



INTERIM REPORT APRIL-JUNE 2023

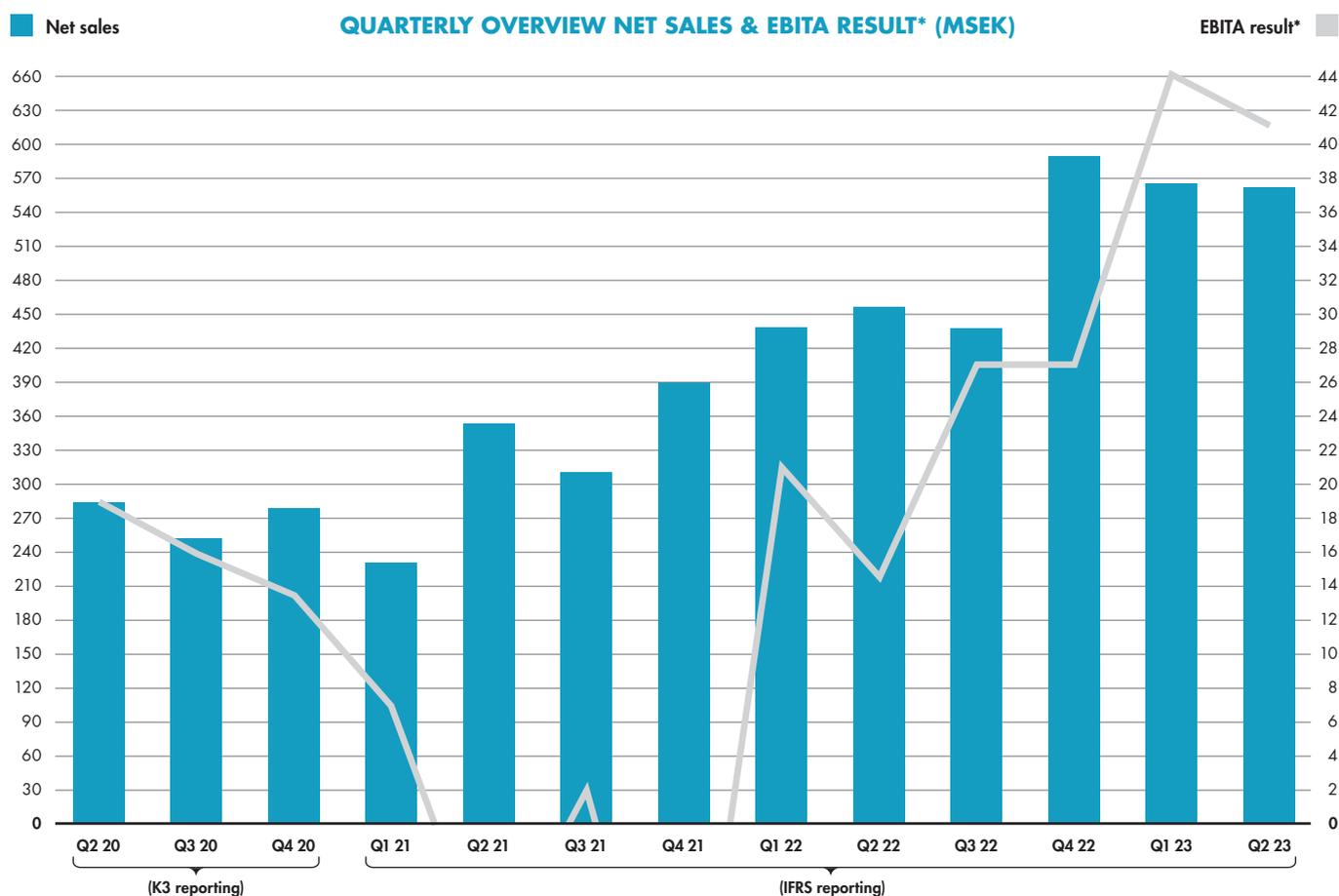


Financial summary

562 Net sales
Q2 2023 (MSEK)

40 Operating profit
EBIT Q2 2023 (MSEK)

1 036 (Number of
Employees)



Q2 (APRIL 1 - JUNE 30, 2023)

Net sales (MSEK)	562	(456)
EBITA* result (MSEK)	41.2	(14.6)
Operating profit EBIT (MSEK)	40.3	(13.8)
Cash flow from operating activities (MSEK)	46.4	(-49.7)
Equity ratio (%)	33%	(29%)
Earnings per share before dilution (SEK)	1.21	(0.29)
Earnings per share after dilution (SEK)	1.21	(0.29)

H1 (JANUARY 1 - JUNE 30, 2023)

Net sales (MSEK)	1 127	(894)
EBITA* result (MSEK)	86.0	(35.8)
Operating profit EBIT (MSEK)	84.3	(34.3)
Cash flow from operating activities (MSEK)	61.1	(-56.5)
Equity ratio (%)	33%	(29%)
Earnings per share before dilution (SEK)	2.67	(0.91)
Earnings per share after dilution (SEK)	2.66	(0.91)

