



INTERIM REPORT

INDUCT AS

(CONSISTS OF INDUCT AS AND ALL SUBSIDIARIES)

FIRST QUARTER 2025

INDUCT AS

Highlights and Key Figures

- EBITDA increased to NOK 3,0 in Q1 2025 from NOK 2,4 million in Q1 2024.
- Total operating costs reduced to NOK 1,9 million in Q1 2025 from NOK 3,1 million in Q1 2024.
- The Swedish version of Tilskuddsportalen, hittabidrag.se, was launched on 26 February with three subscription contracts already signed and a strong sales pipeline consisting of individual municipalities and collaborative networks.
- Our collaboration with Portsmouth and AstraZeneca is progressing well and according to plan. The hospital roll-out plan has been agreed, and Winchester Hospital will be the first hospital to implement our asthma pathway product.
- We are focused on and dedicated to increasing revenues to strengthen our EBITDA further and deliver solid financial results.
- Forecast annual recurring revenues of 70-80 MNOK when the asthma pathway is implemented across NHS England, with a high gross margin of 95% generating profits of 66-76 MNOK.
- Ambition to expand the asthma pathway internationally - in a strong global biologic medication market valued at 73,5 MrdNOK with annual growth of 12,5%.
- Goal to expand our technology and provide digital clinical pathways to other diseases, including diabetes and cardiovascular diseases, to name a few, each of which has the same, or larger, global revenue potential.



CEO's Comments

Strong Q1 with improved profitability, efficient cost management, and strategic growth in digital health and grant portals
– Ready for global expansion.

The results from the first quarter of 2025 show clear improvements in profitability, and we have made significant strides toward becoming a more efficient and scalable organization.

We delivered an EBITDA of NOK 3,03 million in the quarter, representing a 25% increase compared to the same period last year. Our margins have improved significantly, reflecting both disciplined cost control and a business model with high operational leverage. The strong EBITDA development enhances our financial resilience and provides greater flexibility to pursue future growth opportunities.

Personnel costs were reduced by 47%, driven by targeted efficiency measures implemented throughout 2023 and 2024. In parallel, we lowered other operating expenses by 10% without compromising on quality or delivery capacity. The total operating cost base was reduced by 38%, confirming that we have successfully aligned our cost structure to current market conditions while building a more resilient organization for the future. As part of this strategy, we have as earlier informed decided to wind up the loss-making business in Bidra AS.

While we still report a net loss before tax of NOK -0,7 million, this is a substantial improvement from the NOK -2,4 million loss recorded in Q1 2024. We have reduced our losses by 70%, driven by stronger operating margins and lower financial costs.

These results confirm that we are moving in the right direction and that our strategy focusing on cost discipline and profitability is delivering tangible results.

On 31 January, we informed shareholders and the market about the details of our collaboration with Portsmouth and AstraZeneca. The impressive results we have achieved in Portsmouth and the potential of our pathway product was made very clear by the testimony given by Prof. Thomas Brown. The ARR potential for asthma in England alone, based on full market coverage, is estimated to be NOK 70-80 million. The medication covered in our asthma product has a global market value of NOK 73,5 billion, and our product allows pharmaceutical companies like AstraZeneca to increase their revenues and market share.

Our growth strategy for our pathway product is to transition from an ad-based to a subscription-based revenue model, expand our asthma product across England, the rest of the UK and internationally, develop new pathway products on our core platform technology, and leverage strong partnerships with key market players. Our ambition is to be the preferred global provider of digital patient pathways.

At the end of February, we launched Hitta Bidrag in Sweden. Hitta Bidrag builds on the success of Tilskuddsportalen in Norway and has been very well received by Swedish municipalities.

With three contracts already signed and discussions underway with two larger municipality networks, we are well on track to meeting our sales forecast for 2025.

The product launch in Sweden was an outstanding achievement, taking less than three months from project initiation to securing our first customer.

