

Completed rights issue strengthens liquidity reserves

The third quarter was characterized by continued cautious investment appetite and lengthy decision-making processes, primarily within RemaSawco. As a result, the Group's net sales and earnings declined year-on-year. Motion Analysis, however, increased both net sales and profitability, and its growing order backlog for subscription and support services strengthens the base for future recurring revenue.

Low net sales continued to weaken liquidity. A rights issue was therefore completed during the quarter, raising approximately MSEK 21.4 before issue costs. The issue strengthens the Group's short-term liquidity reserves and will primarily finance ongoing and planned development projects within RemaSawco, improving its ability to capture business opportunities when the market recovers. Retaining expertise, development capacity, delivery capability and customer satisfaction is essential.

Operating cash flow remained negative during the quarter. The focus is on cost control, improved cash flow and greater profitability, while priority development initiatives continue.

Third quarter July–September

- Order intake amounted to MSEK 30.8 (34.2)
- Net sales amounted to MSEK 25.5 (41.4)
- Gross margin amounted to 81 (71) percent
- EBITDA amounted to MSEK -0.1 (7.1)
- Earnings per share were SEK -0.08 (0.01)

Interim period Jan–September

- Order intake amounted to MSEK 76.8 (91.9)
- Net sales amounted to MSEK 73.2 (129.9)
- Gross margin amounted to 82 (68) percent
- EBITDA amounted to MSEK -8.0 (12.6)
- Earnings per share were SEK -0.32 (-0.06)

Financial overview

	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Order intake, MSEK	30.8	34.2	76.8	91.9	125.1
Order backlog, MSEK	76.5	77.4	76.5	77.4	69.8
Net sales, MSEK	25.5	41.4	73.2	129.9	168.5
Capitalized development expenditure, MSEK	3.8	2.5	11.8	8.1	10.6
Gross margin, %	81	71	82	68	68
EBITDA, MSEK	-0.1	7.1	-8.0	12.6	9.1
EBITDA margin, %	-0.3	16.2	-9.4	9.1	5.1
Operating profit (EBIT), MSEK	-7.4	0.9	-29.4	-5.2	-14.7
Profit after tax, MSEK	-7.8	0.7	-30.5	-5.3	-14.6
Cash flow from operating activities, MSEK	-6.2	10.8	-19.9	17.3	22.3
Solidity, %	47	58	47	58	58
Average number of employees	72	74	74	72	77
Earnings per share	-0.08	0.01	-0.32	-0.06	-0.16

DISCLAIMER

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



CEO's comments

Jan Molin – CEO and President

Continued focus on profitability and cash flow

Our customers remained cautious in the third quarter, although performance differed markedly between the Group's two business units. Group order intake was MSEK 30.8 (34.2) and net sales were MSEK 25.5 (41.4). Low sales within RemaSawco weighed on Group earnings, while Motion Analysis increased both net sales and profitability. Group profitability remains weak, requiring sustained focus to reverse the trend and improve cash flow.

Continued weakness in the sawmill market requires adjustments within RemaSawco

RemaSawco's customers continue to operate in a challenging market. Weak construction activity in Europe and high raw material prices relative to sawn timber prices constrain sawmill profitability and investment capacity. Order intake was slightly below the same quarter last year, while net sales declined significantly.

The efficiency programme implemented in the second quarter, including workforce reductions, is expected to take full effect from the fourth quarter of 2026. The adjustment aims to reduce costs while retaining our ability to develop and deliver solutions that strengthen customers' competitiveness.

Sawmills' need to extract more value from raw materials is central to our offering. Product development therefore continues, with a focus on areas including our modular 3D and X-ray scanner, automated log measurement and quality grading.

Motion Analysis strengthens revenue and profitability

Motion Analysis continued to perform positively during the quarter, despite lengthy customer decision-making processes. Net sales increased to MSEK 12.6 (9.0) and earnings improved. Although order intake was slightly lower year-on-year, the order backlog for subscription and support services increased to MSEK 49.8 (38.7). This supports our strategy of building a larger base of recurring revenue.

A new software version focused on the aerospace industry was launched during the quarter. Working closely with customers, we develop functions that simplify analysis and streamline workflows. Together with a higher proportion of direct sales in priority markets, this supports continued growth and improved profitability.

Completed rights issue strengthens short-term liquidity reserves

A rights issue completed during the quarter raised approximately MSEK 21.4 before issue costs. The issue was oversubscribed, and I would like to thank our shareholders for their confidence.