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

CEO review

Profitable growth

I am proud to present the Inission Group's second quarter of 2023 with good growth and profitability. Inission had net sales of MSEK 562 (456) and an EBITA margin of 7.3% (3.2%). The margin exceeds our communicated target of 6.0% for 2023. It is also excellent that, despite strong growth, we achieved a positive cash flow from operating activities of MSEK 46.4 (-49.7). The majority of Inission's factories continue to run with high or very high loads. We continuously invest in new machinery and equipment to increase capacity and improve quality. Among other things, we have decided on new production equipment in Tallinn for MEUR 2. During the summer, we installed new storage machines in Munkfors.

We also invest in the skills of our employees. Furthermore, we need more people to meet customer demand. We are recruiting new employees at a rapid pace. In order to do just that and have a capacity for acquisitions, we carried out a new issue during the period, where existing and a handful of new renowned institutional investors participated.

Inission

Inission makes a good quarter in terms of sales and profits. Net sales amounted to MSEK 419 (346), and (EBITA) of MSEK 29.2 (19.4). Negative currency impact and higher personnel costs reduce profitability compared to the first quarter. Demand from our customers remains strong. Even though we deliver at this high speed, the order book drops only marginally.

As predicted, the material supply is getting better and better. Our main challenge now is to reinforce staffing in our most overloaded factories quickly enough. We are doing this while balancing the load as much as we can. We have not been able to reverse the development of our inventory. We continue to work together with Part Development to develop and streamline our processes and working methods.

Enedo

Enedo has another good quarter and reaches net sales of MSEK 143 (110). We are operationally following the trend from the first quarter. The result (EBITA) amounted to MSEK 12 (-4.7), which gives a margin of 8.3% (-4.3%). Higher production rates and the impact of price increases raise the margin. The order level remains good.

A number of recruitments of key individuals in Enedo have been completed. Notably, we welcome Kalle Huittinen as the new CEO of Enedo. Kalle has a long and solid career at ABB in his previous professional life. Mikael Fryklund will move on within Inission and become COO of the Inission Group. Enedo is now delisted and 100% owned.

Acquisition activities

We continue to work on our list of potential acquisitions. There seems to be more movement in the transaction market, which has led us to participate in some of the processes. As we have reported earlier, we are also looking more systematically outside the Nordic region. We mainly look at northern Germany and the Benelux countries. 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 level is very good. The component situation continues to improve during the year. Inflation has come down in most markets but is still at an excessive level. This means that interest rates will increase further, leading to lower activity in the economy. The slowdown is clearly visible on the consumer side. However, we are not seeing any of that yet with our customers. Inission, with its positioning, proximity, flexibility, and performance, is well-equipped for the future.



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*Fredrik Bergbel, Chief Executive Officer of Inission AB.
Karlstad, Sweden August 17, 2023*

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, Trondheim (Norway), Lohja (Finland), Lagedi and Tallinn (Estonia), with a total of 691 employees.

Nyckeltal		H1 2023	H1 2022	Last 12 months	Full year 2022	Full year 2021
Net sales	(TSEK)	857 728	675 729	1 611 252	1 429 253	1 003 200
Growth	(%)	26.9%	4.0%	35.6%	42.5%	-5.3%
of which acquired	(%)	0.0%	0.0%	0.0%	9.6%	0.0%
EBITA	(TSEK)	68 290	39 788	113 542	85 079	46 550
EBITA	(%)	8.0%	5.9%	7.0%	6.0%	4.6%
Assets	(TSEK)	1 392 757	1 140 285	1 392 757	1 315 332	855 967
Liabilities	(TSEK)	854 914	722 544	854 914	879 531	548 539

Net sales amounted to MSEK 857.7 compared to MSEK 675.7 the previous year. Of the increase in sales of MSEK 182, 0% relates to acquisitions, which means that organic growth amounted to 26.9%. The EBITA result for the period was MSEK 68.3 compared to MSEK 39.8 the previous year, corresponding to an EBITA margin of 8% compared to 5.9% the year before. The EBITA margin over the last 12-month period thus amounts to 7.0%.

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 345 employees.

Nyckeltal		H1 2023	H1 2022	Last 12 months	Full year 2022	Full year 2021
Net sales	(TSEK)	269 348	218 938	543 620	493 210	369 700
Growth	(%)	23.0%	19.3%	34.2%	33.4%	-5.5%
of which acquired	(%)	0.0%	0.0%	0.0%	0.0%	0.0%
EBITA	(TSEK)	17 715	-4 083	27 340	5 542	-64 758
EBITA	(%)	6.6%	-1.9%	5.0%	1.1%	-17.5%
Assets	(TSEK)	409 029	306 919	409 029	282 050	376 597
Liabilities	(TSEK)	363 939	305 752	363 939	293 536	286 071

Net sales amounted to MSEK 269.3 compared to MSEK 218.9 in the corresponding period of the previous year. Of the increase in sales of MSEK 50.4, 0.0% relates to acquisitions, which means that organic growth amounted to 23.0%. The EBITA result for the period was MSEK 17.7 compared to MSEK -4.1 the previous year, corresponding to an EBITA margin of 6.6% compared to -1.9% the year before. The EBITA margin over the last 12-month period thus amounts to 5.0%.

