



Xplora®

4th QUARTER 2023 REPORT

STRONG SUBSCRIBER BASE.
ROBUST CASH BALANCE.
PROFITABILITY TURNAROUND.



Xplora's mission:
To give children a safe onboarding
to digital life and encouraging
a better balance between screen
time and physical activity.

Contents

Contents	3
About Xplora	4
The Quarter at a Glance	5
<i>Message from the CEO</i>	5
<i>Q4 23 Highlights</i>	5
<i>Key Figures</i>	6
<i>Financial Graphs</i>	6
Xplora Technologies Group Financials	8
Q4 2023 Operational Highlights	12
Outlook	14
<i>Profit & Loss</i>	15
<i>Balance Sheet</i>	16
<i>Cash flow</i>	17
<i>Notes</i>	18

About Xplora



Xplora was founded with the mission of giving children a safe onboarding to digital life and encouraging a better balance between screen time and physical activity.

Xplora's broad portfolio of connected products and services allows people to connect with their loved ones, and children to experience how their everyday activities can make a positive change in the world. Xplora's critically acclaimed products are trusted by kids worldwide, and the Xplora activity platform is made available to millions of kids through third parties and partners. Headquartered in Oslo, Xplora has offices in four Nordic countries, Germany, Spain, the US, and the UK, where our engineering team is based. The Company has Mobile Service Provider operations in 9 markets. Xplora has several major innovations in the child smartwatch category, including the launch of the world's first eSIM product for children and its activity platform logic converting steps to awards.

Our vision is to enable children around the world to experience how their everyday activities can make a positive change to the world.

FAST FACTS



**257k
subscriptions**



**145k smartwatches
sold in Q4 23**



**MSP
In 9 markets**



111 FTE

The Quarter at a Glance

MESSAGE FROM THE CEO

2023 was a transformative year for Xplora, marking a turnaround from the challenges encountered in 2022, to significantly strengthening our financial foundations. Reflecting on our journey, it is rewarding to see the progress we have made, ending the year with our strongest quarter to date. Our success was driven by growth in both our device and subscription sales, closing Q4 with 467k units sold throughout the year and a 257k subscription base.

Throughout the year, we have seen a significant increase in our smartwatch sales, accompanied by a substantial increase in our average selling price (ASP). This achievement underscores our successful transition to new generation products, showcasing our dedication to innovation and strategic product alignment. Additionally, our subscription sales continued to reach new heights, with December marking a record-breaking month with 24k net growth. Simultaneously, we have managed to reduce our marketing expenses, achieving more with less.

2023 also marks a significant turnaround. We exceeded NOK 200m in revenue for the first time in a single quarter and achieved an EBITDA of NOK 11.7m in Q4 23, contributing to an overall EBITDA improvement of NOK 67.2m from 2022 to 2023. A disciplined approach towards managing operational expenses has been crucial to this achievement. Our cash position strengthened to NOK 137.4m at the end of Q4 23, while keeping our capital expenditure within budget, showcasing our commitment to

efficient financial management and strategic decision-making.

Additional highlights this quarter includes the result from our customer service chat-bot, which effectively managed 62% of all customer support queries, enhancing both our customer experience and operational efficiency. We also expanded our revenue-share agreements by completing and launching our previously announced revenue-sharing agreement with US based Troomi and entered into a new revenue-share agreement with another Nordic Telco, our fourth in total.

As we step into 2024, we do so with the advantage of a robust subscription base, setting the stage for a continued growth in recurring revenue. While our focus remains on both our revenue streams, the strength of our subscription models will be central to our strategy going forward. In just half a year of expanding beyond the Nordics, our performance has already exceeded expectations.

Building on a solid foundation laid this year, we are gearing up for what promises to be an exciting year ahead for Xplora.

