

Quarterly report Q1

NAB Solutions Group AB (publ)

Summary for the period January–March 2025

The first quarter closed with a turnover of just over SEK 44 million. The Group's growth amounted to just over 8% for the period. EBIT for the period was just over SEK 3.6 million, which is in line with the budget. During the period, NAB Solutions Group followed the established financial budget. Both recurring and ongoing revenues developed in line with budgeted forecasts, ensuring a stable and predictable financial situation.

Furthermore, operating expenses were slightly lower than anticipated, mainly due to reduced personnel costs, which contributed positively to the results. The current financial performance highlights the company's solid financial management and its ability to adapt the cost structure to prevailing conditions.

| Q1 2025 | | NAB - Consolidated | NAB Solutions Inc | Q1 2024 | | NAB - Consolidated | NAB Solutions Inc |
|-------------------|-------------|--------------------|-------------------|-------------------|-------------|--------------------|-------------------|
| Revenue | 44 108 143 | | 1 799 585 | Revenue | 40 708 695 | | 294 853 |
| COGS | -9 338 685 | | -998 109 | COGS | -9 921 360 | | -113 039 |
| Operating cost | -34 559 938 | | -1 211 952 | Operating cost | -27 055 091 | | -119 234 |
| Financial entries | -991 398 | | 18 706 | Financial entries | -852 514 | | -12 530 |
| Profit | 3 660 150 | | -391 770 | Profit | 2 879 729 | | 50 050 |

Significant events after the end of the period

Nothing to report

Message from the Chief Executive Officer

Great Start to the New Year

NAB Solutions Inc. operates as a provider of enterprise software solutions and IT consulting services, specializing in the implementation and support of Microsoft Dynamics 365 applications. The company delivers tailored ERP and CRM solutions, along with strategic consulting, to small and medium-sized businesses. Operating from our bases in Sweden and South Carolina, NAB Solutions helps clients optimize their operations, streamline workflows, and enhance business performance through customized software implementations and ongoing support. While our primary customer base is in Sweden, we are expanding into more markets, primarily the USA.

The revenue for the first quarter amounted to 44 MSEK, with adjusted EBIT at 3,6 MSEK, marking a growth of 8%. 38% of the revenue comes from software subscriptions, including our own products, third-party solutions, and Managed Services. The financial results are in line with our expectations.

The market has been mixed during the quarter. We have seen great interest from new and existing customers in both business systems solutions and AI applications. However, many customers have been hesitant to make decisions due to uncertainty in the global environment. Nonetheless, this has not affected us significantly, as we have a strong contractual base and solid customer relationships.

Our operations in the USA are still in the development phase. We have initiated a visa process to allow NAB to station Swedish citizens in the USA to support our local resources in quickly building our business. Our progress in the USA is very positive, with a revenue increase of 510%, albeit from low levels.

Our proprietary apps under the SmartApps brand are also performing very well, with revenue up 90% compared to the first quarter of 2024. The app

Eagle, designed for Multi Entity Management and process control, is seeing the most significant growth, but several other apps are also doing well. For example, Spider, which is an integration app between Business Central and other system solutions.

During the quarter, we also launched versions of our website for the Danish and UK markets as part of our ambition to make a greater impact on these markets.



Johan Adenmark
CEO
NAB Solutions Group AB

We believe in contributing to and driving progress forward. We never want to stand still; instead, we dare to lead from the front and embrace challenges. Together at NAB and together with our customers.

Thank you.

Organization's growth

NAB Group

Turnover and results

The turnover for the period amounted to 44 MSEK, which is just over 4 MSEK better than the comparison period. The result for the period was just over 3.6 MSEK, which is 800 TSEK better than the comparison period. This represents a revenue increase of 8% compared to Q1 2024, when turnover was slightly over 40 MSEK. The result increased by 27% compared to Q1 2024, when the result was just under 2.9 MSEK. The result for the period was 3.6 MSEK.

| Ebit | Revenue | Operating cost excl. financial entries | Ebit |
|------|---------------|--|--------------|
| 8 % | 44 108 143 kr | 39 456 594 kr | 3 660 150 kr |

Service revenue

The service revenue for the period amounted to just over 27 MSEK, representing a 1% increase compared to the comparison period. The positive growth is primarily due to the higher number of customer projects delivered during the period

| Growth | Revenue | Last year | Growth |
|--------|---------------|---------------|------------|
| 1 % | 27 030 650 kr | 26 790 867 kr | 239 783 kr |

ARR (Annual Recurring Revenue)

ARR amounted to 16 MSEK for the period, representing an increase compared to the same period in Q1 2024, when ARR was 13.7 MSEK. The increase is due to parts of our app revenue being reported under another company during Q1 2023. Additionally, the growth is attributed to a higher number of products sold during the period.

| Growth ARR | Recurring revenue | Last year | Growth |
|------------|-------------------|---------------|--------------|
| 22% | 16 900 151 kr | 13 778 388 kr | 3 121 763 kr |