Significant events

PERIOD APRIL-JUNE 2023

On April 14, Inission announced that Mikael Flodell is leaving the role as CFO of Inission AB. In the meantime, until a new CFO is presented, Karin Skoglund is acting CFO.

On April 20, Inission Involve was launched. About a hundred committed and creative participants attended the conference. By using a phone and the web-based tool Vocean, the round table discussions could be stored and compiled in an AI-generated report. The themes of the conference was collaborations, efficient flows, and sustainable productions.

On April 27, Inission announced that ABG Sundal Collier had been appointed as liquidity provider for Inission's shares listed on Nasdaq First North Growth Market. The purpose is to improve the liquidity of the share and reduce the spread. ABGSC's assignment commenced on April 28, 2023.

On May 8, Inission announced that Inission Borås AB is merged with Inission Syd AB to facilitate the companies' daily work. Since September 1, 2022, Inission Borås is a wholly owned subsidiary of Inission Syd. Operations will continue to be conducted at the two production facilities in Borås and Malmö.

On May 30, Inission announced that trading of Enedo shares had ended on

the Helsinki Stock Exchange. Inission now owns 100% of the shares in Enedo.

On June 8, Inission announced that Inission Västerås AB had changed its name to Inission Innovate AB. This is to clarify the offer in electronics development. Since January 2023, the Company's development services are represented in both Västerås and Malmö. The plan is to continue growing in several geographies near Inission's existing factories.

On June 15, Inission carried out a directed new issue of 1 614 035 B shares, corresponding to approximately MSEK 92. A number of Swedish and international institutional investors participated in the directed share issue. The capital raised provides Inission opportunities to continue executing its acquisition agenda and enhances financial flexibility, thus aligning with ambitions and established financial targets.

On June 26, Inission held an Extraordinary General Meeting. The meeting voted according to the Board's proposal on the redemption of shares and directed new issue.

On June 29, Inission Tallinn announced a significant investment in developing the Lagedi mechanical plant. The investment of MEUR 2 will increase the plant's capacity by more than 20%. The investment includes, among other

things, a unique bending robot, the first of its kind in Estonia.

AFTER THE END OF THE PERIOD

On July 6, Inission announced that John Granlund has been appointed as the new CFO of the Company as of September 12. John has extensive experience in economics, a Bachelor of Business Administration from the University of Skövde, an Executive MBA from the University of Gothenburg, and comes most recently from the role of CFO at SEGULA Technologies in Gothenburg.

On August 1, Inission announced that Olle Hulteberg leaves his operational role as Inission's Marketing Director, but continues his involvement in Inission as Chairman of the Board and one of the majority owners. As Olle's replacement, Fredric Grahn takes over as the new Marketing Director for Inission AB. Fredric has been part of Inission since 2015 and has since held several different sales leadership roles within the Company.

On August 10, Inission announced that Enedo's CEO, Mikael Fryklund, had been promoted to a new position as COO of Inission AB. The new CEO of Enedo is Kalle Huittinen, former Regional Division Manager at ABB Large Motors & Generators Europe.

For more information: www.inission.com



Inission Tallinn announced a significant investment. In the image: Nadežda Dementjeva, the Company's CEO.



Fredric Grahn, new Marketing Director at Inission AB.

Comments

INCOME STATEMENT Q2 2023 (TSEK)

Group: Net sales in the quarter amounted to 561 935 (456 238), an increase of 105 697 in the quarter (23.2%). The currency impact on net sales for the period amounts to 18 297. The high order intake and thus high net sales provide an organic growth of 20.7% excluding currency effects. Changes in inventories of work in progress and finished goods amount to 19 739 (9 514), an increase of 10 225, corresponding to 107.5%. Other operating income amounts to 356 (5 669).

The cost of raw materials and consumables, together with the change in inventories during the quarter, amounts to 328 408 (265 518), an increase of 24%. The materials ratio, including material sales, considering the change in inventories, lands at a slightly higher level compared to the previous year 58.4% (58.2%).

Other external costs for the period amount to 31 353 (46 041), a decrease of 32%. Personnel costs amount to 116 949 (99 892), an increase of 17%, mainly linked to higher volume and material supply issues, and thus load balancing. Other operating expenses amount to 23 804 (16 243).

Depreciation of fixed assets amounts to 21 431 (20 372).