Sten Kirkbak



Q4 23 HIGHLIGHTS

- Group revenues +19% y/y to NOK 212.1m
- Recurring service revenues +47% y/y to NOK 60.1m, translating to an ARR of NOK 240.3m
- 257k subscriptions, up 64% y/y, of which 205k are connectivity subscriptions, 9k are revenue share subscriptions, 1k are service fee subscriptions and 42k are premium service subscriptions
- Gross profit +40% y/y to NOK 99.4m
- Positive EBITDA of NOK 11.7m, an improvement of NOK 32.1m from the same quarter last year
- NOK 137.4m in cash and cash equivalents

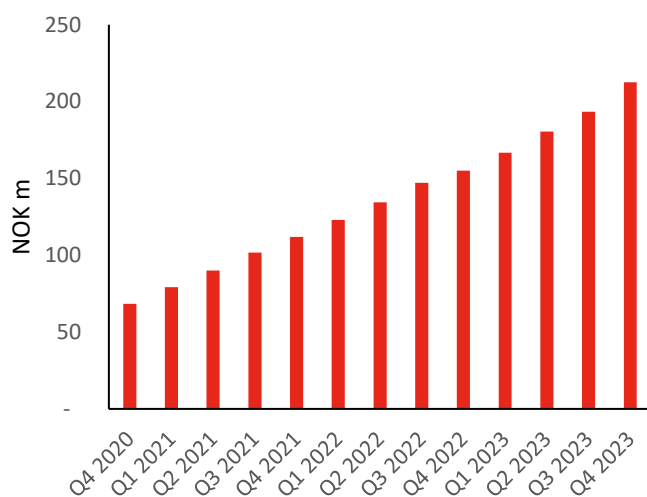
KEY FIGURES

Amount in NOK millions	Q4 2023	Q4 2022	FY 2023	FY 2022
Device revenue	151.4	137.1	476.6	346.9
Service revenue	60.1	40.9	210.2	152.3
Total revenue	212.1	178.8	689.1	502.0
Growth y/y	19%	2%	37%	16%
Gross profit	99.4	71.2	332.3	237.0
Gross margin	47%	40%	48%	47%
EBITDA	11.7	-20.5	33.7	-33.5
Subscriptions (k)	256.8	156.9	256.8	156.9
Shares outstanding (million)	41.7	41.7	41.7	41.7
Share price (NOK)	14.0	9.9	14.0	9.9
Market capitalization	581.1	412.4	581.1	412.4

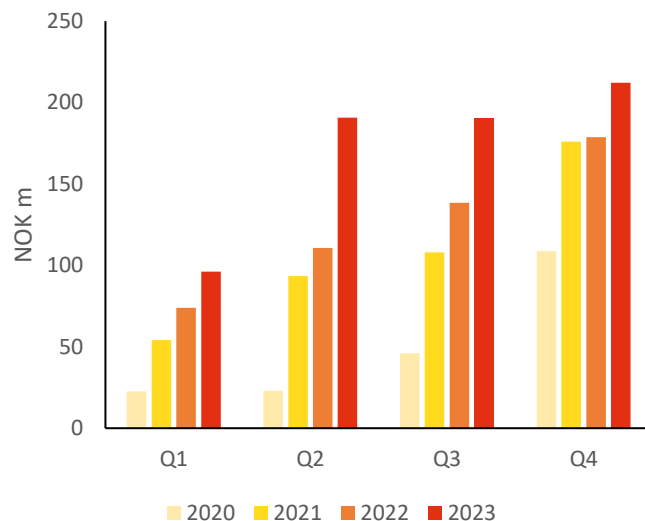
Quarterly figures are unaudited.

