



Year-end Report

January–December 2023



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Calendar

- » The Annual Report for 2023 is submitted on April 10, 2024
- » Annual General Meeting is held on May 8, 2024
- » Interim Report for Q1 2024 is submitted on May 8, 2024
- » Interim Report for Q2 2024 is submitted on August 27, 2024
- » Interim Report for Q3 2024 is submitted on November 8, 2024



AXXE AS



Inission innovation award

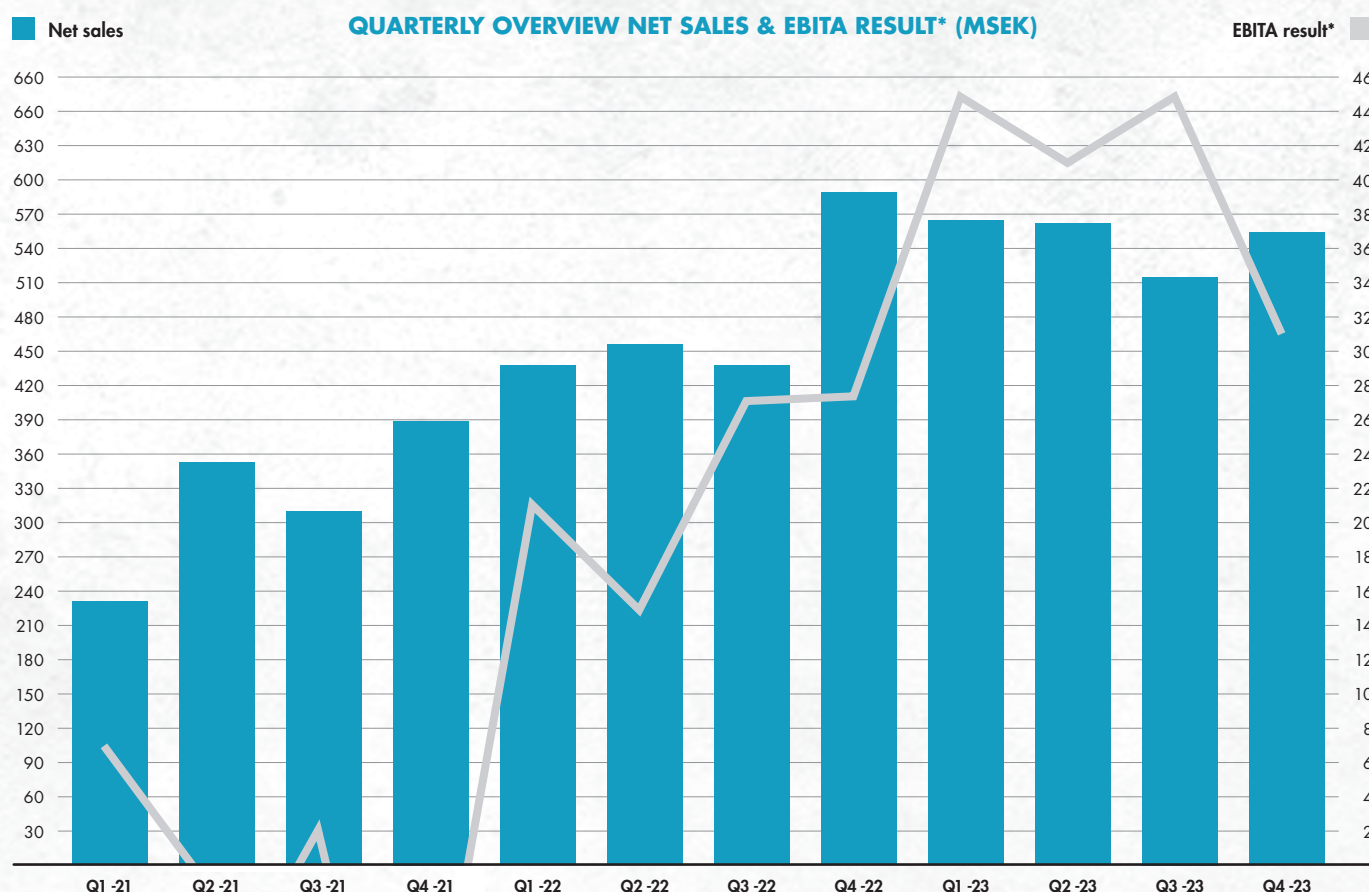


Dynamic Precision



Ari Kempainen

Financial summary



554 Net sales
Q4 2023 (MSEK)

30 Operating profit
EBIT Q4 2023 (MSEK)

1 070 (Number of)
Employees

OCTOBER 1 – DECEMBER 31, 2023

Net sales (MSEK)	554	(589)
EBITA* result (MSEK)	31.2	(27.5)
Operating profit EBIT (MSEK)	30.3	(26.7)
Cash flow from operating activities (MSEK)	32.0	(-10.3)
Equity ratio (%)	39%	(27%)
Earnings per share before dilution (SEK)	0.60	(0.76)
Earnings per share after dilution (SEK)	0.60	(0.75)

JANUARY 1 – DECEMBER 31, 2023

Net sales (MSEK)	2 195	(1 921)
EBITA* result (MSEK)	162.4	(90.6)
Operating profit EBIT (MSEK)	159.0	(87.5)
Cash flow from operating activities (MSEK)	100.9	(70.7)
Equity ratio (%)	39%	(27%)
Earnings per share before dilution (SEK)	4.47	(2.57)
Earnings per share after dilution (SEK)	4.46	(2.57)

* EBITA – operating profit adjusted for amortization of intangible assets arising from acquisitions

CEO review

PROFITABLE GROWTH

Sales slowed down during Q4. Net sales amounted to MSEK 554 (589) with an EBITA margin of 5.6% (4.7%). Adjusted for the higher material sales in 2022 of MSEK 48, there was a organic growth of 2% excluding currency effects.