Overall, this gives an operating profit for the Group of 40 347 (13 842) and a profit after financial items of 31 200 (8 435). Other comprehensive income for the period amounts to 11 830 (4 548), which gives a total comprehensive income for the half year of

54 372 (9 165). Of the total comprehensive income, 54 086 (5 802) is attributable to Parent Company owners and 286 (3 363) 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 1.1, as opposed to the previous quarter's value of MSEK 0.8. This means that the profit for the period was positively affected by MSEK 0.3.

BALANCE SHEET JUNE 30, 2023 (TSEK)

Goodwill amounts to 188 620 (171 565) and the increase relates to changing exchange rates. Other intangible assets amount to 106 275 (100 627) and licenses amount to 2 513 (3 415). The total value of tangible fixed assets has increased to 92 955 (85 629) related to investments in production equipment less depreciation and changing exchange rates. Right-of-use assets amount to 257 811 (165 018) and refer to lease agreements, newly signed rental agreements, and changing exchange rates. Financial assets amount to 3 432 (3 257). Inventories amount to 677 129 (585 534), an increase of 15% compared to the same period last year and is entirely related to the component shortage

situation in the market and the increasing order intake. Customer advances for stocked materials amounted to MSEK 51.5 in the quarter and MSEK 38 for the same period last year. Trade receivables have increased to 311 964 (260 972), which means an increase of 19% entirely related to increased deliveries to customers. Total assets thus increased to 1 743 981 (1 447 204), an increase of 20%.

Total equity amounts to 582 933 (418 907), of which non-controlling interests amount to 1 553 (124 711). This gives an equity ratio of 33% (29%). Non-current liabilities have increased to 324 708 (244 864). This means that non-current liabilities have increased by 33%. The increase is mainly related to increased lease liabilities according to IFRS 16 measurement.

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. Current liabilities amount to 836 340 adjusted for tax and VAT deferrals of 717 506 (783 432), corresponding to a decrease of 8% adjusted for the tax/VAT deferrals. The change is mainly attributable to a reduction in the use of invoice discounting credit and overdraft facilities. The quarter's new issue has resulted in a capital injection amounting to MSEK 88 after deducting issue costs.

Net debt

FINANCIAL POSITION (TSEK)	JUN 30, 2023	JUN 30, 2022	DEC 31, 2022
Cash at the end of the period	54 811	15 242	14 603
Used overdraft facility	10 248	-69 903	-32 408
Non-current liabilities, interest-bearing	-61 128	-73 770	-194 778
Non-current liabilities, leasing	-216 407	-128 959	-187 611
Current liabilities, interest-bearing	-215 211	-99 499	-95 648
Current liabilities, leasing	-37 125	-30 649	-31 925
Invoice discounting credit	-50 243	-91 929	-69 484
Net cash (+) / Net debt (-)	-515 055	-479 467	-597 251
Net cash (+) / Net debt (-) excl. leasing	-261 523	-319 859	-377 715
Unused overdraft facility	110 248	30 097	67 592
Total overdraft facility	100 000	100 000	100 000
Equity	582 933	418 907	424 315
Balance sheet total	1 743 981	1 447 204	1 579 789
Equity ratio (%)	33%	29%	27%

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

During the quarter, a deposit from the main shareholders of MSEK 9.4 was made to acquire Enedo shares. Uncharged interest amounts to MSEK 0.2. The loans bear interest at 7.0%.

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 prepared 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.

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

Inission's dividend policy is, if liquidity permits, to distribute 30 percent of the Group's profit after tax.

Calendar

Interim Report Q3: Nov. 9, 2023

The Board of Directors of Inission AB submits this Interim Report 2023-08-17. 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	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Net sales	1	561 935	456 238	1 127 076	894 095	1 921 173
Change in inventories of work in progress and finished goods incl. capitalized work for own account		19 739	9 514	33 893	27 273	68 857
Other operating income		356	5 669	5 654	8 843	21 252
Operating income		582 030	471 421	1 166 623	930 211	2 011 282
Raw materials and consumables		-348 147	-275 032	-708 047	-556 587	-1 254 829
Other external costs		-31 353	-46 041	-74 160	-80 758	-162 876
Personnel costs		-116 949	-99 892	-223 179	-195 684	-380 638
Depreciation and amortization of intangible assets and tangible fixed assets		-21 431	-20 372	-42 393	-40 778	-82 351
Other operating expenses		-23 804	-16 243	-34 528	-22 147	-43 126
Total operating expenses		-541 683	-457 579	-1 082 307	-895 953	-1 923 820
Operating profit		40 347	13 842	84 316	34 258	87 462
Financial income		452	791	680	1 324	4 318
Financial costs		-9 600	-6 198	-19 534	-11 691	-28 488
Financial items – net		-9 148	-5 407	-18 854	-10 367	-24 170
Income before tax		31 200	8 435	65 462	23 891	63 292
Income tax		-6 056	-3 216	-11 090	-7 442	-13 712
Profit for the period		25 143	5 219	54 372	16 448	49 580
Profit for the period attributable to:						
Parent Company owners		24 997	10 691	54 086	23 956	56 154
Non-controlling interest		146	-5 472	286	-7 508	-6 574