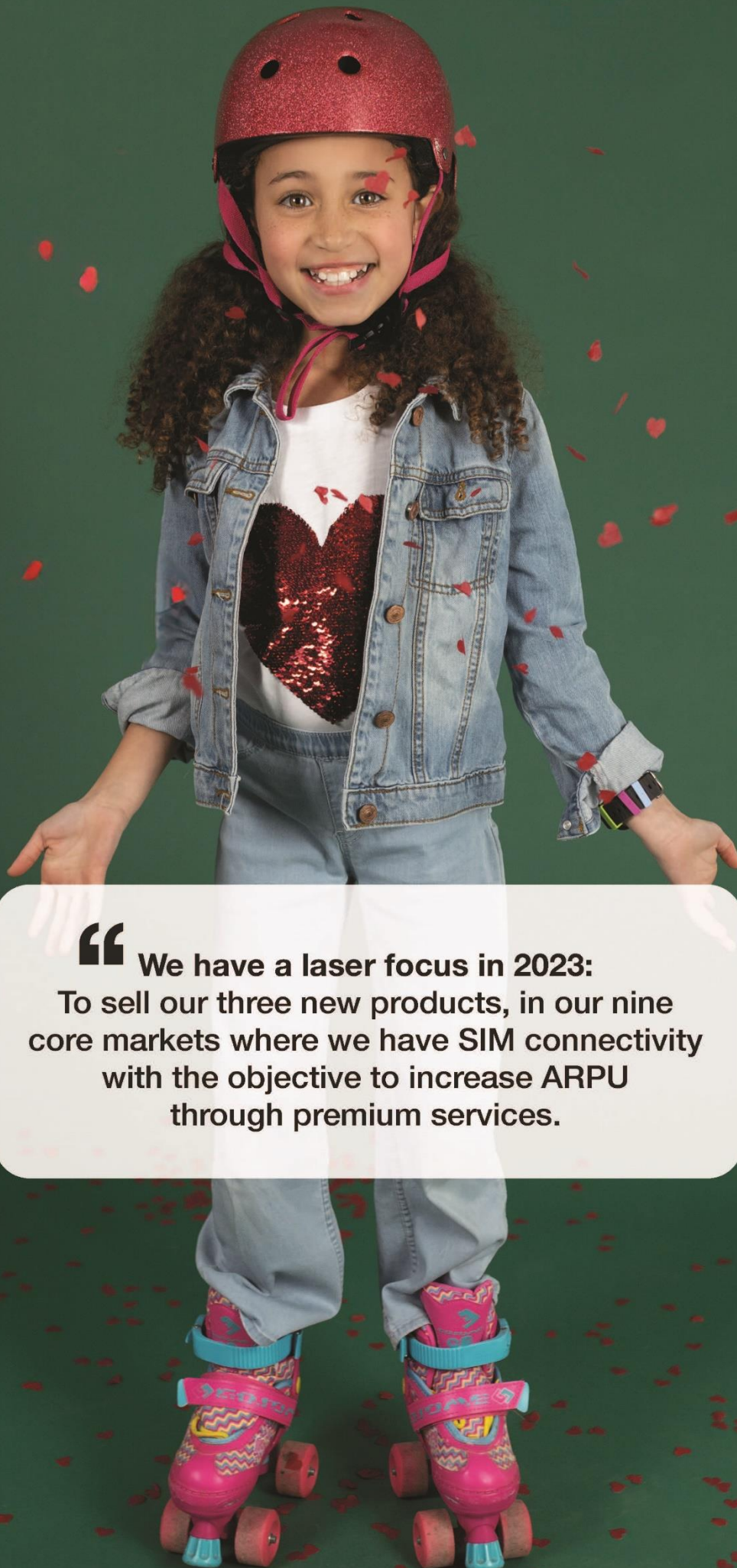
FINANCIAL GRAPHS

4q-rolling recurring service revenues



Quarterly Revenue





“

**We have a laser focus in 2023:
To sell our three new products, in our nine
core markets where we have SIM connectivity
with the objective to increase ARPU
through premium services.**

Xplora Technologies Group Financials

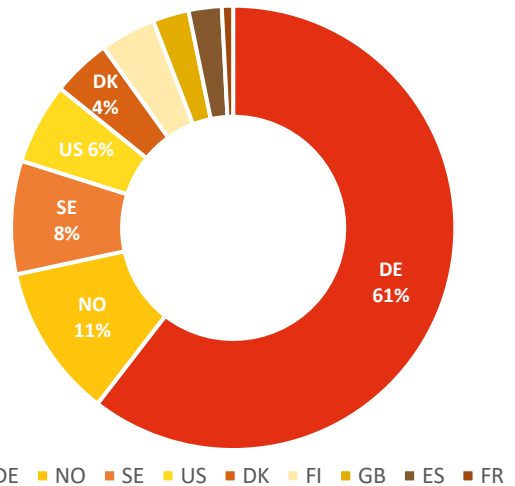
For the full year 2023, group revenues increased by 37% from 2022, with total revenue reaching NOK 689.1m. Xplora saw an EBITDA improvement of NOK 67.2m from 2022, ending 2023 at a positive EBITDA of NOK 33.7m. Total subscriptions came in at 257k, equal to a net 100k increase from 157k at the end of 2022. This results in a recurring service revenue of NOK 210.2m in 2023, and an ARR of NOK 240.3m with 83% gross margin going into 2024. Xplora exited 2023 with NOK 137.4m in cash and cash equivalents.