This success reflects the exceptional focus, dedication, and agility of our team, executing with precision to meet our goals. At the same time, we ensured our technology infrastructure was primed for swift expansion into new markets. The platform has been designed as a highly scalable, "copy-paste" solution, where the only customization required is localized content for each new country. This positions us well for rapid international growth, with minimal adaptation time and maximum impact.

Our growth strategy for our grant portals is to increase the use of integrated AI solutions to further improve our delivery efficiency, match users with the most relevant grants, and actively support our users develop grant applications that have a high success rate for receiving funds. A central part of our strategy is user involvement and ensuring that our product meets the needs and challenges of our customer base. This insight is largely gathered when we deliver on-site, face-to-face training courses on how to write winning applications.

We enter the rest of 2025 with a strengthened operational foundation, a leaner cost base, and a clear ambition: to continue growing with profitability at the core. Our platform is profitable, scalable, and holds significant international potential. Combined with a more balanced cost structure and a renewed focus on margins, we are well-positioned to deliver sustainable value - for our customers, partners, and shareholders.

We remain confident that our strategy will deliver the expected results and thank you for your continued support and trust.

Synnøve Jacobsen
CEO

Induct in Brief

In today's society, digitalisation is a crucial factor with respect to delivery capability, value creation and competitiveness. Our innovative digital platforms make knowledge sharing in teams, organizations and networks effortless – we simplify complexity and enable seamless collaboration that drive greater productivity and increase effectiveness.

Digital transformation is about leveraging technology to deliver secure, innovative solutions that meet - and often exceed - user expectations. For companies like Induct, this journey is continuous; full digitalisation is an evolving goal rather than a destination. Our focus is on preparing for tomorrow, every day.

Our strength lies in our deep understanding of our clients' unique needs and our commitment to developing efficient, future-ready digital solutions. By working closely with our clients, we cultivate strong partnerships that drive both immediate impact and long-term success. This dedication has led to robust client relationships.

As a trusted partner in the healthcare sector and facilitator of grant access for municipalities and the voluntary sector, we offer digital products and solutions combined with high-quality advisory services. This breadth enables us to provide holistic, turnkey solutions tailored to our clients' needs and goals. Our commitment to rigorous security and compliance standards is foundational, ensuring that our solutions meet the high stake demands of the industries we serve.

Tilskuddsportalen

Tilskuddsportalen.no is a market leader in Norway, offering a comprehensive database of grants and funding opportunities available to municipalities, NGOs, and voluntary organizations. With an approximate market share of 50% and stable growth YoY, Tilskuddsportalen provides a solid ARR foundation for the company.

Market expansion - Sweden

Building on the success of Tilskuddsportalen, we have launched Hitta Bidrag in Sweden. The Swedish version of Tilskuddsportalen was launched on 26 February 2025. Sweden is a larger market, and our expectation is therefore that ARR from Sweden in time will exceed ARR in Norway.

Processes Management

In Norway, ≥95% of Norwegian healthcare trusts use our innovation management product. To further support efficient and effective innovation management in the Norwegian healthcare sector, we have connected healthcare trusts in an innovation-sharing network. We also provide process management solutions to other hospital departments, including research (R&D) and quality management.

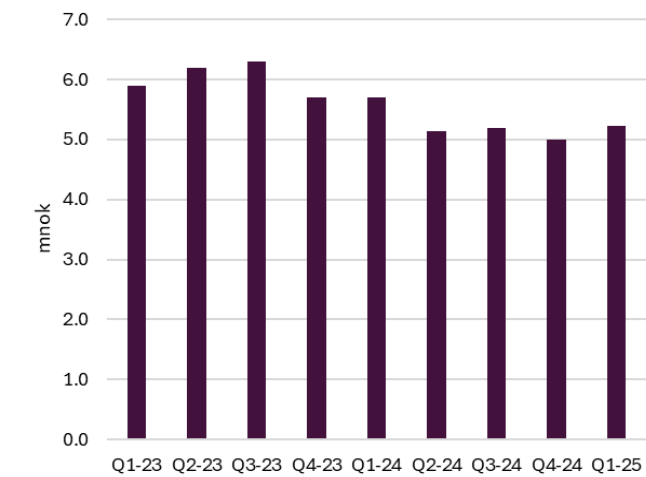
Clinical care pathways

We use digital technologies to follow and support patients through their healthcare journeys. Our care pathway module for patients with severe asthma is in clinical use at Portsmouth University Hospitals NHS Trust (England). Together with AstraZeneca, we are implementing the pathway in the Portsmouth Asthma Network. Our ambition is to implement the pathway internationally and expand into other clinical pathways. The estimated ARR from a full rollout of the asthma module in England is 70-80 MNOK.