The capital injection strengthens the Group's short-term liquidity reserves. The proceeds will primarily finance ongoing and planned development projects within RemaSawco and improve our ability to meet customers' investment needs when the sawmill market recovers.

At quarter-end, the Group's available cash and cash equivalents, including undrawn overdraft facilities, totalled MSEK 30. Operating cash flow remained negative. We therefore monitor developments closely and prioritize cost control and improved cash flow. We have strong offerings in our respective markets, and the Group's focus is to translate both companies' strengths into better earnings and cash flow. A carefully balanced approach to development is the best way to achieve this.

THE GROUP'S DEVELOPMENT IN THE THIRD QUARTER

Order intake, net sales and profit

Order intake amounted to MSEK 30.8 (34.2). Order backlog as of September 30, 2026, amounted to MSEK 76.5 (77.4).

Net sales amounted to MSEK 25.5 (41.4).

Gross margin amounted to 81 (71) percent.

EBITDA amounted to MSEK -0.1 (7.1).

Other external charges increased year-on-year, mainly due to higher consultancy costs. Personnel costs decreased compared with the same period last year, reflecting a reduction in the number of employees.

Depreciation/amortization amounted to MSEK -7.3 (-6.2). During the year, amortization of several development projects commenced upon commercial launch.

Net financial items amounted to MSEK -0.5 (-0.3), with the change attributable to external financing.

Profit after tax amounted to MSEK -7.8 (0.7).

Financial position, investments and cash flow

The Group's investments in non-current assets during the quarter totalled MSEK 4.2 (3.5), of which MSEK 3.8 (2.5) related to capitalized development projects. Development projects are capitalized in both business units.

Operating cash flow during the quarter amounted to MSEK -10.4 (7.3). Solidity as of September 30, 2026, was 47 (58) percent. The debt/equity ratio was 0.2 (0.0) times.

Net debt as of September 30, 2026, amounted to MSEK 21.7 (3.0), primarily due to increased borrowings.

Available cash and cash equivalents, including undrawn overdraft facilities, amounted to MSEK 30.0 (27.9) as of September 30, 2026.

Rights issue

During the third quarter, Image Systems completed a share issue with preferential rights for existing shareholders. The issue was resolved by the Board on July 17, 2026, and approved by an Extraordinary General Meeting on August 12, 2026.

The subscription price was SEK 0.60 per share. The issue was subscribed to approximately 122 percent and raised approximately MSEK 21.4 before issue costs. The rights issue increased the number of shares and votes by 35 683 127. As of September 30, 2026, the total number of shares and votes in Image Systems was 124 890 945.

The issue aimed to strengthen the Group's short-term liquidity reserves and enable continued development initiatives within RemaSawco. The proceeds are primarily intended to finance ongoing and planned development projects and improve the ability to capture business opportunities when the sawmill market recovers.

THE GROUP'S DEVELOPMENT DURING THE INTERIM PERIOD

Order intake amounted to MSEK 76.8 (91.9). Order backlog as of September 30, 2026, amounted to MSEK 76.5 (77.4).

Net sales amounted to MSEK 73.2 (129.9). Capitalized development expenditure amounted to MSEK 11.8 (8.1) and relates to both business units.