Q4 23 PROFIT & LOSS

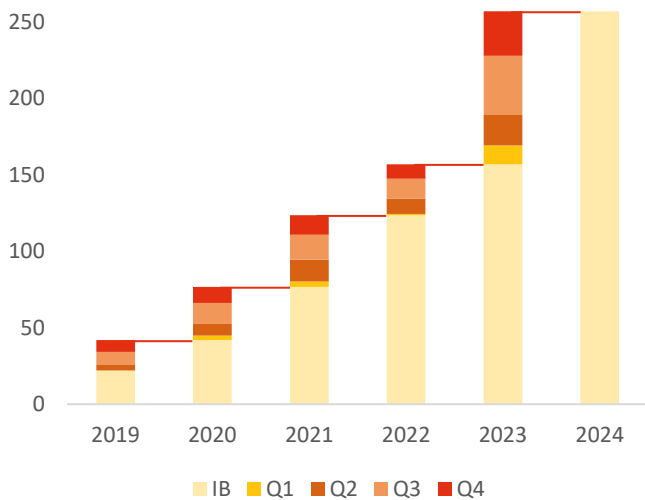
In Q4 23 Xplora had its highest ever single-quarter group revenue of NOK 212.1m, which is a y/y increase of 19% from NOK 178.8m in Q4 22. Xplora exited Q4 23 with a total subscription base of 257k subscriptions, up 64% from 157k subscriptions at the end of Q4 22. This resulted in a recurring service revenue of NOK 60.1m in Q4 23, up 47% from NOK 40.9m in Q4 22. As such, Xplora ended 2023 with an ARR of NOK 240.3m, a 47% increase compared to NOK 163.6m at the end of the year 2022. Xplora sold 145k smartwatches in Q4 23 for a device revenue of NOK 151.4m, up 10% from NOK 137.1m in Q4 22.

shows the impact of the outlined strategy for 2023 to increase the MVNO operations outside of the Nordics.

Watch activations per country in Q4



Subscription Base (k)



With a total number of end-user activations of 110K this quarter, Germany had the highest number of watch activations, with 67k activations in Q4 23. Norway ended the quarter with 12k activations, followed by Sweden that saw 9k activations. The US was the fourth largest contributor with 7k activations. Lastly, Denmark had 5K activations in Q4 23. Service revenue for this quarter's top three countries were NOK 29.2m in Norway, NOK 13.8m in Sweden, and NOK 6.6m in Finland. The top three represent 83% of total service revenue in Q4 23, a ratio that has declined steadily each quarter from 94% in 2022. This

Gross profit is up 40% y/y, ending at NOK 99.4m in Q4 23, yielding a gross margin of 47%. This is compared to NOK 71.2m and a gross margin of 40% in Q4 22. Gross margin per revenue line in Q4 23 was 32% for device revenue and 83% for service revenue, up from 26% and 82% in Q4 22. Gross margin reported excludes marketing, selling and distribution cost. Gross margin from device sales is exposed to the EUR/USD exchange rate and reflects the current levels.