Most of our factories have caught up with deliveries after years of being behind schedule. However, there is a large spread in terms of occupancy all the way from overload to underload. The factories are load balancing to the best of their ability. In addition, capacity is adjusted to the demand in some factories. Factories with continued good loads are prepared to also adjust costs if required.

Thanks to a reduced net working capital, we achieved a positive cash flow from operating activities of MSEK 32 (-10). We have repaid MSEK 37 during the quarter on a Covid-related tax deferral that burdens the cash flow with the same amount. Similarly, the cash flow in Q3 and the full year 2022 was boosted by MSEK 119 when we received the deferral payment. The remaining MSEK 82 was repaid in January 2024.



The strong cash flow is clearly visible in net debt, which fell from MSEK 538 at the end of September to MSEK 473 at the end of the period. Net debt including lease liabilities to EBITDA is 1.9.

Despite the lower load, we continue investing in new machinery and equipment to increase productivity and quality. Among other things, new surface mounting machines have arrived at our factory in Tunis as well as in Borås. Also, a laser cutting machine and a robotic cell have been installed in Tallinn. We also invest in the skills of our employees through the Inission Academy.

INISSION

Inission makes a strong quarter in terms of net sales and profit, with MSEK 441 (437) in net sales and an EBITA of MSEK 30 (25). In the same way as above, adjusted for lower material sales, it corresponds to an organic growth of 14%. The order book for both three- and six-month deliveries peaked in September. Overall, demand looks to be largely unchanged over the coming quarters. We have made and will continue to make capacity adjustments where necessary. For the full year, we are optimistic and expect moderate organic growth. Inventories are clearly decreasing, driven by increasingly better component availability and improved planning processes. Part Development has come to our factory in Stockholm, where we have made significant progress, not least in planning. The next factory in line is Tallinn EMS.

ENEDO

Net sales for the quarter amounted to MSEK 112 (152), a decrease of 26% compared with the previous year, with an EBITA margin of 0.6% (1.3%). EBITA was negatively affected by lower net sales and inventory depreciation, which could not be fully compensated by an improvement in gross margin compared to the previous year. The Tunis factory delivered during the quarter at the same level as last year and achieved a volume increase of 24% year-on-year. The order backlog decreased during the quarter and cost reducing measures were initiated in some product lines to adapt to the lower volume. The development of customer-specific products continued during the quarter, and Enedo made the first customer deliveries based on a new advanced product platform.

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ACQUISITION ACTIVITIES

We had the pleasure of completing the acquisition of AXXE AS after the end of the period. We have been working on the deal for the past six months with increasing intensity towards the end of the process. AXXE complements our presence in Norway in terms of geography and customers. The customer list consists of fast-growing international Norwegian companies. The factory is equipped with state-of-the-art machinery. The management philosophy and core values are consistent with those of Inission. The deal is based on what we think is a reasonable valuation and is constructed with a large proportion of additional purchase price over three years. The current main owner and other management team members thus have a clear incentive to continue managing the Company well in the future.

We continue to look for acquisitions also outside the Nordics, mainly in Northern Germany and Benelux. Our ambition is to grow by around 5% annually through acquisitions. When Enedo has moved further on its transformation journey, we will also start looking for acquisitions in power electronics.

THE FUTURE

The order situation is at a lower level. However, our main scenario is that it is possible to maintain the current sales rate also in the coming quarters. The availability of semiconductor components is almost normalized, although lead times for some components are still long. Key interest rates have probably peaked and will turn downwards, if not at the end of the first half of the year, at least at the beginning of the second. The economic downturn has now spread from consumers and construction to our customers in the manufacturing industry as well.

Our mix of customers and new contracts coming in makes us feel very confident going forward. The megatrends driving growth in our industry remain strong. Inission, with its positioning, proximity, flexibility, and performance, is well-equipped for the future.



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Fredrik Berghel, Chief Executive Officer of Inission AB
Karlstad, Sweden February 28, 2024

Business areas

INISSION – CONTRACT MANUFACTURING OF ELECTRONICS AND MECHANICS

Inission is a manufacturing partner with services and products that cover the entire product lifecycle, from development and design to industrialization, volume production, and aftermarket. Inission has production units in Stockholm, Västerås, Borås, Munkfors, Malmö, Løkken Verk (Norway), Lohja (Finland), Lagedi och Tallinn (Estonia), with a total of 708 employees.

Indicators		Full year 2023	Full year 2022	Full year 2021
Net sales	(TSEK)	1 675 572	1 429 253	1 003 200
Growth	(%)	17.2%	42.5%	-5.3%
of which acquired	(%)	0.6%	9.6%	0.0%
EBITA	(TSEK)	135 983	85 079	46 550
EBITA	(%)	8.1%	6.0%	4.6%
Assets	(TSEK)	1 291 832	1 315 332	855 967
Liabilities	(TSEK)	683 403	879 531	548 539

Net sales amounted to MSEK 1 675.5 compared to MSEK 1 429.3 the previous year. Of the increase in sales of MSEK 246.3, 0.6% relates to acquisitions, which means that organic growth amounted to 16.6%. The EBITA result for the period was MSEK 136.0 compared to MSEK 85.1 the previous year, corresponding to an EBITA margin of 8.1% compared to 6.0% the year before.

ENEDO – POWER ELECTRONICS AND SYSTEMS

Enedo is a product company that develops, manufactures, and sells high-quality electronic power supplies and system solutions. Enedo has operations in Finland, Italy, the US, and Tunisia, with a total of 362 employees.

Indicators		Full year 2023	Full year 2022	Full year 2021
Net sales	(TSEK)	519 644	493 210	369 700
Growth	(%)	5.4 %	33.4%	-5.5%
of which acquired	(%)	0.0%	0.0%	0.0%
EBITA	(TSEK)	26 419	5 542	-64 758
EBITA	(%)	5.1%	1.1%	-17.5%
Assets	(TSEK)	275 324	282 050	376 597
Liabilities	(TSEK)	278 735	293 536	286 071

Net sales amounted to MSEK 519.6, compared to MSEK 493.2 in the previous year. Of the increase in sales of MSEK 26.4, 0% relates to acquisitions, which means that organic growth amounted to 5.4%. The EBITA result for the period was MSEK 26.4 compared to MSEK 5.5 the previous year, corresponding to an EBITA margin of 5.1% compared to 1.1% the year before. The average SEK/EUR exchange rate in 2023 is 11.4765 and the closing rate is 11.0960. In 2022, the corresponding rates were 10.6317 and 11.1283, respectively.