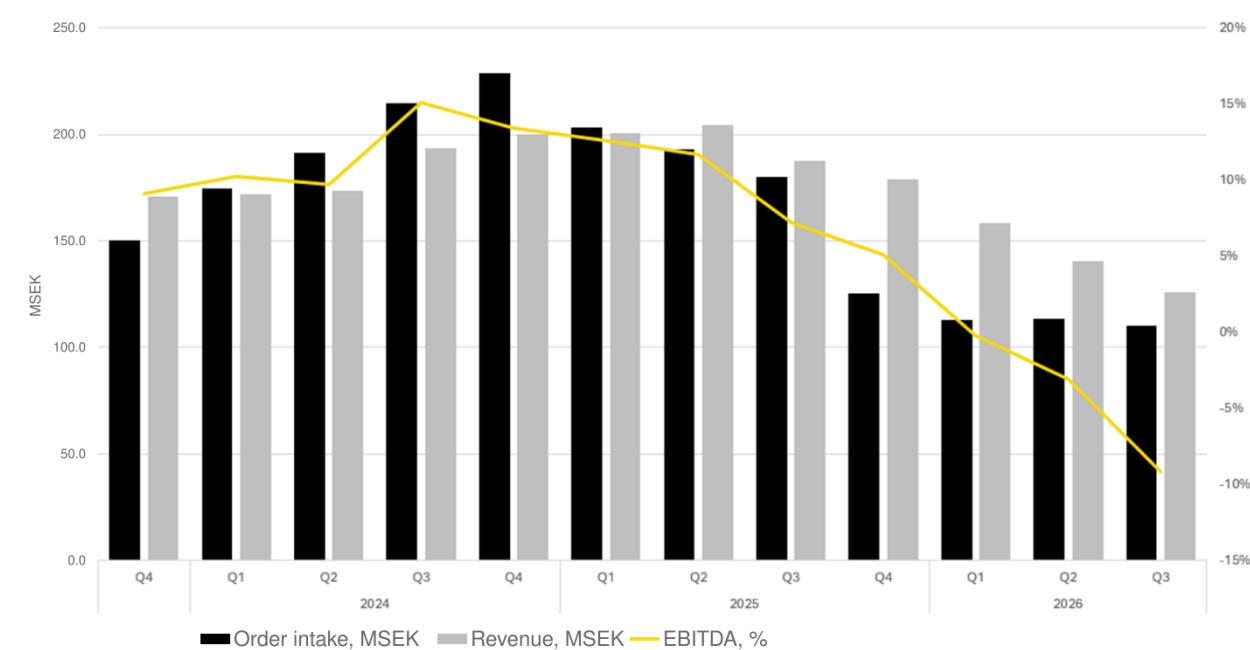
Gross margin amounted to 82 (68) percent.

EBITDA amounted to MSEK -8.0 (12.6). The decline in earnings was mainly attributable to low order intake and net sales within the RemaSawco business unit.

Depreciation/amortization amounted to MSEK -21.3 (-17.8). During the year, amortization of several development projects commenced upon commercial launch. Net financial items amounted to MSEK -1.6 (-0.5), with the change attributable to external financing.

Profit after tax amounted to MSEK -30.5 (-5.3).

ROLLING 12-MONTH ORDER INTAKE, REVENUE AND EBITDA



The Group's rolling 12-month EBITDA margin in the third quarter was -10.0 percent. The Group's long-term target of consistently delivering a 15 percent EBITDA margin requires growth in net sales. The pace of Motion Analysis's transition to a business model with a higher proportion of subscription and support agreements may also affect how quickly this long-term target is reached.



BUSINESS UNIT:
REMA SAWCO



RemaSawco provides solutions to optimize production in the sawmill industry. Its product portfolio includes proprietary software that uses laser, 3D scanning, X-ray and automation to measure and analyze logs and boards throughout the sawmill process, maximizing value recovery, minimizing waste and increasing customer profitability.

Performance during the period

Market conditions remained challenging for Swedish sawmills in the third quarter. Weak construction activity in Europe held back demand for sawn timber, while high raw material prices relative to selling prices continued to squeeze profitability. Several sawmills announced production cuts and structural adjustments. Lower production can improve the balance between supply and demand, but no broad recovery in demand is yet evident. Overall, the market remained uncertain, with a clear focus on cost efficiency and better use of raw materials. Despite this, we are seeing some emerging optimism in meetings with customers, offering some hope of an approaching turnaround.

Order intake declined slightly year-on-year to MSEK 16.8 (18.3), as sawmills' investment appetite remained low. Net sales fell to MSEK 12.9 (32.4) and EBITDA to MSEK -3.6 (7.4), corresponding to a margin of -25.2 (22.2) percent. The efficiency programme, including workforce reductions, implemented in the previous quarter is expected to take full effect from the fourth quarter of 2026.

	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Order intake, MSEK	16.8	18.3	41.5	56.7	79.2
Net sales, MSEK	12.9	32.4	41.9	103.1	133.7
Capitalized development expenditure, MSEK	1.4	1.0	4.8	3.0	4.1
EBITDA, MSEK	-3.6	7.4	-9.9	18.8	19.8
EBITDA margin, %	-25.2	22.2	-21.2	17.7	14.4

Product development

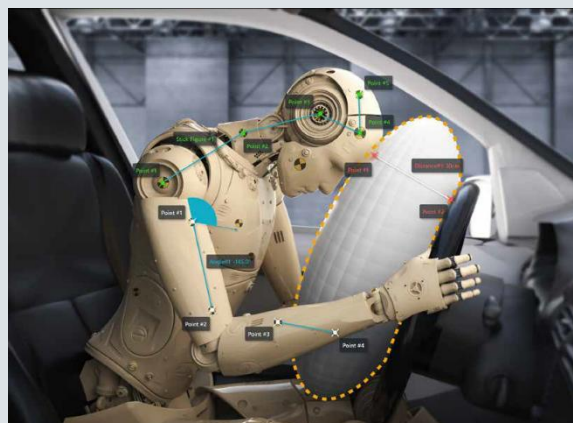
In the weak economic environment, product development that improves customer efficiency and profitability is prioritized. Development of the new 3D and X-ray scanner, automated log quality grading and hardware platform standardization continued during the quarter. We continue to integrate AI into products and internal processes to increase customer value, streamline development and reduce time to market.