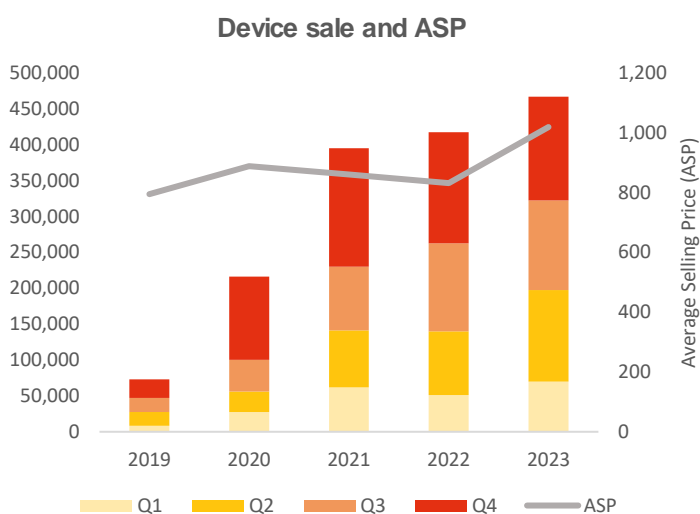
Group operating costs ended at NOK 87.8m in Q4 23, a decrease from NOK 91.6m in Q4 22. This is equal to 41% of revenue in Q4 23, compared to 51% in Q4 22. Payroll expenses in Q4 23 were NOK 29.1m, including a bonus accrual of NOK 2.5m. This is compared to Payroll expenses of NOK 28.8m in Q4 22. With a diligent focus on marketing costs through 2023 marketing expenses are down 15% y/y, from NOK 29.2m in Q4 22 to NOK 24.8m in Q4 23. Marketing is still the second largest operating expense, but marketing as a percentage of revenue is down from 16% in Q4 22 to 12% in Q4 23. Other operating costs ended at NOK 33.8m, up from NOK 33.6m in Q4 22.

At the end of Q4 23, Xplora had 111 full-time equivalents (FTE), down from 113 FTE in Q3 23.

For the third quarter in a row, Xplora achieved a positive EBITDA. Ending Q4 23 with a positive EBITDA of NOK 11.7m. EBITDA for Q4 22 came in at negative NOK 20.5m, this is equivalent to an improvement of NOK 32.1m y/y. Depreciation and amortization costs were NOK 15.3m, up from NOK 14.7m in Q4 22, in large consisting of NOK 10.1m in amortization from the acquisition of Xplora Mobile. EBIT was negative NOK 3.6m, a NOK 31.5m improvement from negative NOK 35.1m in Q4 22. Profit before tax was negative NOK 0.7m, up from negative NOK 34.3m in Q4 22, with positive net profit after tax for the quarter.

2023 PROFIT & LOSS

In 2023, Xplora reported consolidated group revenues of NOK 689.1m, a growth of 37% y/y. Whereas the unit sale grew by 12%, Xplora's device revenue increased by 37% from NOK 346.9m in 2022 to NOK 476.6m in 2023. The additional device revenue increase comes as a result of favorable exchange rates and the Legacy transition, where Xplora focus on new and higher-quality models sold at higher prices. As such, Xplora increased its average selling price (ASP) by 23% from NOK 831 in 2022 to NOK 1,021 in 2023, where 10 percentage points of this increase was due to favorable currency effects. Recurring service revenue came in at NOK 210.2m in 2023, up 38% from 152.3m in 2022.



Gross profit ended at NOK 332.3m for a margin of 48% in 2023, compared to NOK 237.0m and a margin of 47% in 2022.

Group operating cost amounted to NOK 298.6m in 2023, a 10% increase from NOK 270.6m in 2022. As a percentage of revenue, operating costs decreased from 54% in 2022 to 43% in 2023, in line with our stated goal from the Q1 23 report to deliver a 5-10 percentage points (pp) decrease in OPEX as a percent of revenue. Only 1pp of this improvement is due to currency effects, while the remaining 10pp is a direct result of the operational efficiency measures implemented throughout 2023.

The largest operating cost is still salaries and employee expenses, which were NOK 113.3m including bonus accruals and management incentive programs. Marketing costs decreased by 14% from NOK 83.6m in 2022 to NOK 72.1m in 2023. As a result, marketing as a percentage of revenue is down from 17% in 2022 to 10% in 2023. Other operating costs ended at NOK 113.2m in 2023 compared to NOK 101.2m in 2022.

EBITDA came in at positive NOK 33.7m, equivalent to a margin of 5%. Coming from negative NOK 33.6m and a margin of negative 7% in 2022, Xplora improved its EBITDA with NOK 67.2m, or 12 percentage points. Profit before tax saw an improvement of positive NOK 55.4m, going from negative NOK 85.0m in 2022 to negative NOK 29.6m in 2023.