Significant events

PERIOD OCTOBER–DECEMBER 2023

On November 20, Ari Kemppainen took office as the new CEO of Inission Stockholm AB. Ari has many years of experience from senior positions in global companies operating in power electronics and other business areas. Meanwhile, Inission Stockholm's former CEO, Christian Löfgren, moved on to a business development role at Inission's headquarters.

On November 28, Inission announced that Finnish MLB Electronics Oy, a subsidiary of Inission AB, has moved its operations to Inission Lohja's premises and merged into one legal entity.

On December 4, the news was published that Inission enters into a strategic collaboration with Dynamic Precision regarding their component database. This is to further improve Inission's development offer.

On December 6, the tenth winner of the Inission Innovation Award was announced during Ny Teknik's 33-listan event. Among the approximately 350 participants were some of Sweden's most promising start-ups, tech profiles, venture capitalists, and journalists. The winner of services from Inission worth MSEK 1 was Funki Instruments, with its innovative musical instrument adapted for people with disabilities.

On December 8, Inission Munkfors announced that it has invested in advanced conformal coating capabilities to meet the needs of customers who want enhanced durability and longevity of their printed circuit board assemblies (PCBAs).

AFTER THE END OF THE PERIOD

On January 17, Inission AB, through its wholly owned subsidiary Inission Norge AS, acquired the Norwegian EMS company AXXE AS. The company, with 46 staff members, has its operations in Halden and thus Inission has expanded its geographical presence in southern Norway. The price for 50.1% of the shares amounted to MNOK 27. The agreed additional purchase price for the remaining 49.9% of the shares is equivalent to an EV of 6xEBITDA based on AXXE's average results from 2024 to 2026.

On January 22, Inission AB informed that the Company now owns 100% of the shares in Enedo Oyj. This after the redemption procedure of the minority shareholders' shares, corresponding to 4.2% of the company, was decided in Inission's favor.

For more information: www.inission.com



Top left (from left): Funki's CEO Maria Svahn, Inission's Marketing Director Fredric Grahn and Funki's CTO Josefine Hölling. Bottom left: Stefan Larsson, responsible for production development within Inission, next to the new Conformal coating machine at Inission Munkfors. On the right (from left): Øystein Back, CEO AXXE AS; Fredrik Berghel, CEO Inission AB; and Erik Dragset, CEO Inission Løkken AS.

Comments

INCOME STATEMENT Q4 2023 (TSEK)

Group: Net sales in the quarter amounted to 553 594 (589 069), a decrease of 35 475 in the quarter (-6.0%). The currency impact on net sales for the period amounts to -2 975. Change in the inventory of work in progress and finished goods amount to -17 369 (4 227), a decrease of 21 596. Other operating income amounts to 1 630 (5 707).

The cost of raw materials and consumables, together with the change in inventories during the quarter, amounted to 330 391 (381 587), a decrease of 13.4%. The materials ratio, including material sales, considering the change in inventories, lands at a lower level compared to the previous year 59.8% (64.8%). Other external costs for the period amount to 39 480 (49 404), a decrease of 20%. Personnel costs amounted to 115 495 (104 144), an increase of 11%, mainly linked to higher volume. Other operating expenses amount to 15 378 (12 039). Depreciation of fixed assets amounts to 23 552 (20 945).

Overall, this gives an operating profit for the Group of 30 329 (26 657) and a profit after financial items of 17 175 (18 898). Other comprehensive income for the period amounted to -12 654 (5 743), which gives a total comprehensive income for the quarter of 857 (21 055).

Of total comprehensive income, 663 (21 233) is attributable to Parent Company owners and 194 (-178) to non-controlling interests.

Parent Company: To mitigate the currency impact, Inission AB buys US dollar futures continuously. The Company hedges up to 60% of the Group's future net outflow. In the event of hedging, the hedging instruments are remeasured, and in case of changing exchange rates, at the rate prevailing on the balance sheet date. The value of these futures at the end of the quarter amounted to MSEK 0.3, as opposed to the previous quarter's value of MSEK 1.7.

BALANCE SHEET Q4 2023 (TSEK)

Goodwill amounts to 177 851 (178 532) and the reduction relates to changes in exchange rates. Other intangible assets amount to 98 218 (101 583) and licenses amount to 2 386 (4 250). The total value of tangible fixed assets has decreased to 83 565 (86 957) related to investments in production equipment less depreciation and changing exchange rates. Right-of-use assets amount to 249 901 (224 532) and refer to lease agreements, and newly signed rental agreements. Financial assets amount to 3 913 (4 195). Inventories amount to 620 494 (642 235), a decrease of 3% compared to the same period last year. Trade receivables have decreased to 263 907 (288 295), which

means a decrease of 8% related to sales in the quarter. Total assets thus decreased to 1 567 156 (1 579 789) corresponding to a decrease of <1%.

Total equity amounts to 603 097 (423 048), of which non-controlling interests amount to 1 921 (1 267). This gives an equity ratio of 39% (27%). Non-current liabilities have decreased to 318 906 (429 983). This means that non-current liabilities have decreased by 26% mainly due to reclassification of the pandemic loan.

Inission has requested tax and VAT deferrals for the Swedish companies under special rules related to the pandemic amounting to 118 834, which are recognized as a current liability. During the quarter, these have been amortized by 36 704 and, after that, the debt amounts to 82 129. Current liabilities amount to 643 232 (725 490) adjusted for tax and VAT deferrals of 561 103 (688 786), corresponding to a decrease of 19% adjusted for the tax/VAT deferrals. The change is mainly attributable to a decrease in trade payables and short-term borrowings.

