposal, is to assess with a reasonable degree of assurance whether the proposal is consistent 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 could give rise to liability to the company, or that a proposal for the

appropriation of the company's profit or loss is not consistent with the Swedish Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The review of the administration and the proposal for the appropriation of the company's profit or loss is primarily based on our audit of the financial statements. The additional review procedures performed are based on our professional judgment, including an assessment of risk and materiality. This means that we focus our review on such actions, areas, and conditions that are material to the business and where deviations or violations would be of particular significance to the company's position. We examine and evaluate decisions made, the basis for decisions, actions taken, and other circumstances relevant to our opinion on discharge from liability. As a basis for our opinion on the Board's proposal regarding the appropriation of the company's profit or loss, we have examined whether the proposal is consistent with the Swedish Companies Act.

Sundsvall the date indicated by the electronic signature

KPMG AB

Niklas Antonsson  
Authorized Public Accountant



# Board of Directors



## **Peter Agardh**

MBA. Born 1967.

Chairman of the Board since 2020  
Board member since 2019.

CEO of Agenta Investment Management AB.  
Chairman of the Board of Agenta Advisors AB.  
Board member of AB Apriori and Saugatuck Invest AB. Deputy Board member of Admera Education AB and Nordic Economics Consulting AB.

Shareholding: 24,650,000 through companies.



## **Tobias Lennér**

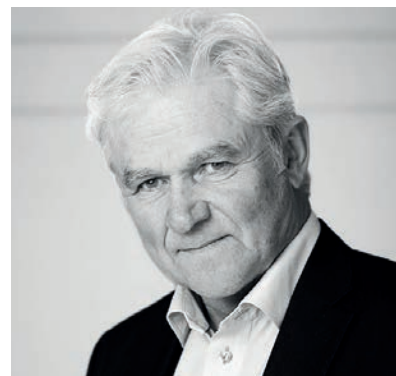
Executive Management Program Graduate, IFL and BA. Born 1968.

Board member since 2022.

CEO and partner at Rippler Communication, Board member Genexis Broadband Technology.

Formerly own business in consultancy, Business area manager B2B at ComHem and CEO at Phonera.

Shareholding: 1,201,514



## **Anders Nilsson**

Master of Engineering. Born 1951.

Board member since 2017.

Chairman of the Board of NP3 Properties AB and Board member of Lime Technologies AB, Eurocon Consulting AB and Softronic AB as well as Chairman of the Board/Board member of a number of unlisted companies.

Shareholding: 494,531 & 383,902 through companies.



## **Filip Näsholm**

B.S. in Cognitive Science. Born 1994.

Board member since 2023.

CEO at Dryckesbolaget Gustav Vasa AB.  
Co-founder and Business Development Manager at the health supplement company DNA Greens AB.

Board member and former CEO in Cura of Sweden AB

Shareholding: 489, 937



## **Pär Thuresson**

Master of Engineering. Born 1964.

Board member since 2018.

Senior Vice President R&D for GN Hearing A/S and deputy Board member of ManyNames AB.

Shareholding: 13,123



# Management group

## Jörgen Ekengren

*Chief Executive Officer (CEO)*  
Employed since 2018. Bachelor of Science in Engineering. Born 1963.

2013–2018: Sony Mobile Communications Taiwan – Director ODM/EMS Business Operations and Deputy Head of Global Manufacturing.

1995–2013: Ericsson Radio Systems/Ericsson Mobile Communications/Sony Ericsson/Sony Mobile – General Manager and Director positions in Operations and Sourcing.

Shareholding: 74,500  
Warrants: 170,000



## Andreas Bergman

*Chief Commercial Officer (CCO)*  
Employed since 2018.  
Business Economics and Marketing Courses, University of Gothenburg. Born 1974.

2017-2018 Telenor, Strategic Account Management, mobile communication and IoT solutions.

2008-2015 Besedo, CMO & VP Sales  
2006-2008 Interim Sales & Marketing  
1999-2006 Telia, Team leader, Account Management data communication and IoT solutions.

Shareholding: 32,375 private, 24,815 through company  
Warrants: 30,000



## Alf Eriksson

*Chief Product and Portfolio Officer (CPPO)*  
Employed since 2023.  
Board member 2020-2023.  
Engineer. Born 1961.