In 2023 Xplora experienced positive effects from favorable exchange rate changes. The company reports in NOK and with entities in 9 countries are exposed to NOK fluctuations. With NOK becoming weaker, relative to the end of 2022, against most currencies Xplora is exposed to, the company has experienced a boost in both revenue and costs due to favorable exchange rate changes. However, margins remain relatively stable. Of the NOK 67.2m EBITDA-increase in 2023, NOK 3.8m was due to exchange rate changes, while EBITDA margin was unaffected. For profit before tax, Xplora saw a NOK 3.3m increase due to favorable exchange rates.

The EUR/USD exchange rate affects the gross margin as the cost of watches is paid in USD while a high proportion of revenue comes from EUR. Therefore, Xplora has chosen to hedge its EUR/USD exposure on several occasions throughout 2023.

XPLORA AS A SERVICE PROVIDER

Xplora operates as a service provider in Norway, France, Spain, and the UK, while also serving as an MVNO in Denmark, Sweden, Finland, and Germany. So far Xplora's connectivity offering in the US is through a partner agreement, with ongoing efforts aimed at enhancing the company's presence in the market.

Xplora exited Q4 23 with 257k subscriptions, up 64% y/y from 157k subscriptions at the end of Q4 22, and up 31k subscriptions from the previous quarter. The total subscription base is comprised of 205k connectivity subscriptions, 9k revenue share subscriptions and 42k premium service subscriptions. In addition, Xplora launched a new subscription type in Q4 called Service fee, for which we exited the quarter with 1k subscriptions. At the end of Q4 23, Xplora held 89k connectivity subscriptions in Norway, 49k subscriptions in Sweden, 18k subscriptions in Finland and 17k subscriptions in Denmark. This amounts to a total of 172k connectivity subscriptions in the Nordics, up 14% y/y.

Xplora had 33k connectivity subscriptions outside the Nordics at the end of Q4 23, yielding a 57% growth from 21k in Q3 23. The two largest markets outside the Nordics are the US and German markets, both with 13k subscriptions.

The subscription base represents an average market penetration of 8.6% of children aged 4-10 in the Nordic markets. The implicit market share in Norway is more than 20%, with 6% in Sweden and 4% in Finland.



From Q3 23, Xplora have had a gross addition of 33k connectivity subscriptions, for a net growth of 16k subscriptions, across all markets. For the first time in Xplora history the two biggest contributing markets is outside of the Nordics with Germany being the biggest net contributor of 5k subscriptions and the US with 4k. Churn in Q4 23 was 3.9% on an average monthly rate.

BALANCE SHEET

Total assets increased from NOK 525.5m at the end of Q3 23, to NOK 537.3m at the end of Q4 23. The increase is largely due to an increase in inventories, and proceeds obtained from an increase in share capital. Please see note 6 Equity for further details.

Inventories were up from NOK 96.7m in Q3 23 to NOK 108.0m in Q4 23. Accounts receivable was NOK 38.8m in Q4 23, compared to NOK 32.9m in Q3 23. Other receivables amounted to NOK 36.7m in Q4 23, down from NOK 55.7m in Q3 23. Other receivables mainly consist of prepaid goods not received and VAT on imported goods.

Cash and cash equivalents ended at NOK 137.4m in Q4 23, an increase from NOK 116.6m in Q3 23. The increase is mainly due to the proceeds obtained from the increase in share capital. At the end of Q4 23 consolidated equity was NOK 330.6m for an equity ratio of 62% compared to an equity of NOK 326.4m in Q3 23 for an equity ratio of 62%.

Total non-current assets were NOK 216.4m in Q4 23, compared to NOK 223.7m in Q3 23. The largest component of non-current assets is goodwill at NOK 138.2m, down from NOK 143.7m in Q3 23. The estimated value of remaining customer contracts ended at NOK 23.0m, down from NOK 27.7m in Q3 23. NOK 47.2m in intangible assets is capitalized development costs, up from NOK 46.0m in Q3 23.

Total interest-bearing debt was NOK 69.9m in Q4 23, down from NOK 85.2m in Q3 23. At the end of Q4 23 accounts payable amounted to NOK 47.4m, down from NOK 48.7m at the end of Q3. Other short-term debt ended at NOK 89.4m, up from NOK 65.2m in Q3 23, consisting of deferred income and accruals.