Net debt

FINANCIAL POSITION (TSEK)	DEC 31, 2023	DEC 31, 2022	DEC 31, 2021
Cash at the end of the period	42 230	14 603	27 832
Used overdraft facility	-4 989	-32 408	-42 305
Non-current liabilities, interest-bearing	-84 972	-194 778	-53 120
Non-current liabilities, leasing	-205 222	-187 611	-131 026
Current liabilities, interest-bearing	-116 843	-95 648	-70 603
Current liabilities, leasing	-38 371	-31 925	-31 428
Invoice discounting credit	-64 676	-69 484	-44 692
Net cash (+) / Net debt (-)	-472 843	-597 251	-345 342
Net cash (+) / Net debt (-) excl. leasing	-229 250	-377 715	-182 888
Unused overdraft facility	95 011	67 592	32 695
Total overdraft facility	100 000	100 000	75 000
Equity	605 018	424 315	397 953
Balance sheet total	1 567 156	1 579 789	1 231 905
Equity ratio (%)	39%	27%	32%

Parent Company information

The Parent Company, Inission AB, is entirely focused on the management and development of the Group. The Parent Company's net sales consist almost exclusively of the sale of management services to its subsidiaries. There are no significant purchases from any of these.

Transactions with related parties

There were no transactions during the quarter, as the debt to two of the majority shareholders was amortized during the third quarter. After that, the debt amounts to MSEK 0. The loans were linked to the acquisition of Enedo shares.

Presentation of the Interim Report

The Consolidated Accounts of Inission AB have been prepared according to the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, and International Financial Reporting Standards (IFRS) and interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC) as adopted by the EU. This Interim Report has been pre-pared under IAS 34 Interim

Financial Reporting and the Annual Accounts Act.

The Parent Company applies RFR 2 Accounting for Legal Entities and the Swedish Annual Accounts Act. No changes have taken place since the 2022 annual report.

Important estimates and assessments for accounting purposes

In preparing the Interim Report, the Company has reviewed and assessed the risks and uncertainties described in the Annual Report for 2022 and determined that there have been no material changes. For information on the risks and uncertainties affecting the Group, please refer to the Annual Report for 2022.

Dividend

For the 2024 annual general meeting, the board proposes that a dividend of SEK 0.70 per share will be made for 2023, corresponding to SEK 15.5 million. The dividend proposed by the board corresponds to 16% of the group's profit after tax in 2023. Inission's dividend policy is, if the liquidity situation permits, to distribute up to 30% of the group's profit after tax.

The Board of Directors of Inission AB submits this Interim Report 2024-02-28. This report has not been reviewed by the Company's auditor. The report has been prepared in a Swedish original and an English translation. In the event of any discrepancies between the two, the Swedish version is to apply. Rounding-off differences may occur.

Financial statements

Consolidated statement of comprehensive income in summary (TSEK)

	NOTE	OCT-DEC 2023	OCT-DEC 2022	JAN-DEC 2023	JAN-DEC 2022
Net sales	1	553 594	589 069	2 195 216	1 921 173
Change in inventories of work in progress and finished goods incl. capitalized work for own account		-17 369	4 227	5 402	68 857
Other operating income		1 630	5 707	7 300	21 252
Operating income		537 855	599 002	2 207 918	2 011 282
Raw materials and consumables		-313 622	-385 814	-1 318 117	-1 254 829
Other external costs		-39 480	-49 404	-157 553	-162 876
Personnel costs		-115 495	-104 144	-445 151	-380 638
Depreciation and amortization of intangible assets and tangible fixed assets		-23 552	-20 945	-84 543	-82 351
Other operating expenses		-15 378	-12 039	-43 563	-43 126
Total operating expenses		-507 526	-572 346	-2 048 926	-1 923 820
Operating profit		30 329	26 657	158 992	87 462
Financial income		1 787	1 533	2 292	4 318
Financial costs		-14 941	-9 292	-45 483	-28 488
Financial items – net		-13 154	-7 759	-43 192	-24 170
Income before tax		17 175	18 898	115 801	63 292
Income tax		-3 665	-3 587	-20 038	-13 712
Profit for the period		13 510	15 311	95 763	49 580
Profit for the period attributable to:					
Parent Company owners		13 317	15 687	95 110	56 154
Non-controlling interest		194	-375	654	-6 574

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cont'd. Consolidated statement of comprehensive income in summary (TSEK)

	NOTE	OCT-DEC 2023	OCT-DEC 2022	JAN-DEC 2023	JAN-DEC 2022
Other comprehensive income:					
Items that may be reclassified to profit or loss:					
Translation differences for the year		-12 654	4 885	-8 268	14 814
Items not to be reclassified to profit or loss:					
Remeasurement of the net defined benefit liability		0	858	0	858
Income tax relating to the above item		0	0	0	0
Other comprehensive income for the year		-12 654	5 743	-8 268	15 672
Parent Company owners		-12 848	5 546	-8 922	12 157
Non-controlling interest		194	197	654	3 515
Total other comprehensive income for the year		-12 654	5 743	-8 268	15 672
Total comprehensive income for the year		857	21 055	87 496	65 252
Total comprehensive income for the year related to:					
Parent Company owners		663	21 233	86 842	68 311
Non-controlling interest		194	-178	654	-3 059
Total		857	21 055	87 496	65 252
Earnings per share, based on the profit attributable to Parent Company shareholders for the period:					
Earnings per share before dilution		0,60	0,76	4,47	2,57
Earnings per share after dilution		0,60	0,75	4,46	2,57
Weighted average no. of shares before dilution		22 202 842	20 263 042	21 287 698	19 305 170
Weighted average no. of shares after dilution		22 198 642	20 310 682	21 342 763	19 328 990
Number of shares at the end of the period		22 135 502	20 263 042	22 135 502	20 263 042

Consolidated balance sheet in summary (TSEK)