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

Note	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Other comprehensive income:					
Items that may be reclassified to profit or loss:					
Translation differences for the year	11 830	4 548	9 933	9 165	14 814
Items not to be reclassified to profit or loss:					
Remeasurement of the net defined benefit liability	0	0	0	0	858
Income tax relating to the above item					
Other comprehensive income for the year	11 830	4 548	9 933	9 165	15 672
Parent Company owners	55 983	2 118	54 086	5 802	12 157
Non-controlling interest	286	2 430	286	3 363	3 515
Total other comprehensive income for the year	56 269	4 548	54 372	9 165	15 672
Total comprehensive income for the year	36 973	9 767	64 305	25 614	65 252
Total comprehensive income for the year related to:					
Parent Company owners	36 827	12 809	64 019	29 758	68 311
Non-controlling interest	146	-3 042	286	-4 144	-3 059
Total	36 973	9 767	64 305	25 614	65 252
Earnings per share, based on the profit attributable to Parent Company shareholders for the period:					
Earnings per share before dilution	1.21	0.29	2.67	0.91	2.57
Earnings per share after dilution	1.21	0.29	2.66	0.91	2.57
Weighted average no. of shares before dilution	20 358 285	18 105 735	20 358 285	18 105 735	19 372 842
Weighted average no. of shares after dilution	20 358 285	18 105 735	20 405 925	18 105 735	19 396 662
Number of shares at the end of the period	22 135 502	18 105 735	22 135 502	18 105 735	20 263 042

Consolidated balance sheet in summary (TSEK)

ASSETS	Note	2023-06-30	2022-06-30	2022-12-31
Fixed assets				
Intangible assets				
Goodwill		188 620	171 565	178 532
Other intangible assets		106 275	100 627	101 583
Licenses, etc.		2 513	3 415	4 250
Total intangible assets		297 408	275 606	284 365
Tangible fixed assets				
Machinery and other technical equipment		80 909	78 638	79 839
Equipment, tools, fixtures, and fittings		5 652	5 073	4 566
Improvement costs to third-party property		6 394	1 918	2 552
Total tangible fixed assets		92 955	85 629	86 957
Right-of-use assets		257 811	165 018	224 532
Financial fixed assets				
Other non-current securities		378	309	1 090
Other non-current receivables		3 054	2 947	3 105
Total financial fixed assets		3 432	3 257	4 195
Deferred tax assets		19 852	18 112	18 732
Total fixed assets		671 458	547 623	618 782
Current assets				
Inventories		677 129	585 534	642 235
Trade receivables		311 964	260 972	288 295
Derivative instruments		1 131	987	0
Current tax receivables		0	1 133	0
Other receivables		13 310	19 898	4 341
Prepayments and accrued income		14 178	15 815	11 533
Cash and cash equivalents		54 811	15 242	14 603
Total current assets		1 072 523	899 581	961 007
» TOTAL ASSETS		1 743 981	1 447 204	1 579 789

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

EQUITY AND LIABILITIES	Note	2023-06-30	2022-06-30	2022-12-31
Equity				
Share capital		923	755	845
Other contributed capital		291 578	125 126	195 271
Reserves		24 551	9 117	14 618
Retained earnings incl. profit for the period		264 328	159 198	212 313
Total equity attributable to Parent Company shareholders		581 380	294 196	423 048
Non-controlling interest		1 553	124 711	1 267
Total equity		582 933	418 907	424 315
Non-current liabilities				
Liabilities to credit institutions		61 128	73 770	75 944
Lease liabilities		216 407	128 959	187 611
Other non-current liabilities		15 976	12 560	135 230
Deferred tax liabilities		23 002	21 615	23 514
Provision for pensions		8 195	7 796	6 863
Other provisions		0	163	821
Total non-current liabilities		324 708	244 864	429 983
Current liabilities				
Liabilities to credit institutions		96 377	99 499	95 648
Derivative instruments		0	0	1 440
Customer advances		47 529	46 638	32 300
Accounts payable		347 547	303 647	344 252
Lease liabilities		37 125	30 649	31 925
Overdraft facility (Limit 100 000)		7 440	69 903	32 408
Invoice discounting credit		50 243	91 929	69 484
Current tax liabilities		19 088	15 666	16 243
Other current liabilities		137 349	43 892	34 385
Other provisions		0	3 076	2 415
Accruals and deferred income		93 642	78 535	64 991
Total current liabilities		836 340	783 432	725 490
» TOTAL EQUITY AND LIABILITIES		1 743 981	1 447 204	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					13 266	13 266	-2 036	11 230
Other comprehensive income				3 725		3 725	934	4 659
Total comprehensive income for the period		0	0	3 725	13 266	16 992	-1 102	15 889
Shareholder transactions								
New share issue						0		0
Transaction costs related to share issues						0		0
Transactions with non-controlling interest						0		0
Changed holding of employee share options						0		0
New issue on termination of option program						0		0
Premium fund at end of option program						0		0
Total shareholder transactions		0	0	0	0	0	0	0
CLOSING BALANCE AT 2022-03-31		755	125 126	7 045	153 164	286 090	127 753	413 843