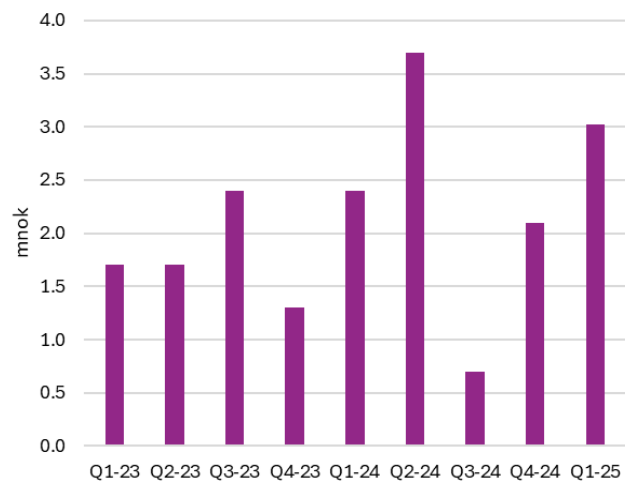
KPI Reporting

To further align with industry standards and provide our investors and the market in general with better insight into our operations, we are preparing to share selected SaaS-Key Performance Indicators (KPIs) going forward. To mark the starting point for this, we wanted to share some important KPIs for our business.

Revenue development



EBITDA development



Income Statement

	Unaudited Q1 2025	Unaudited Q1 2024	Unaudited FY 2024	Audited FY 2023
Revenues				
Sales revenue – platform	4 201	4 972	16 815	20 556
Sales revenue – consulting	337	45	687	484
Research grant	691	688	3 533	2 414
Total Revenues	5 229	5 705	21 035	23 454
Cost of sales				
Cost of sales – platform	136	185	791	1 025
Cost of sales – consulting	163	38	369	342
Total Cost of sales	299	227	1 160	1 367
Gross Margin	4 930	5 478	19 875	22 087
<i>Gross Margin Platform</i>	<i>96,8%</i>	<i>96,2%</i>		
<i>Gross Margin Consulting</i>	<i>51,6%</i>	<i>15,6%</i>		
Personnel costs	1 206	2 288	7 783	10 805
Other operating costs	699	779	3 071	4 797
Total Operating Costs	1 905	3 067	10 854	15 105
EBITDA	3 025	2 411	9 022	6 985
Platform depreciations	2 585	2 918	11 795	10 791
Amortization of acquisitions	611	678	2 711	- 781
Total Depreciations & Amort.	3 196	3 596	14 506	10 010
Financial items				
Financial income	0	24	84	67
Financial costs	533	1 205	3 039	2 030
Total Financial items	- 533	- 1 181	- 2 955	- 1 963
Extraordinary Cost	0	0	1 043	0
Net Profit before Taxation	- 703	- 2 366	- 8 439	- 4 989
Corporate Tax	0	0	35	0
Net Profit after Taxation	- 703	- 2 366	- 8 474	- 4 989