ASSETS	NOTE	2023-12-31	2022-12-31
Fixed assets			
Intangible assets			
Goodwill		177 851	178 532
Other intangible assets		98 218	101 583
Licenses, etc.		4 690	4 250
Total intangible assets		280 759	284 365
Tangible fixed assets			
Machinery and other technical equipment		67 905	79 839
Equipment, tools, fixtures, and fittings		6 228	4 566
Improvement costs to third-party property		7 127	2 552
Total tangible fixed assets		81 260	86 957
Right-of-use assets		249 901	224 532
Financial fixed assets			
Other non-current securities	2	1 078	1 090
Other non-current receivables	2	2 835	3 105
Total financial fixed assets		3 913	4 195
Deferred tax assets		20 055	18 732
Total fixed assets		635 889	618 782
Current assets			
Inventories		620 494	642 235
Trade receivables		263 907	288 295
Derivative instruments		322	0
Current tax receivables		0	0
Other receivables		1 550	4 341
Prepayments and accrued income		2 764	11 533
Cash and cash equivalents		42 230	14 603
Total current assets		931 267	961 007
» TOTAL ASSETS		1 567 156	1 579 789

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cont'd. Consolidated balance sheet in summary (TSEK)

EQUITY AND LIABILITIES	NOTE	2023-12-31	2022-12-31
Equity			
Share capital		923	845
Other contributed capital		291 481	195 271
Reserves		8 807	14 618
Retained earnings incl. profit for the period		301 886	212 313
Total equity attributable to Parent Company shareholders		603 097	423 048
Non-controlling interest		1 921	1 267
Total equity		605 018	424 315
Non-current liabilities			
Liabilities to credit institutions		84 972	75 944
Lease liabilities		205 222	187 611
Other non-current liabilities	4	5 500	135 230
Deferred tax liabilities		22 126	23 514
Provision for pensions		1 087	6 863
Other provisions		0	821
Total non-current liabilities		318 906	429 983
Current liabilities			
Liabilities to credit institutions		34 631	95 648
Derivative instruments		16	1 440
Customer advances		32 588	32 300
Accounts payable		253 516	344 252
Lease liabilities		38 371	31 925
Overdraft facility (Limit 100 000)		4 989	32 408
Invoice discounting credit		64 676	69 484
Current tax liabilities		8 184	16 243
Other current liabilities		127 234	34 385
Other provisions		0	2 415
Accruals and deferred income		79 030	64 991
Total current liabilities		643 232	725 490
» TOTAL EQUITY AND LIABILITIES		1 567 156	1 579 789

Consolidated statement of change in equity (TSEK)

	Attributable to Parent Company shareholders							Non-controlling interest	Total equity
	Note	Share capital	Other contributed capital	Reserves	Retained earnings including profit for the period	Total equity relating to Parent Company shareholders			
Opening balance at 2022-01-01		755	125 126	3 320	139 897	269 098	128 856	397 954	
Profit for the period					56 155	56 155	-6 574	49 581	
Other comprehensive income				11 298	858	12 156	3 515	15 671	
Total comprehensive income for the period		0	0	11 298	57 013	68 311	-3 059	65 252	
Shareholder transactions									
New share issue		0	225			225		225	
Transaction costs related to share issues					541	541		541	
Dividend					-5 432	-5 432		-5 432	
Transactions with non-controlling interests/new share issue		90	69 920		27 617	97 627	-124 529	-26 902	
Transaction costs for buyout of non-controlling interests					-7 323	-7 323		-7 323	
Total shareholder transactions		90	70 145	0	15 403	85 638	-124 529	-38 891	
Closing balance at 2022-12-31		845	195 271	14 618	212 313	423 047	1 268	424 315	
Opening balance at 2023-01-01									
		845	195 271	14 618	212 313	423 048	1 267	424 315	
Profit for the period					95 110	95 110	654	95 764	
Other comprehensive income				-5 811	-2 457	-8 268	0	-8 268	
Total comprehensive income for the period		0	0	-5 811	92 653	86 842	654	87 496	
Shareholder transactions									
New share issue		78	96 210			96 288		96 287	
Changed holding of employee share options					423	423		423	
Transaction costs for buy-outs of non-controlling interest					-3 502	-3 502		-3 502	
Total shareholder transactions		78	96 210	0	-3 080	93 209	0	93 208	
Closing balance at 2023-12-31		923	291 482	8 807	301 886	603 098	1 921	605 018	

Consolidated statement of cash flows in summary (TSEK)

	OCT-DEC 2023	OCT-DEC 2022	JAN-DEC 2023	JAN-DEC 2022
The operating activities				
Profit after financial items	17 175	18 899	115 801	63 292
Depreciation of assets	23 552	20 945	84 543	82 351
Tax paid	-18 753	-1 610	-29 104	-3 184
Other non-cash items	-13 547	-231	-1 267	2 666
Cash flow from operating activities before changes in working capital	8 427	38 003	169 973	145 125
Cash flow from change in working capital				
Increase/decrease of inventories	38 135	14 432	10 789	-195 310
Increase/decrease operating receivables	35 551	-56 380	29 200	-39 517
Increase/decrease operating liabilities	-50 081	-6 405	-109 068	160 396
Total change in working capital	23 605	-48 353	-69 079	-74 431
Cash flow from operating activities	32 032	-10 350	100 894	70 694
Cash flow from investing activities				
Acquisitions of subsidiaries, net of cash acquired	0	0	0	-18 569
Acquisitions of tangible and intangible fixed assets	-5 088	-6 649	-44 997	-25 077
Sales of tangible and intangible fixed assets	413	0	448	0
Divestment/reduction of financial assets	-839	-800	0	-800
Cash flow from investing activities	-5 514	-7 449	-44 549	-44 446
Cash flow from financing activities				
New share issue, net of transaction costs	1	0	96 289	225
Borrowings contracted	0	9 797	0	47 425
Amortization of borrowings	-12 263	-6 265	-50 775	-29 045
Amortization of lease liabilities	-9 874	-8 714	-36 313	-34 753
Dividends paid	0	0	0	-5 432
Transactions costs non-controlling interest	0	-18 821	0	-18 821
Transaction costs non-controlling interests	-1 233	-5 781	-3 502	-7 323
Increase/decrease in current financial liabilities	-5 630	936	-34 345	7 221
Cash flow from financing activities	-28 999	-28 848	-28 647	-40 503
Cash flow for the period	-2 482	-46 647	27 698	-14 255
Cash at the beginning of the period	45 586	61 249	14 603	27 832
Cash flow for the period	-2 482	-46 647	27 698	-14 255
Exchange rate difference in cash	-874	0	-71	1 026
Cash at the end of the period	42 230	14 602	42 230	14 603
Cash flow information				
Interest paid	-14 941	-15 097	-45 483	-28 488
Interest received	1 787	1 573	2 292	4 319