Image SYSTEMS

MOTION ANALYSIS

BUSINESS UNIT:

MOTION ANALYSIS



Motion Analysis Systems offers software for the analysis of high-speed film and is the world leader in this niche. The software is sold under the product names TEMA and TrackEye®.

Performance during the period

Despite current market conditions, with longer customer decision-making processes and challenges in certain geographic markets, Motion Analysis performed satisfactorily during the quarter. Order intake declined slightly to MSEK 14.0 (15.9), while net sales increased to MSEK 12.6 (9.0) and EBITDA rose to MSEK 4.8 (0.6), corresponding to a margin of 32.4 (5.7) percent. The order backlog for subscription services continued to grow to MSEK 49.8 (38.7). Overall, the strategy of transitioning to a subscription-based business model has proved successful.

The business unit continued to invest in sales and marketing activities to drive additional sales and increase the proportion of direct sales in our key markets.

The new software solution is a strategically important part of the business unit's growth agenda. Work is underway to help customers accelerate their adoption and make the most of the solution. Together with a higher share of subscription revenue and a stronger presence in priority markets, this is expected to be a significant driver of future growth and improved profitability.

	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Order intake, MSEK	14.0	15.9	35.3	35.2	45.9
Order backlog subscription and support services, MSEK	49.8	38.7	49.8	38.7	40.7
Net sales, MSEK	12.6	9.0	31.3	26.8	34.8
Capitalized development expenditure, MSEK	2.3	1.5	6.9	5.1	6.5
EBITDA, MSEK	4.8	0.6	5.9	-1.6	-4.0
EBITDA margin, %	32.4	5.7	15.5	-5.0	-9.7

Product development

During the quarter, another software release was launched, this time focused on the aerospace industry. It builds on rigid body analysis and advanced multi-camera analysis. Closer work with customers has provided insights that have led to a greater focus on automation and more efficient workflows. Several initiatives are also underway to add further AI-based functionality to the solution.

OTHER INFORMATION

Parent Company

The Parent Company's revenue for the third quarter was MSEK 0.7 (1.5). Operating profit was MSEK -1.9 (-0.9), and profit after tax was MSEK -1.9 (-0.9). Investments in non-current assets were MSEK 0.0 (0.0). Available cash and cash equivalents as of September 30, 2026, were MSEK 11.3 (0.2). Parent Company equity as of September 30, 2026, was MSEK 132.4 (112.7), and solidity was 98 (98) percent.

Significant events after the period

No significant events to report.

Personnel

The average number of employees during the quarter was 72 (74). The number of employees at the end of the period was 74.

Shares and share capital

The rights issue increased the number of shares and votes by 35 683 127 to 124 890 945 as of September 30, 2026. Share capital increased by SEK 3 568 312.70 to SEK 12 489 094.50.

Accounting policies

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

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

Image Systems applies the ESMA (European Securities and Markets Authority) Guidelines on Alternative Performance Measures. Definitions of indicators are provided on page 16 and relevant reconciliations on page 15.

Risks and uncertainties

The Group's significant risks and uncertainties include business risks related to agreements with customers and suppliers, and other external factors such as exchange rate movements. The Group's significant financial and business risks are described in the management report and Note 3 of the 2025 Annual Report. No significant new or changed risks or uncertainties were identified during the quarter.

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

Financial Calendar

Year-end report 2026	February 5, 2027
Annual Report	April 16, 2027
Interim report January–March 2027	April 30, 2027
Annual General Meeting 2027	May 13, 2027

Long-term financial objectives

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

EBITDA >15%

Solidity >50%

Dividend 20% of profit after tax

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

Linköping, October 23, 2026

Anders Fransson
Chairman of the Board

Jörgen Hermansson
Director

Catharina Lagerstam
Director

Matilda Wernhoff
Director

Jan Molin
Director and CEO

The information in this report is disclosed pursuant to the EU Market Abuse Regulation (MAR). The information was submitted for publication, through the agency of the contact person set out below, at 08:00 on October 23, 2026.