CPO, Skugga Technology AB, Advisor in Home Ice Consulting.  
Formerly CEO at ESKADENIA Software AB, Advisor at Skugga Technology AB, and VP Product Management at CLX Communications AB.

Shareholding: 54,000  
Warrants: 120,000



## Mats Svensson

*Chief Finance Officer (CFO)*  
Employed since 2022.  
MBA. Born 1967.

2019-2020: Business Controller/Finance Manager, ScanCoin/Suzohapp  
2014-2019: Finance Manager, Imperial Logistics AB

2008-2014: Senior Accounting Manager, Flint Group Sweden AB  
2003-2007: Business Controller, Nestle Purina PetCare AB

Shareholding: 0  
Warrants: 166,667





### Thomas Svensson

*Chief Technology Officer (CTO)*

Employed since 2011.

Technical college graduate.

Born 1955.

2009–current: getITsafe Security Partner

Norden AB – Chairman of the Board.

2011–2017: InCoax Networks AB – CEO.

1981–2017: TEDAKO – Operating sole proprietorship.

2000–2005: Service Factory AB – Founder and Head of Marketing/Sales and Product Management.

1995–2000: Telia AB – Vice President Network services and Head of Router net and Internet Division.

1976–1995: Telia AB – Various senior positions.

Shareholding: 33,000

Warrants: 100,000



### Helge Tiainen

*Business Development & Standardization*

Co-founder, operational in InCoax since 2009.

Faculty of Science and Engineering, Linköping, Nokia Landscape, Nokia intern MBA.

Born 1956.

2001–2009: Active in about 60 companies, including as COO of Clavister.

1998–2000: CEO, MultiQ.

1989–1997: Vice President, Nokia Multimedia.

Shareholding: 186,213, privately, though companies and under management.

Warrants: 200,000



### Jakob Tobieson

*Chief Operation Officer (COO)*

Employed since 2023.

MSc in Mechanical Engineering, Lund University.

Born 1980.

2012–2022: Telia Company, Director Purchasing, including a global leader in IT software and services. Hyperscalers/Big5, Partner programs, Supplier Relationship Management, Mobile phones and FMCG

2007–2012: Tetra Pak, management roles in Sourcing, Capital Equipment and Spare Parts.

Shareholding: 0

Warrants: 213,333



### Morten Werther

*Head of Development*

Employed since 2021.

MSc Ph Eng, PhD Physics.

Born 1965.

2018–2021: Management Consultant

2000–2017: Ericsson, SonyEricsson, Sony

Mobile Communications, Senior Development Manager

1995–1999: Jacobsson&Werther, Founder ML

Shareholding: 22,000

Warrants: 200,000



# Definitions

## Financial

**Total assets** The company's combined assets.

**Gross margin** Gross profit in relation to net sales.

**Gross profit/loss** Net sales less cost of goods sold.

**Net sales** Main revenue from operations, invoiced costs, subsidiary income, and income adjustments.

**Profit/loss after financial items** Profit/loss after financial income and expenses, but before extraordinary income and expenses.

**Profit/loss after tax** Profit/loss after financial items, including tax costs.

**Operating margin (EBIT)** Operating profit/loss as a ratio of net sales.

**Operating profit/loss** Profit/loss before net financial items and tax.

**Equity ratio (%)** Adjusted equity (equity and untaxed reserves less deferred tax) as a percentage of total assets.

## Other

**VAR** Value Added Reseller

**Tier-1 Operator** An operator that owns and operates its own network infrastructure, serving millions of subscribers.

**ISP (Internet Service Provider)** A company that provides internet access, using its own or leased network infrastructure.

**Hospitality** A customer segment that includes hotels, holiday parks, hospitals, prisons, cruise ships, and residential platforms.

## Technical

**CAT Cable (Category Cable)** A twisted pair cable consisting of twisted conductors, which is where the name comes from. The conductors are twisted to counteract interference, primarily in the form of crosstalk. Cat6 cable is primarily used for data communication. The two main disadvantages of twisted pair cable are that it has high power loss, known as attenuation per meter, meaning that you cannot lay more than a few tens or at most 100 meters of such cable before needing a repeater station.