Parent Company income statement in summary (TSEK)

NOTE	OCT-DEC 2023	OCT-DEC 2022	JAN-DEC 2023	JAN-DEC 2022
Net sales	6 562	6 793	30 704	26 691
Other operating income	-886	-4 166	2 864	1 434
Total	5 676	2 627	33 568	28 125
Raw materials and consumables	0	0	0	0
Other external costs	-4 978	-4 052	-20 094	-13 576
Personnel costs	-2 168	-3 751	-20 098	-15 241
Other operating expenses	-5 129	-2 507	-15 532	-7 504
Total operating expenses	-12 275	-10 310	-55 724	-36 322
Operating profit	-6 599	-7 683	-22 156	-8 197
Profit from participations in Group companies	0	0	14 000	50 000
Interest receivable and similar income	1 684	2 034	8 440	5 575
Interest expense and similar costs	-801	-814	-6 914	-2 872
Total income from financial items	883	1 220	15 526	52 703
Profit before tax	-5 717	-6 463	-6 631	44 506
Appropriations				
Changes in amortization fund	1 855	0	1 855	0
Group contributions received	19 475	3 800	19 475	3 800
Tax on profit for the year	250	488	-250	257
Profit for the period	15 863	-2 175	14 449	48 563

In the Parent Company, no items are recognized as other comprehensive income. Therefore, the total comprehensive income is consistent with the profit for the year.

Parent Company balance sheet in summary (TSEK)

ASSETS	NOTE	2023-12-31	2022-12-31
Fixed assets			
Financial assets			
Participations in Group companies		307 777	304 275
Receivables from Group companies		64 635	62 737
Other non-current receivables		3	3
Total financial assets		372 415	367 015
Deferred tax assets		3	297
Total fixed assets		372 418	367 311
Current assets			
Current receivables			
Trade receivables		0	0
Receivables from Group companies		69 030	48 600
Derivative instruments		0	0
Other current receivables		606	194
Prepayments and accrued income		1 431	1 908
Total current receivables		71 067	50 702
Cash and bank		47	0
Total current assets		71 114	50 702
» TOTAL ASSETS		443 531	418 014

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cont'd. Parent Company balance sheet in summary (TSEK)

EQUITY AND LIABILITIES	NOTE	2023-12-31	2022-12-31
Equity			
Restricted equity			
Share capital		923	845
Total restricted equity		923	845
Unrestricted equity			
Share premium fund		291 481	195 270
Retained earnings incl. profit for the period		89 385	74 525
Total unrestricted equity		380 866	269 795
Total equity		381 789	270 639
Tax-free reserves		0	1 855
		0	1 855
Non-current liabilities			
Liabilities to credit institutions		9 986	15 580
Liabilities to Group companies		0	69 500
Deferred tax liabilities		0	0
Other non-current liabilities		0	15 134
Total non-current liabilities		9 986	100 214
Current liabilities			
Overdraft facility		7 265	16 433
Accounts payable		2 951	4 147
Liabilities to Group companies		27 457	10 677
Derivative instruments		16	1 440
Other current liabilities		8 951	9 625
Accruals and deferred income		5 116	2 983
Total current liabilities		51 756	45 305
» TOTAL EQUITY AND LIABILITIES		443 531	418 013

Notes

Note 1 – Segment reporting and disclosure of net sales

The Group's chief operating decision maker is the CEO, who assesses the performance of the operating segments based on the type of production. The operations are monitored from Enedo and the rest of Inission. The CEO monitors performance based on operating profit. The Group's operations are managed and reported on the basis of the following operating segments:

1. Inission – contract manufacturing of electronics and mechanics

Inission is a manufacturing partner with services and products that cover the entire product lifecycle, from development and design to industrialization, volume production, and aftermarket. Inission has production units in Stockholm, Västerås, Borås, Munkfors, Malmö, Trondheim (Norway), Lohja (Finland), Lagedi and Tallinn (Estonia), with a total of 708 employees.

2. Enedo – Power electronics and systems

Enedo is a product company that develops, manufactures, and sells high-quality electronic power supplies and system solutions. Enedo has operations in Finland, Italy, the US, and Tunisia, with a total of 362 employees.

2023-10-01 » 2023-12-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Revenue per segment	112 139	441 455	0	553 594
Revenue from other segments	0	0	0	0
Revenue from external customers	112 139	441 455	0	553 594
Operating profit	713	29 616	0	30 329
Financial items	0	0	0	-13 154
Profit before tax	713	29 616	0	17 175
2022-10-01 » 2022-12-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Revenue per segment	151 629	437 440	0	589 069
Revenue from other segments	0	0	0	0
Revenue from external customers	151 629	437 440	0	589 069
Operating profit	6 048	20 609	0	26 657
Financial items	0	0	0	-7 759
Profit before tax	6 048	20 609	0	18 898
2023-01-01 » 2023-12-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Revenue per segment	519 644	1 675 572	0	2 195 216
Revenue from other segments	0	0	0	0
Revenue from external customers	519 644	1 675 572	0	2 195 216
Operating profit	26 419	132 573	0	158 992
Financial items	0	0	0	-43 192
Profit before tax	26 419	132 573	0	115 800

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Note 1 continued.