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

Questions will be answered by:

Jan Molin, CEO and President

telephone +46 (0)13-200 100, e-mail jan.molin@imagesystems.se

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

AUDITOR'S REVIEW REPORT

To the Board of Directors of Image Systems AB (publ), corporate registration number 556319-4041

Introduction

We have reviewed the condensed interim financial information (interim report) of Image Systems AB (publ) as at 30 September 2026 and for the nine-month period then ended. The Board of Directors and the Chief Executive Officer are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

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

Conclusion

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

Stockholm, on the date indicated by our electronic signature

Öhrlings PricewaterhouseCoopers AB

Andreas Skogh
Authorised Public Accountant

CONDENSED CONSOLIDATED INCOME STATEMENT

MSEK	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Net sales	25.5	41.4	73.2	129.9	168.5
Capitalized development expenditure	3.8	2.5	11.8	8.1	10.6
Total revenue	29.3	43.9	85.0	138.0	179.1
Raw materials and consumables	-4.9	-11.9	-13.5	-41.1	-53.6
Other external charges	-7.6	-6.9	-21.2	-21.8	-28.4
Personnel costs	-17.0	-17.9	-58.4	-62.1	-87.4
Depreciation/amortization and impairment of intangible and tangible fixed assets	-7.3	-6.2	-21.3	-17.8	-23.8
Other operating income	0.1	-	0.1	-	-
Other operating costs	0.0	-0.1		-0.4	-0.6
Operating profit	-7.4	0.9	-29.4	-5.2	-14.7
Net financial items	-0.5	-0.3	-1.6	-0.5	-0.5
Profit/loss before tax	-7.9	0.6	-31.0	-5.7	-15.2
Tax	0.1	0.1	0.4	0.4	0.6
Profit for the period	-7.8	0.7	-30.5	-5.3	-14.6
Of which attributable to Parent Company shareholders	-7.8	0.7	-30.5	-5.3	-14.6
Earnings per share ¹⁾	-0.1	0.0	-0.3	-0.1	-0.2
Diluted earnings per share ¹⁾	-0.1	0.0	-0.3	-0.1	-0.2
Average number of shares, thousands	102 352.6	89 207.8	96 407.7	89 207.8	89 207.8
Average number of shares after dilution, thousands	102 352.6	89 207.8	96 407.7	89 207.8	89 207.8

¹⁾ Calculated on the basis of average number of shares

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Profit for the period	-7.8	0.7	-30.5	-5.3	-14.6
Other comprehensive income					
Translation differences	0.0	-0.3	0.4	-0.3	-0.3
Total other comprehensive income	0.0	-0.3	0.4	-0.3	-0.3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-7.8	0.4	-30.1	-5.6	-14.9
Of which attributable to Parent Company shareholders	-7.8	0.4	-30.1	-5.6	-14.9

CONDENSED CONSOLIDATED BALANCE SHEETS

MSEK	Sept 30 2026	Sept 30 2025	Dec 31 2025
Fixed assets			
Goodwill	36.1	36.1	36.1
Customer relations	7.3	11.7	10.6
Trademarks	-	-	-
Capitalized development expenditure	61.1	60.4	60.5
Tangible fixed assets	2.4	1.8	2.8
Right-of-use assets	14.1	13.7	12.5
Deferred tax assets	19.1	19.1	19.1
Total fixed assets	140.1	142.8	141.6
Current assets			
Inventories	16.3	20.5	12.2
Trade receivables	23.3	23.8	16.9
Other receivables	11.8	7.6	9.9
Cash and cash equivalents	22.5	10.1	8.9
Total current assets	73.9	62.0	47.9
TOTAL ASSETS	214.0	204.8	189.5
Equity (attributable in full to Parent Company shareholders)	100.5	119.0	109.7
Non-current liabilities			
Borrowings from credit institutions	7.5	-	-
Lease liabilities	8.7	7.9	6.6
Deferred tax liabilities	3.9	4.5	4.3
Total non-current liabilities	20.1	12.4	10.9
Current liabilities			
Borrowings from credit institutions	22.9	0.1	-
Trade payables	4.9	16.1	6.1
Lease liabilities	5.1	5.1	5.2
Other current payables	60.4	52.1	57.6
Total current liabilities	93.4	73.4	68.9
TOTAL EQUITY AND LIABILITIES	214.0	204.8	189.5