OPENING BALANCE AT 2023-01-01		845	195 271	14 618	212 313	423 048	1 267	424 315
Profit for the period					54 086	54 086	286	54 372
Other comprehensive income				9 933	0	9 933	0	9 933
Total comprehensive income for the period		0	0	9 933	54 086	64 019	286	64 305
Shareholder transactions								
New share issue		78	96 307			96 385		96 384
Transaction costs related to share issues						0		0
Changed holding of employee share options					-18	-18		-18
Payment of employee share options						0		0
Dividend					0	0		0
Transactions with non-controlling interest / New share issue						0		0
New issue on termination of option program						0		0
Transaction costs for buy-outs of non-controlling interest					-2 053	-2 053		-2 053
Total shareholder transactions		78	96 307	0	-2 071	94 314	0	94 313
CLOSING BALANCE AT 2023-06-30		923	291 578	24 551	264 328	581 380	1 553	582 933

Consolidated statement of cash flows in summary (TSEK)

	Note	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
The operating activities					
Profit after financial items		31 200	8 434	65 462	23 890
Depreciation of assets		21 431	20 373	42 393	40 779
Tax paid		-2 016	1 572	-8 563	98
Other non-cash items		6 106	1 994	5 596	2 741
Cash flow from operating activities before changes in working capital		56 720	32 373	104 888	67 507
Cash flow from change in working capital					
Increase/decrease of inventories		-21 822	-66 600	-34 894	-138 609
Increase/decrease operating receivables		-3 911	-30 518	-36 414	-33 020
Increase/decrease operating liabilities		15 386	15 062	27 484	47 583
Total change in working capital		-10 347	-82 055	-43 824	-124 046
Cash flow from operating activities		46 374	-49 682	61 064	-56 539
Cash flow from investing activities					
Acquisitions of subsidiaries, net of cash acquired		0	0	0	-18 569
Acquisitions of tangible and intangible fixed assets		-16 534	-3 443	-22 785	-8 623
Sales of tangible and intangible fixed assets		35	0	35	0
Divestment/reduction of financial assets		-105	0	763	0
Cash flow from investing activities		-16 604	-3 443	-21 987	-27 192
Cash flow from financing activities					
New share issue, net of transaction costs		88 709	225	96 384	225
Borrowings contracted		0	4 947	0	37 628
Amortization of borrowings		1 576	-5 551	-14 087	-17 151
Amortization of lease liabilities		-7 989	-8 542	-15 988	-17 270
Dividends paid		0	-5 432	0	-5 432
Transactions costs non-controlling interest		-681	0	-2 053	0
Increase/decrease in current financial liabilities		-77 023	59 890	-62 369	72 115
Cash flow from financing activities		4 592	45 537	1 887	70 115
Cash flow for the period		34 362	-7 588	40 964	-13 616
Cash at the beginning of the period		18 965	22 200	14 603	27 832
Cash flow for the period		34 362	-7 588	40 964	-13 616
Exchange rate difference in cash		1 484	630	-756	1 026
Cash at the end of the period		54 811	15 242	54 811	15 242
Cash flow information					
Interest paid		-2 483	-4 388	-10 471	-8 543
Interest received		2 103	792	2 293	1 326

Parent Company income statement in summary (TSEK)

	Note	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Net sales		6 958	6 607	15 009	13 382	26 691
Other operating income		-3 238	1 080	-2 722	1 854	-3 064
Total		3 720	7 687	12 287	15 236	23 626
Raw materials and consumables		0	2 019	0	2 019	0
Other external costs		-5 165	-3 511	-9 334	-6 716	-13 576
Personnel costs		-5 148	-4 391	-9 158	-8 127	-15 241
Other operating expenses		0	0	0	-499	-3 006
Total operating expenses		-10 313	-5 883	-18 492	-13 323	-31 824
Operating profit		-6 593	1 804	-6 205	1 913	-8 197
Profit from participations in Group companies		14 000	50 000	14 000	50 000	50 000
Interest receivable and similar income		2 772	1 153	4 443	1 980	5 575
Interest expense and similar costs		-2 777	-730	-4 098	-1 278	-2 872
Total income from financial items		13 995	50 423	14 345	50 702	52 703
Profit before tax		7 401	52 227	8 140	52 615	44 506
Appropriations						
Group contributions received		0	0	0	0	3 800
Tax on profit for the year		81	-458	-362	-537	257
Profit for the period		7 482	51 769	7 778	52 079	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	2023-06-30	2022-06-30	2022-12-31
Fixed assets				
Financial assets				
Participations in Group companies		306 326	240 104	304 275
Receivables from Group companies		64 909	19 484	62 737
Other non-current receivables		3	3	3
Total financial assets		371 238	259 590	367 015
Deferred tax assets		0	0	297
Total fixed assets		371 238	259 590	367 311
Current assets				
Current receivables				
Trade receivables		0	1 250	0
Receivables from Group companies		81 555	16 393	48 600
Derivative instruments		317	987	0
Other current receivables		2 235	15 546	194
Prepayments and accrued income		3 063	4 144	1 908
Total current receivables		87 170	38 320	50 702
Cash and bank		28 687	0	0
Total current assets		115 857	38 320	50 702
» TOTAL ASSETS		487 095	297 910	418 014