2022-01-01 » 2022-12-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Revenue per segment	493 210	1 429 253	0	1 922 463
Revenue from other segments	0	0	-1 290	-1 290
Revenue from external customers	493 210	1 429 253	-1 290	1 921 173
Operating profit	1 372	86 090	0	87 462
Financial items	0	0	0	-24 170
Profit before tax	1 372	86 090	0	63 292

SEGMENT ASSETS AND LIABILITIES 2023-12-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Assets	275 324	1 351 471	-59 639	1 567 156
Liabilities	-278 735	-743 042	59 639	-962 138
Total	-3 411	608 429	0	605 018

SEGMENT ASSETS AND LIABILITIES 2022-12-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Assets	282 050	1 315 332	-17 593	1 579 789
Liabilities	-293 536	-879 531	17 593	-1 155 474
Total	-11 486	435 801	0	424 315

Inission AB uses operating profit as a measure of operating segment performance. Interest income and expenses are not allocated to the segments, as this activity is driven by the central financing function, which manages the Group's liquidity.

Sales between segments are made at market prices and are eliminated on consolidation. The amounts provided to the CEO with respect to segment revenue are measured in a manner consistent with the financial statements.

The main revenue streams of the Group are sales of goods. The sales are recognized as revenue when control of the goods is transferred, which occurs when the risk is transferred under the applicable delivery terms. Revenue is thus recognized, in all material respects, at one point in time.

Revenue from external customers by country:

2023-10-01 » 2023-12-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Sweden	1 782	198 100	0	199 881
Finland	7 496	42 918	0	50 414
Estonia	-812	12 651	0	11 839
Other EU countries	43 092	71 205	0	114 297
Norway	983	105 447	0	106 430
USA	37 698	1 629	0	39 327
Other non-EU countries	21 900	9 508	0	31 407
Total	112 139	441 455	0	553 594

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Note 1 continued.

Revenue from external customers by country:

2022-10-01 » 2022-12-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Sweden	888	194 387	0	195 275
Finland	11 033	62 020	0	73 053
Estonia	2 067	14 689	0	16 756
Other EU countries	63 021	46 413	0	109 434
Norway	1 061	112 613	0	113 674
USA	30 559	3 132	0	33 691
Other non-EU countries	43 000	4 186	0	47 186
Total	151 629	437 440	0	589 069

Revenue from external customers by country:

2023-01-01 » 2023-12-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Sweden	8 564	786 100	0	794 664
Finland	52 183	231 617	0	283 800
Estonia	2 481	58 524	0	61 005
Other EU countries	238 800	181 083	0	419 884
Norway	4 541	379 587	0	384 128
USA	122 849	11 788	0	134 637
Other non-EU countries	90 227	26 872	0	117 099
Total	519 644	1 675 572	0	2 195 216

Revenue from external customers by country:

2022-01-01 » 2022-12-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Sweden	3 835	630 439	-1 290	632 985
Finland	41 808	244 745	0	286 553
Estonia	4 691	80 119	0	84 810
Other EU countries	234 539	144 367	0	378 906
Norway	2 441	303 006	0	305 447
USA	102 598	11 455	0	114 053
Other non-EU countries	103 298	15 122	0	118 420
Total	493 210	1 429 253	-1 290	1 921 173

Note 2 – Financial instruments

FAIR VALUE MEASUREMENT AND DISCLOSURE (TSEK)

The table below shows financial instruments measured at fair value based on how they are classified in the fair value hierarchy. The different levels are defined as follows:

(a) Level 1 financial instruments

Quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2 financial instruments

Observable data for the asset or liability other than quoted prices included in level 1, either directly (i.e., as price quotes) or indirectly (i.e., derived from price quotes).

(c) Level 3 financial instruments

In cases where one or more significant inputs are not based on observable market data.

The table below shows Inission's financial liabilities measured at fair value and the level in the fair value hierarchy at which they are recognized:

2023-12-31	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivates (Currency and interest hedges)		322		322
Other non-current securities			1 078	1 078
Total	0	322	1 078	1 400

2022-12-31	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivates (Currency and interest hedges)		0		0
Other non-current securities			1 090	1 090
Total	0	0	1 090	1 090

The table below shows Inission's financial liabilities measured at fair value and the level in the fair value hierarchy at which they are recognized:

2023-12-31	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivates (Currency and interest hedges)		16		16
Contingent consideration			6 658	6 658
Total	0	16	6 658	6 674

2022-12-31	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivates (Currency and interest hedges)		1 440		1 440
Contingent consideration			6 677	6 677
Total	0	1 440	6 677	8 117

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Note 2 continued.

The following tables show the reconciliation of the opening and closing carrying amounts of the contingent considerations and other non-current securities and other non-current receivables valued at level three.

FINANCIAL LIABILITIES, LEVEL THREE	CONTINGENT CONSIDERATION
Carrying amount 2022-12-31	6 677
Additional amount	0
Change recognized in the income statement	-19
Amounts paid	0
Carrying amount 2023-12-31	6 658

Level 3 fair value measurement inputs and the valuation process.

Contingent consideration: The fair value of the contingent consideration agreement is based on management's assessment of what is likely to be paid given the terms of the share transfer agreement. Management has determined that 100% of the stated amount will be paid.

FINANCIAL ASSETS, LEVEL THREE	OTHER NON-CURRENT SECURITIES AND NON-CURRENT RECEIVABLES (UNLISTED SHARES)
Carrying amount 2022-12-31	1 090
Additional amount	791
Change recognized in the income statement	-803
Amounts paid	0
Carrying amount 2023-12-31	1 078

Note 3 – Business combinations

BUSINESS COMBINATIONS DURING THE FINANCIAL PERIOD 2023-01-01 » 2023-12-31 (TSEK)

There were no business combinations during the period 2023-01-01 to 2023-12-31.