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MSEK	Sept 30 2026	Sept 30 2025	Dec 31 2025
Opening balance sheet equity	109.7	124.6	124.6
Net profit for the year	-30.5	-5.3	-14.6
Other comprehensive income for the period	0.4	-0.3	-0.3
Total comprehensive income for the period	-30.1	-5.6	-14.9
New share issue	20.9	-	-
Closing balance sheet equity	100.5	119.0	109.7

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

MSEK	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Cash flow from operating activities before change in working capital	-0.7	7.3	-9.2	12.4	8.8
Change in working capital					
Change in inventories	-1.5	-4.3	-4.1	-6.9	1.5
Change in receivables	-7.1	11.3	-8.3	20.9	25.4
Change in current liabilities	3.1	-3.5	1.7	-9.1	-13.4
Total change in working capital	-5.5	3.5	-10.7	4.9	13.5
Cash flow from operating activities	-6.2	10.8	-19.9	17.3	22.3
Investing activities					
Acquisition of intangible fixed assets	-3.8	-3.5	-11.7	-12.9	-16.4
Acquisition of tangible fixed assets	-0.5	0.0	-1.7	-0.3	-1.6
Cash flow from investing activities	-4.2	-3.5	-13.4	-13.2	-18.0
Operating cash flow	-10.4	7.3	-33.3	4.1	4.3
Financing activities					
New share issue	20.9	-	20.9	-	-
Change in borrowings	-0.4	-0.1	30.4	-3.6	-3.1
Amortization of lease liabilities	-1.6	-1.6	-4.4	-3.1	-5.0
Cash flow from financing activities	18.9	-1.7	46.9	-6.7	-8.1
Cash flow for the period	8.5	5.6	13.6	-2.6	-3.8
Cash and cash equivalents at the beginning of the year	14.0	4.5	8.9	12.7	12.7
Exchange rate difference on cash and cash equivalents	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents at end of period	22.5	10.1	22.5	10.1	8.9

SEGMENT REPORTING

MSEK

	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Revenue					
RemaSawco	14.3	33.4	46.7	106.1	137.8
Motion Analysis	14.9	10.5	38.2	31.9	41.3
Parent Company & consolidated items	-	-	-	-	-
Total revenue	29.3	43.9	85.0	138.0	179.1
EBITDA					
RemaSawco	-3.6	7.4	-9.9	18.8	19.8
Motion Analysis	4.8	0.6	5.9	-1.6	-4.0
Admin & consolidated items	-1.3	-0.9	-4.0	-4.6	-6.7
EBITDA total	-0.1	7.1	-8.0	12.6	9.1
Depreciation/amortization and impairment of intangible and tangible fixed assets	-7.3	-6.2	-21.3	-17.8	-23.8
Operating profit	-7.4	0.9	-29.4	-5.2	-14.7
Net financial items	-0.5	-0.3	-1.6	-0.5	-0.5
Profit/loss before tax	-7.9	0.6	-31.0	-5.7	-15.2
Tax	0.1	0.1	0.4	0.4	0.6
Profit for the period	-7.8	0.7	-30.5	-5.3	-14.6

INDICATORS

	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Order intake, MSEK	30.8	34.2	76.8	91.9	125.1
Order backlog, MSEK	76.5	77.4	76.5	77.4	69.8
Gross margin, %	81	71	82	68.0	68
EBITDA, MSEK	-0.1	7.1	-8.0	12.6	9.1
EBITDA margin, %	-0.3	16.2	-9.4	9.1	5.1
Operating margin, %	-25.3	2.1	-34.5	-3.8	-8.2
Profit margin, %	-27.1	1.4	-36.5	-4.1	-8.5
Return on capital employed, %	neg	0.7	neg	-3.9	neg
Return on equity, %	neg	0.6	neg	-4.5	neg
Solidity, %	47	58	47	58	58
Debt/equity ratio	0.2	0.0	0.2	0.0	0.0
Net investments in non-current assets, MSEK	-4.2	3.5	-13.4	13.2	18.0
Depreciation/amortization and impairment of fixed assets, MSEK	-7.3	-6.2	-21.3	-17.8	-23.8
Average number of employees	72	74	74	72	77
Number of shares at the end of the period, millions	124.89	89.21	124.89	89.21	89.21
Average number of shares, millions	102.35	89.21	96.41	89.21	89.21
Earnings per share, SEK	-0.08	0.01	-0.32	-0.06	-0.16
Cash flow per share calculated on the basis of average number of shares, SEK	-0.10	0.08	-0.35	0.05	0.05
Equity per share calculated on the basis of number of shares at the end of the period, SEK	0.80	1.33	0.80	1.33	1.23