**Fiber Optic** Optical fiber contains a special type of mineral glass fibers, intended for transmitting light signals with very high capacity over long distances, such as for data and telecommunications.

**Coaxial Cable** A two-pole electric cable, which consists of a metallic conductor, the center conductor, surrounded by an insulating material, dielectric, which in turn is surrounded by a conductive casing, the shield. Coaxial cable is intended for transmitting signals with high frequencies and low attenuation, in other words, it can transmit data traffic with high capacity.

**Chipset** A set of integrated circuits ("chips") that are designed to work together on a motherboard.

**Symmetric Products** Symmetric products or technologies are capable of communication at the same data rate in both directions.

**XGS-PON** A network standard for data transmission capable of delivering symmetric Internet traffic with speeds exceeding 10Gbps over fiber and is part of the PON (Passive Optical Networks) family with G-PON.

**FWA (Fixed Wireless Access)** Refers to wireless technology that enables fixed broadband access over a radio link.

**5G FWA** A type of wireless 5G technology (mmWave) that enables fixed broadband access over mobile networks.

**G.fast** A protocol standard for DSL (Digital Subscriber Line) for telephone or coaxial networks with transmission speeds between 100Mbps and (in some favorable cases) 1Gbps.

**G.hn** Specification for home networking with data rates up to 1.5 Gbps, operating over four types of wires: telephone, coaxial, or power cable.

**DOCSIS (Data Over Cable Service Interface Specification)** The dominant technology used by cable operators for cable TV and Internet. It exists in several generations such as 3.0 and 3.1, with which MoCA Access 2.5 can coexist. The latest version is 4.0.

**FTTH (Fiber To The Home)** Refers to the installation of optical fiber all the way to the user's premises.

**FTTB/FTTep (Fiber To The Building/Extension Point)** Refers to the installation of optical fiber to a point in or just outside a building where extension is done with the help of complementary broadband technologies such as MoCA Access™.



# Shareholder information

## Financial calendar

|                             |                  |
|-----------------------------|------------------|
| Annual General Meeting 2025 | June 13, 2025    |
| Interim report Apr–Jun 2025 | August 15, 2025  |
| Interim report Jul–Sep 2025 | October 31, 2025 |
| Interim report Oct–Dec 2025 | March 6, 2026    |
| Interim report Jan–Mar 2026 | May 8, 2026      |

This publication constitutes the annual accounts of InCoax Networks AB, Corporate Registration Number SE 556794 1363. The annual report can be obtained through the channels below.

The annual report is prepared in both Swedish and English. In case of any discrepancies in the information, the Swedish version prevails.

*Denna Årsredovisning finns även tillgänglig på svenska.*

## Financial reports

Further operational information is available from InCoax Networks AB's website: [www.incoax.com](http://www.incoax.com)

For questions concerning the report, please contact:

Jörgen Ekengren, CEO  
[jorgen.ekengren@incoax.com](mailto:jorgen.ekengren@incoax.com)

or

Mats Svensson, CFO  
[mats.svensson@incoax.com](mailto:mats.svensson@incoax.com)

*Financial statements in digital form are available on the company's homepage ([www.incoax.com](http://www.incoax.com)) and can be ordered by e-mailing [info@incoax.com](mailto:info@incoax.com) or phoning +46 26 420 90 42.*

## Other contact

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 Utmarksvägen 4  
 SE-802 91 Gävle

—  
 Vende vägen 89  
 SE-182 32 Danderyd

## About InCoax Networks AB

InCoax Networks AB (publ) re-purposes existing property coaxial networks in fiber and fixed wireless access (FWA) extension deployments for Communication Service Providers (CSP) globally.

The technology is a high performance, future proof, reliable and cost-effective complement, that reduces installation time and improves take-up rate, to boost digital inclusion and Internet access for all.

Since January 3, 2019, the company's share (INCOAX) has been admitted to trading on Nasdaq First North Stockholm, with Vator Securities AB, tel. +46 8-5800 6599, [ca@vatorsec.se](mailto:ca@vatorsec.se), as its Certified Adviser. Pareto Securities AB is the company's liquidity provider.