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

EQUITY AND LIABILITIES	Note	2023-06-30	2022-06-30	2022-12-31
Equity				
Restricted equity				
Share capital		923	755	845
Total restricted equity		923	755	845
Unrestricted equity				
Share premium fund		291 578	125 125	195 270
Retained earnings incl. profit for the period		82 285	78 626	74 525
Total unrestricted equity		373 863	203 751	269 795
Total equity		374 786	204 506	270 639
Tax-free reserves		1 855	1 855	1 855
		1 855	1 855	1 855
Non-current liabilities				
Liabilities to credit institutions		12 971	16 020	15 580
Liabilities to Group companies		0	0	69 500
Deferred tax liabilities		66	203	0
Other non-current liabilities		9 380	0	15 134
Total non-current liabilities		22 417	16 223	100 214
Current liabilities				
Overdraft facility		3 547	62 975	16 433
Accounts payable		0	3 002	4 147
Liabilities to Group companies		65 616	121	10 677
Current tax liabilities		0	72	0
Derivative instruments		0	0	1 440
Other current liabilities		15 016	6 362	9 625
Accruals and deferred income		3 858	2 794	2 983
Total current liabilities		88 037	75 326	45 305
» TOTAL EQUITY AND LIABILITIES		487 095	297 910	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 691 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 345 employees.

2023-04-01 » 2023-06-30	ENEDO	INISSION	ELIMINATIONS	TOTAL
Revenue per segment	143 148	418 787	0	561 935
Revenue from other segments	0	0	0	0
Revenue from external customers	143 148	418 787	0	561 935
Operating profit	13 930	26 417	0	40 347
Financial items	0	0	-9 147	-9 147
Profit before tax	13 930	26 417	-9 147	31 200
2022-04-01 » 2022-06-30	ENEDO	INISSION	ELIMINATIONS	TOTAL
Revenue per segment	109 824	346 414	0	456 238
Revenue from other segments	0	0	0	0
Revenue from external customers	109 824	346 414	0	456 238
Operating profit	-5 978	19 820	0	13 842
Financial items	0	0	-5 407	-5 407
Profit before tax	-5 978	19 820	-5 407	8 435
2022-01-01 » 2022-03-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Revenue per segment	126 200	438 941	0	565 141
Revenue from other segments	0	0	0	0
Revenue from external customers	126 200	438 941	0	565 141
Operating profit	2 958	41 011	0	43 969
Financial items	0	0	-9 148	-9 706
Profit before tax	2 958	41 011	-9 148	34 263

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Note 1 continued.

2022-01-01 » 2022-03-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Revenue per segment	109 114	328 743	0	437 857
Revenue from other segments	0	0	0	0
Revenue from external customers	109 114	328 743	0	437 857

Operating profit	-1 585	22 001	0	20 416
Financial items	0	0	-4 960	-4 960
Profit before tax	-1 585	22 001	- 4 960	15 456

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 2023-06-30	ENEDO	INISSION	ELIMINATIONS	TOTAL
Assets	409 029	1 392 757	-57 805	1 743 981
Liabilities	-363 939	-854 914	57 805	-1 161 048
Total	45 090	537 843	0	582 933

SEGMENT ASSETS AND LIABILITIES 2022-06-30	ENEDO	INISSION	ELIMINATIONS	TOTAL
Assets	306 919	1 140 285	0	1 447 204
Liabilities	-305 752	-722 545	0	-1 028 297
Total	1 167	417 740	0	418 907

SEGMENT ASSETS AND LIABILITIES 2023-03-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Assets	288 772	1 390 263	-38 958	1 640 077
Liabilities	-290 373	-930 731	38 958	-1 182 146
Total	-1 601	459 532	0	457 931

SEGMENT ASSETS AND LIABILITIES 2022-03-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Assets	285 278	1 065 200	-896	1 349 582
Liabilities	-285 345	-651 288	896	-935 737
Total	-67	413 912	0	413 845

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

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Note 1 continued.