Note 4 – Transactions with related parties

Inission AB is the most senior Parent Company that prepares consolidated accounts. No single party has control over Inission AB. The companies IFF Konsult AB and FBM Consulting AB, which individually have significant interests in Inission AB, are both owned by key management personnel and are therefore associated with Inission. In addition to the companies mentioned above, related parties are all the subsidiaries of the Group and key management personnel in the Group and their related parties. Transactions are carried out on market terms.

There were no transactions during the quarter. The debt to two of the majority shareholders was amortized during the third quarter and, after that, amounts to MSEK 0. As of 2022-12-31 the debt amounted to 9 380. Interest expense attributable to the shareholder loans amounts to 0 for the fourth quarter and accumulated in 2023 to 492. For the full year 2022, the interest expense amounted to 164.

About Inission

WHAT

Inission is a total supplier of tailored manufacturing services and products in the field of advanced industrial electronics and mechanics. Our services cover the entire product lifecycle, from development and design to industrialization, volume production and aftermarket services.

Inission has a strong value-driven corporate culture of entrepreneurship and passion, which has resulted in total sales of SEK 2.2 billion with an average of 1 070 employees in 2023. Inission is listed on Nasdaq First North Growth Market with Nordic Certified Adviser AB as certified adviser.

Inission's offer is divided into two business areas: Contract manufacturing of electronic and mechanical products under the Inission brand, and Power electronics and systems under the Enedo brand.

OPERATIONS

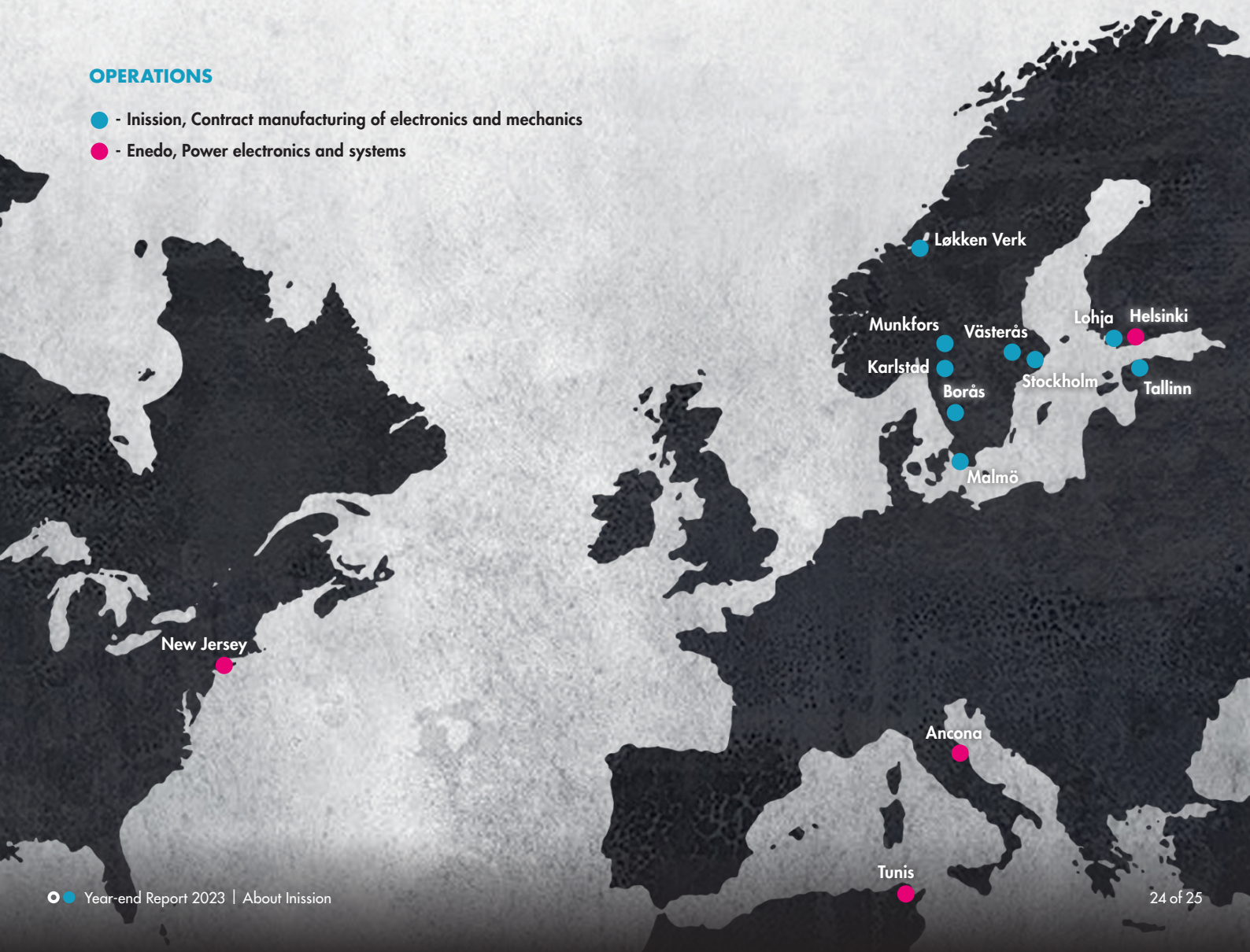
- - Inission, Contract manufacturing of electronics and mechanics
- - Enedo, Power electronics and systems

WHY

What makes Inission outstanding is that we know why we do what we do. We have a strong belief that our industry can be changed and improved and that we constantly have to deliver an even higher value to our customers.

To achieve this, we have decided, among other things, never to be content. We have committed ourselves to take the lead and drive the development and we will never allow our commitment to be reduced. Furthermore, we ensure that we don't forget to harness all the positive energy that ultimately benefits business, both ours and our customers'.

In short. Why is crucial. What we do is important, just as how we do things, but we are nothing without remembering why we do it. Join us and discover the difference!





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This information is such that Inission AB is obliged to make it public pursuant to the EU Market Abuse Regulation.

The information was submitted, through the care of the above contact person, for publication at 07:00 CET on February 28, 2024.

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www.inission.com/investor-relations