Balance Sheet

	Unaudited Q1 2025	Unaudited Q1 2024	Unaudited FY 2024	Audited FY 2023
Non-current assets				
Intangible assets – platform	39 279	40 352	38 534	40 095
Goodwill acquisitions	15 880	20 331	18 566	21 277
Fixed assets	0	205	212	12
Total non-current assets	55 159	61 888	57 312	61 383
Current assets				
Receivables	4 234	3 770	4 549	5 122
Bank accounts	301	654	939	2 807
Total Current assets	4 534	4 424	5 488	7 929
Total assets	59 693	66 312	62 800	69 312
Shareholders Equity and Debt				
Paid-in capital				
Share capital	2 356	1 885	2 356	1 874
Non-registered share capital increase	-	-		
Share premium reserve	27 191	20 700	37 848	40 843
Total paid-in capital	29 547	22 585	40 204	42 728
Retained earnings				
Uncovered loss	- 703	- 2 366	- 8 474	- 20 535
Total retained earnings	- 703	- 2 366	- 8 474	- 20 535
Total shareholder's equity	28 844	20 219	31 730	20 193
Debt				
Long-term debt	7 725	30 738	9 277	24 779
Short-term debt	15 931	7 768	14 465	14 913
Deferred revenues	7 193	7 588	7 328	7 428
Total debt	30 849	46 094	31 070	47 119
Total shareholder's equity and debt	59 693	66 312	62 800	69 312

Number of shares

Number of issued shares per 31.03.2025	23 560 757
Pending rights issue 1)	187 963
Pending share issue – acquisitions 2)	331 000
Convertible loans 3)	50 000
Potential shares to be issued to OSINT shareholders 4)	1 887 820
Number of shares - fully diluted	26 017 540

1) The strike price for 187,963 options is NOK 5,5 per share.

2) Pending share issue relates to the acquisition of subsidiaries in Brazil, Spain, and India.

In addition to the 331,000 shares mentioned above, the purchase agreements include a performance-based earn-out element, with a total cap of an additional 1,1 million shares based on aggressive growth performance over a 3-year period from the acquisition date. No shares are earned as of 31.03.2025.

3) Convertible loan of NOK 0,5M issued to Intelco AS with a share price floor of NOK 5 and ceiling of NOK 10.

4) Part of the purchase price for 100 % of the OSINT Analytics AS shares is to issue 1 887 820 shares to the shareholders in OSINT which chose to convert their OSINT shares to Induct shares. In addition, NOK 18 878 200 will be converted to shares in Induct when certain criteria are met.

Financial Results

The group's platform revenue in Q1 2025 amounts to NOK 4,2 million, which is a decrease of 15,5 % compared to Q1 2024. This is due to a reduced product offering in line with the increased focus on core offerings.

Consulting revenue in Q1 2025 amounted to NOK 0,34 million which is an increase of NOK 0,3 million compared to Q1 2024.

Operating costs in Q1 2025 of NOK 1,9 million, which is a decrease of 37,9% compared to Q1 2024.

EBITDA increased by 25,5% from NOK 2,4 million in Q1 2024 to NOK 3,0 million in Q1 2025.

Platform depreciations for Q1 2025 of NOK 2,6 million, compared to NOK 2,9 million in Q1 2024.

Goodwill of the acquisitions of OSINT is amortized with NOK 0,6 in Q1 2025. The goodwill is calculated as the difference between the purchase price and booked value (equity) of the companies and will be amortized over 10 years.

Net Profit before taxation in Q1 2025 is minus NOK 0,7 million compared to minus NOK 2,4 million in Q1 2024.

The booked equity is NOK 28,8 million by the end of Q1 2025, compared with NOK 20,2 million in Q1 2024.

The group's interest-bearing debt by the end of Q1 2025 amounts to NOK 15,5 million, which primarily consists of convertible loans from shareholders and a regular bank loan to OSINT Analytics AS from Sparebanken 1 Østlandet.

Deferred revenue amounting to NOK 7,2 million by the end of Q1 2025, down from NOK 7,6 million in Q1 2024.

Cash Situation and Funding

The cash situation is satisfactory for the company. However, the management and board strive to provide the most beneficial financing alternatives to its shareholders.

Oslo, 10 April 2025



Karl-Anders Grønland
(sign.)
Chairman



Ole Jørgen Karud
(sign.)
Board Member



Jan Ragnar Herud
(sign.)
Board Member



Åge Muren
(sign.)
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