Organization's growth - Q1

NAB Solutions Inc

Turnover and results - Q1 2025

NAB Solutions Inc has higher revenue in the first quarter based on new implementation projects and the sale of licenses. The negative result is due to a change in our method of reporting group costs, which is an active decision to achieve a fair representation of the group's results.

| Revenue | Operating cost excl. financial entries | Ebit |
|--------------|--|-------------|
| 1 799 585 kr | -2 210 061 kr | -391 770 kr |

Turnover and results - Q1 2024

The revenue the first quarter 2024 comes from licences and service both fixed price and ongoing services.

| Revenue | Operating cost excl. financial entries | Ebit |
|------------|--|-----------|
| 294 853 kr | -232 273 kr | 50 050 kr |

Company information - Q1

Customers

During the period, we had 196 customers who purchased our services, which is fewer than in Q4 2024 (220).

We also had 210 customers who purchased our management services, which is the same number of customers as in Q1 2024 (210).

Staff

The number of employees has increased by four resources, from 89 as of March 31, 2024, to 93 as of March 31, 2025.

The distribution between men and women in the organization at the end of the period is 31 women and 62 men. During the period, we had 4 contracted resources.

Financial Reports - Group Q1 2025

Group's Result and Accumulated Outcome

The group's result for the period amounts to 3.6 million SEK, which is in line with the forecast and budget for the period. In NAB Solutions AB, the revenues from the former Smartapps company are now included in the period as the merger was completed at the end of December 2024.

| Q1 2025 | Consolidated | NAB Solutions AB | NAB Solutions Inc | Vändplattan | NAB Group |
|-----------------|--------------|------------------|-------------------|-------------|------------|
| Revenue | 44 108 143 | 43 473 950 | 1 799 585 | 694 078 | 3 444 987 |
| COGS | -9 338 685 | -9 078 590 | -998 109 | -57 427 | -66 987 |
| Operating cost | -30 117 909 | -29 870 814 | -1 211 952 | -144 100 | -3 333 072 |
| Financial Items | -991 398 | -56 687 | 18 706 | -379 702 | 6 426 285 |
| Profit | 3 660 150 | 4 467 860 | -391 770 | 112 849 | 6 471 212 |

| Q1 2024 | Consolidated | NAB Solutions AB | NAB Solutions Inc | Vändplattan | NAB Group |
|-----------------|--------------|------------------|-------------------|-------------|-----------|
| Revenue | 40 708 695 | 40 430 926 | 294 853 | 555 990 | 0 |
| COGS | -9 921 360 | -9 770 139 | -113 039 | -61 931 | 0 |
| Operating cost | -27 055 091 | -27 070 982 | -119 234 | -157 610 | -256 589 |
| Financial Items | -852 514 | 26 434 | -12 530 | -366 759 | -249 660 |
| Profit | 2 879 729 | 3 616 239 | 50 050 | -30 310 | -506 250 |

Financial Reports - Group Q1 2025

Consolidated Income Statement

Total operating revenues 48.9 million SEK excluding eliminations.

Total operating costs 38 million SEK.

Profit before tax 10.6 million SEK.

| Currency SEK | NAB Solutions | NAB Inc | Vändplattan | Group | Total | Elimination for the period | Total period incl. Elim |
|----------------|---------------|------------|-------------|------------|-------------|----------------------------|-------------------------|
| Revenue | -43 070 109 | -1 689 831 | -694 075 | -3 444 987 | -48 899 003 | 4 968 201 | -43 930 801 |
| Operating cost | 38 602 249 | 2 081 602 | 581 227 | -3 026 225 | 38 238 852 | 2 031 799 | 40 270 651 |
| EBIT | 4 467 860 | -391 770 | 112 849 | 6 471 212 | 10 660 150 | -7 000 000 | 3 660 150 |