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:

2023-01-01 » 2023-06-30	ENEDO	INISSION	ELIMINATIONS	TOTAL
Sweden	3 910	419 751	0	423 661
Finland	26 788	129 712	0	156 500
Estonia	1 977	34 442	0	36 419
Other EU countries	117 781	85 509	0	203 290
Norway	1 753	190 523	0	192 276
USA	40 676	6 723	0	47 399
Other non-EU countries	60 407	7 123	0	67 530
Total	253 293	873 783	0	1 127 076

Revenue from external customers by country:

2023-04-01 » 2023-06-30	ENEDO	INISSION	ELIMINATIONS	TOTAL
Sweden	1 962	211 670	0	213 632
Finland	13 441	62 681	0	76 122
Estonia	992	17 165	0	18 157
Other EU countries	59 098	42 099	0	101 197
Norway	880	94 153	0	95 033
USA	20 410	3 354	0	23 764
Other non-EU countries	30 310	3 720	0	34 030
Total	127 093	434 842	0	561 935

Revenue from external customers by country:

2023-01-01 » 2023-03-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Sweden	1 948	208 081	0	210 029
Finland	13 347	67 031	0	80 378
Estonia	985	17 277	0	18 262
Other EU countries	58 683	43 410	0	102 093
Norway	873	96 370	0	97 243
USA	20 266	3 369	0	23 635
Other non-EU countries	30 097	3 403	0	33 500
Total	126 200	438 941	0	565 141

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Note 1 continued.

Revenue from external customers by country:

2022-01-01 » 2022-03-31	ENEDO	INISSION	ELIMINATIONS	TOTAL
Sweden	641	155 232	-572	155 301
Finland	10 714	60 719	0	71 433
Estonia	594	14 695	0	15 289
Other EU countries	51 968	27 311	0	79 279
Norway	272	64 482	0	64 754
USA	22 786	3 223	0	26 009
Other non-EU countries	22 140	3 653	0	25 793
Total	109 114	329 315	-572	437 857

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:

2023-06-30	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivative (foreign exchange forwards)		1 131		1 131
Other non-current securities			378	378
Total	0	1 131	378	1 509

2023-03-31	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivative (foreign exchange forwards)		778		778
Other non-current securities			303	303
Total	0	778	303	1 081

2022-12-31	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivative (foreign exchange forwards)		0		0
Other non-current securities			1 090	1 090
Total	0	0	1 090	1 090

2022-03-31	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivative (foreign exchange forwards)		0		0
Other non-current securities			319	319
Total	0	0	319	319

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:

2023-06-30	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivative (foreign exchange forwards & interest rate swaps)		0		0
Contingent consideration			7 075	7 075
Total	0	0	7 075	7 075

2023-03-31	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivative (foreign exchange forwards & interest rate swaps)		30		30
Contingent consideration			6 766	6 677
Total	0	30	6 677	6 796

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Note 2 continued.

2022-12-31	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivative (foreign exchange forwards & interest rate swaps)		1 440		1 440
Contingent consideration			6 677	6 677
Total	0	1 440	6 677	8 117

2022-03-31	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Derivative (foreign exchange forwards & interest rate swaps)		368		368
Contingent consideration			6 203	6 203
Total	0	368	6 203	6 571

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	89
Amounts paid	0
Carrying amount 2023-03-31	6 766
Additional amount	0
Change recognized in the income statement	309
Amounts paid	0
Carrying amount 2023-06-30	7 075

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	0
Change recognized in the income statement	-787
Amounts paid	0
Carrying amount 2023-03-31	303
Additional amount	45
Change recognized in the income statement	30
Amounts paid	0
Carrying amount 2023-06-30	378

For assets and liabilities measured at amortized cost, the carrying amount is equal to the fair value. For current assets and liabilities, the discounting effect is not material, and for non-current liabilities the interest rate is variable, and the credit risk has not changed since the borrowing was contracted.

Note 3 - Business combinations

BUSINESS COMBINATIONS DURING THE FINANCIAL PERIOD 2023-04-01 » 2023-06-30 (TSEK)

There were no business combinations during the period 2023-04-01 to 2023-06-30.

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.

Transactions with related parties consist of two shareholder loans from the above-mentioned companies. Outstanding liabilities to shareholders as of 2023-06-30 amount to 9 380, 2023-03-31 to 9 380, 2022-12-31 to 9 380 and 2022-03-31 to 6 000. Interest expense attributable to the shareholder loans amounts to 328 for the first and second quarters, 164 for the first quarter of 2023, 164 for the full year 2022, and 120 for the first quarter of 2022.

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 over the last 12 months resulted in total sales of SEK 2 billion with an average of 1 000 employees. 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 August 17, 2023.

Inission AB (Reg.No. 556747-1890), Lantvärnsgatan 4, 652 21 Karlstad, Sweden. Reports are archived at:

www.inission.com/investor-relations