QUARTERLY OVERVIEW, THE GROUP

Quarterly overview, the Group	2023	2024				2025				2026		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Order intake, MSEK	74.3	56.1	37.3	47.1	88.0	30.9	26.8	34.2	33.2	18.6	27.4	30.8
Order backlog, MSEK	73.3	91.8	83.4	73.0	117.5	107.5	84.6	77.4	69.8	72.2	68.1	76.5
Net sales, MSEK	40.1	38.2	44.3	56.6	45.8	39.0	49.5	41.4	38.6	17.7	30.0	25.5
Capitalized development costs, MSEK	3.7	3.2	4.1	3.6	4.0	3.3	2.3	2.5	2.5	3.8	4.2	3.8
Gross margin, %	69	70	67	67	69	72	63	71	68	90	77	81
EBITDA, MSEK	3.5	4.4	4.1	17.3	1.0	2.8	2.7	7.1	-3.5	-6.7	-1.2	-0.1
EBITDA margin, %	8.0	10.6	8.5	28.7	2.0	6.6	5.2	16.2	-8.5	-31.2	-3.5	-0.3
Operating profit (EBIT), MSEK	-1.3	0.1	-0.5	12.8	-3.6	-2.5	-3.6	0.9	-9.5	-13.5	-8.4	-7.4
EBIT margin, %	-3.0	0.2	-1.0	21.3	-7.2	-5.9	-6.9	2.1	-23.1	-62.8	-24.6	-25.3
Return on equity, %	neg	0.0	neg	10.0	neg	neg	neg	0.6	neg	neg	neg	neg
Solidity, %	63	61	59	60	55	55	57	58	58	50	44	47
Earnings per share, SEK	-0.01	0.00	0.00	0.14	-0.04	-0.03	-0.04	0.01	-0.10	-0.15	-0.10	-0.08
Cash flow per share, SEK	0.10	0.04	0.06	-0.03	0.09	0.12	-0.15	0.08	0.00	-0.15	-0.13	-0.10
Equity per share, SEK	1.30	1.30	1.30	1.44	1.40	1.37	1.33	1.33	1.23	1.08	0.98	0.98
Average number of shares, millions	89.21	89.21	89.21	89.21	89.21	89.21	89.21	89.21	89.21	89.21	89.21	102.35

RELEVANT RECONCILIATIONS OF NON-IFRS INDICATORS, THE GROUP

Alternative indicators

In addition to financial indicators prepared in accordance with IFRS, Image Systems presents financial indicators not defined by IFRS, such as EBITDA and net debt.

These alternative indicators are considered important measures of earnings and performance for investors and other readers of the interim report. They should be viewed as complementary to, and not a substitute for, financial information prepared in accordance with IFRS.

Image Systems' definitions of these non-IFRS measures are provided in the Definitions section of this report.

Other companies may define these terms differently, so they may not always be comparable with similar measures used by other companies.

EBITDA

Image Systems considers EBITDA a relevant measure for investors to understand earnings before depreciation/amortization of investments in tangible and intangible fixed assets.

Net debt

Image Systems considers net debt a relevant measure for investors to understand the Group's indebtedness after deducting cash and cash equivalents.

EBITDA

MSEK	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Operating profit	-7.4	0.9	-29.4	-5.2	-14.7
Depreciation/amortization and impairment of tangible and intangible fixed assets	7.3	6.2	21.3	17.8	23.8
EBITDA	-0.1	7.1	-8.0	12.6	9.1

Net debt

MSEK	Sept 30 2026	Sept 30 2025	Dec 31 2025
Cash and cash equivalents	22.5	10.1	8.9
Lease liability	13.8	13.0	11.8
Interest-bearing liabilities	30.4	0.1	-
Net debt	21.7	3.0	2.9

DEFINITIONS

Income measures

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

Gross margin, %	Net sales less raw materials and consumables in relation to net sales.
Operating margin, %	Operating profit in relation to net sales and capitalized development expenditure.
Profit margin, %	Profit before tax in relation to net sales and capitalized development expenditure.

Return

Return on capital employed, %	Operating profit plus interest income in relation to capital employed. Capital employed comprises total assets less non-interest-bearing liabilities.
Return on equity, %	Profit for the period in relation to equity.

Capital structure

Solidity, %	Equity at the end of the period in relation to total assets.
Debt/equity ratio, times	Interest-bearing liabilities at the end of the period less cash and cash equivalents in relation to equity.
Net debt, MSEK	Interest-bearing liabilities less cash and cash equivalents.