Financial Reports - Group Q1 2025

Consolidated Balance Sheet

| Currency SEK | NAB Solutions | NAB Inc | Vändplattan | Group | Total | Elimination for the period | Totalt period incl. Elim. |
|--|--------------------|-------------------|--------------------|--------------------|---------------------|----------------------------|---------------------------|
| ASSETS | | | | | | | |
| Intangible Assets | | | | 11 565 733 | 11 565 733 | | 11 565 733 |
| Buildings and Land | | | 24 861 462 | | 24 861 462 | | 24 861 462 |
| Machinery and Equipment | 729 128 | | | | 729 128 | | 729 128 |
| Financial Assets | 7 706 032 | | | 40 418 586 | 48 124 618 | -48 124 618 | |
| Inventory and WIP | | | | | | | |
| Accounts Receivable | 20 093 460 | 1 031 011 | 6 600 | 1 629 401 | 22 760 472 | -1 865 291 | 20 895 181 |
| Other Current Receivables | 1 873 500 | | 78 072 | 8 478 728 | 10 430 300 | -8 400 000 | 2 030 300 |
| Prepaid Expenses and Accrued Income | 10 697 594 | 131 548 | 27 064 | 199 815 | 11 056 020 | -29 830 | 11 026 191 |
| Short-term Investments | | | | | | | |
| Cash and Bank | 5 840 192 | 666 130 | 518 600 | 1 427 627 | 8 452 549 | | 8 452 549 |
| Total Assets | 46 939 906 | 1 828 688 | 25 491 798 | 63 719 889 | 137 980 281 | -58 419 738 | 79 560 543 |
| EQUITY AND LIABILITIES | | | | | | | |
| Share Capital | -550 000 | -53 010 | -100 000 | -567 947 | -1 270 957 | 703 010 | -567 947 |
| Other Equity | -1 304 001 | 183 148 | -4 576 125 | -40 147 725 | -45 844 704 | 33 311 718 | -12 532 986 |
| Net Income for the Period | -4 467 860 | 391 770 | -139 096 | -6 471 212 | -10 686 397 | 7 000 000 | -3 686 397 |
| Total Equity | -6 321 861 | 521 908 | -4 815 221 | -47 186 885 | -57 802 059 | 41 014 728 | -16 787 330 |
| LIABILITIES | | | | | | | |
| Untaxed Reserves | | | | | | | |
| Provisions | | | -3 016 757 | | -3 016 757 | | -3 016 757 |
| Long-term Liabilities | | | -17 393 750 | -10 678 864 | -28 072 614 | 8 550 000 | -19 522 614 |
| Short-term Liabilities to Credit Institutions, Customers | -12 918 999 | -1 832 763 | -48 972 | -450 446 | -15 251 180 | 1 825 180 | -13 426 000 |
| Tax Liabilities | 3 477 739 | | 2 686 | | 3 480 425 | | 3 480 425 |
| VAT and Excise Taxes | -2 530 491 | | -86 020 | -551 557 | -3 168 068 | | -3 168 068 |
| Employee Taxes, Fees, Wage Deductions | -2 618 866 | | | -375 030 | -2 993 896 | | -2 993 896 |
| Other Current Liabilities | -8 784 653 | | -56 240 | -3 737 500 | -12 578 393 | 7 000 000 | -5 578 393 |
| Accrued Expenses and Deferred Income | -17 242 774 | -517 833 | -77 525 | -739 607 | -18 577 740 | 29 830 | -18 547 910 |
| Total Equity and Liabilities | -46 939 906 | -1 828 688 | -25 491 798 | -63 719 889 | -137 980 281 | 58 419 738 | -79 560 543 |

Financial Reports - Group Q1 2025

Consolidated Cash Flow

| Consolidated Cash Flow Statement | | Q1 2025 | Q1 2024 |
|--|--|-------------------|-------------------|
| Operating Activities | | | |
| Profit after Financial Items | | 3 660 150 | 2 786 736 |
| Adjustments not related to cash flow | | 774 061 | 951 471 |
| Paid Tax | | -519 414 | -1 533 595 |
| Cash Flow from Operating Activities | | | |
| before Changes in Working Capital | | 3 914 797 | 2 204 612 |
| Change in Operating Receivables | | | |
| Change in Operating Liabilities | | -4 757 156 | -1 529 699 |
| Change in Operating Liabilities | | 2 850 093 | 2 607 623 |
| Cash Flow from Operating Activities | | 2 007 734 | 3 282 536 |
| Investing Activities | | | |
| Investments in Tangible Fixed Assets | | 0 | -876 479 |
| Cash Flow from Investing Activities | | 0 | -876 479 |
| Financing Activities | | | |
| Loan Amortization | | -3 868 750 | -3 700 000 |
| Cash Flow from Financing Activities | | -3 868 750 | -3 700 000 |
| Cash Flow for the Period | | -1 861 016 | -1 293 943 |
| Cash and Cash Equivalents at the Beginning of the Year | | 10 313 565 | 11 782 128 |
| Cash Equivalents at the End of the period | | 8 452 549 | 10 488 185 |

About NAB

NAB Solutions Group AB

NAB Solutions Group AB is a parent company with a total of five companies associated with it. NAB Solutions AB is the company within the group where the largest operations are conducted, and it is also the company to which the reported financial figures pertain.

NAB Solutions AB

NAB Solutions AB implements and develops business solutions in Microsoft Dynamics 365. We create the smartest solutions, using the most suitable technology, which becomes the heart of our customers' operations. We assist companies that want to stay at the forefront with us, who want to evolve with new technology and streamline the way they work. For us, a business solution is a powerful tool for success.

We are at the forefront of technology and working methods, providing our customers with the most future-proof solutions on the market so that they can perform optimally.

Today we are statet in Växjö, Stockholm, Göteborg, Malmö och Umeå and Charleston, South Carolina.

Other information

Contact

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CEO insurances

CEO liability insurance through SÄKRA.

Auditor

Crowe Sweden AB.

Notes.

Terms and Definitions

Percentage comparisons refer to the same quarter of the previous year.

All comparisons regarding ARR and Consulting Revenues and their development are against the same quarter of the previous year.

EBIT Earnings Before Interest, and Tax

ARR Annual Recurring Revenue

NAB Solutions Group AB (publ)

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