Other

Net investments in non-current assets, MSEK	Investments in intangible and tangible fixed assets and financial assets during the period, net of any disposals of such assets.
Average number of employees	Average number of employees during the period, calculated per month.

Data per share

Number of shares at the end of the period, in millions	Number of shares outstanding at the end of the period.
Average number of shares, millions	Average number of shares during the period.
Earnings per share, SEK	Profit after tax divided by the average number of shares.
Cash flow per share, SEK	Operating cash flow divided by the average number of shares.
Equity per share, SEK	Equity divided by the number of shares at the end of the period.

PARENT COMPANY'S CONDENSED INCOME STATEMENT

MSEK	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Revenue	0.7	1.5	1.8	4.0	5.2
Other external charges	-2.3	-1.1	-5.2	-3.7	-5.1
Personnel costs	-0.3	-1.3	-1.2	-4.9	-6.8
Other operating costs	-	-	-	-	-
Operating profit	-1.9	-0.9	-4.6	-4.6	-6.7
Net financial items	0.0	0.0	0.0	0.0	0.0
Profit/loss before tax	-1.9	-0.9	-4.6	-4.6	-6.7
Appropriations	-	-	-	-	5.5
Tax	-	-	-	-	-
Profit for the period	-1.9	-0.9	-4.6	-4.6	-1.2

PARENT COMPANY'S CONDENSED STATEMENT OF COMPREHENSIVE INCOME

MSEK	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Profit for the period	-1.9	-0.9	-4.6	-4.6	-1.2
Other comprehensive income	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-1.9	-0.9	-4.6	-4.6	-1.2

PARENT COMPANY'S CONDENSED BALANCE SHEETS

MSEK	Sept 30 2026	Sept 30 2025	Dec 31 2025
Fixed assets			
Shares in subsidiaries	82.8	82.8	82.8
Deferred tax assets	12.0	12.0	12.0
Total fixed assets	94.8	94.8	94.8
Current assets			
Trade receivables	-	-	-
Receivables from Group companies	27.5	19.2	23.0
Other current receivables	1.2	1.0	0.6
Cash and cash equivalents	11.3	0.2	0.2
Total current assets	40.0	20.4	23.8
TOTAL ASSETS	134.9	115.2	118.6
Equity (attributable in full to Parent Company shareholders)	132.4	112.7	116.1
Current liabilities			
Trade payables	1.4	0.1	0.2
Liabilities to Group companies	-	0.0	-
Other current payables	1.1	2.4	2.3
Total current liabilities	2.5	2.5	2.5
TOTAL EQUITY AND LIABILITIES	134.9	115.2	118.6

PARENT COMPANY'S CONDENSED STATEMENT OF CHANGES IN EQUITY

MSEK	Sept 30 2026	Sept 30 2025	Full year 2025
Opening balance equity	116.1	117.3	117.3
New share issue	20.9	-	-
Profit for the period	-4.6	-4.6	-1.2
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-4.6	-4.6	-1.2
Closing balance equity	132.4	112.7	116.1

PARENT COMPANY'S CONDENSED CASH FLOW STATEMENTS

MSEK	Jul-Sep 2026	Jul-Sep 2025	Jan-Sep 2026	Jan-Sep 2025	Full year 2025
Cash flow from operating activities before change in working capital	-1.9	-0.9	-4.6	-4.6	-1.2
Change in working capital					
Change in receivables	0.0	0.0	-0.6	-0.4	-0.1
Change in current liabilities	1.5	-0.2	0.0	-0.3	-0.2
Total change in working capital	1.5	-0.2	-0.6	-0.7	-0.3
Cash flow from operating activities	-0.4	-1.1	-5.2	-5.3	-1.5
Investing activities					
Change in loans to/from subsidiaries	-9.2	1.1	-4.5	5.3	1.5
Cash flow from investing activities	-9.2	1.1	-4.5	5.3	1.5
Operating cash flow	-9.6	0.0	-9.7	0.0	0.0
Financing activities					
New share issue	21.4	-	21.4	-	-
Issue costs	-0.5	-	-0.5	-	-
Cash flow from financing activities	20.9	0.0	20.9	0.0	0.0
Cash flow for the period	11.3	0.0	11.2	0.0	0.0
Cash and cash equivalents at the beginning of the period	0.0	0.2	0.2	0.2	0.2
Exchange rate difference on cash and cash equivalents	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents at end of period	11.3	0.2	11.3	0.2	0.2