CASH FLOW

Net cash flow from operating activities was positive NOK 24.7m in Q4 23, compared to negative NOK 20.6m in Q4 22. Net change in working capital was positive NOK 10.1m, largely due to reduction of other receivables and prepayments for goods in production.

Cash from investing activities amounted to negative NOK 6.1m in Q4 23. Capex investments in product- and platform development are the main components.

Cash flow from financing activities was positive NOK 2.3m in Q4 23, with a NOK 2.1m downpayment to Innovation Norway and a NOK 13.3m downpayment to DNB in connection with the LC financing facility.

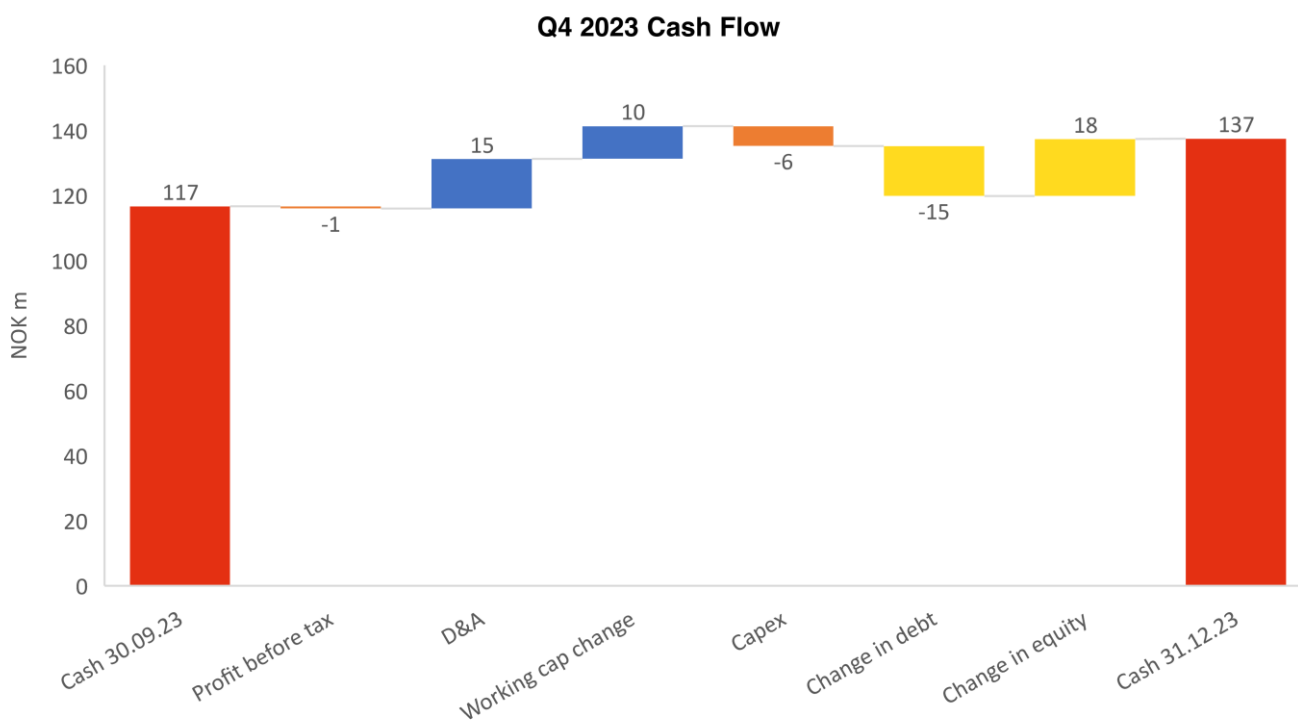
Net change in cash during Q4 23 was positive NOK 20.9m, with an ending cash balance of positive NOK 137.4m.

SHAREHOLDERS

Xplora had 41,656,619 shares outstanding at the end of Q4 23, unchanged from the end of Q3 23. The company had 1,182 shareholders at the end of Q4 23 vs 1,252 shareholders at the end of Q3 23. 5.2% of shares were held by investors outside Norway at the end of Q4 23, down from 5.5% q/q. The 20 largest shareholders held 65.6% of shares outstanding at the end of Q4 23. Please see note 4 Share capital and shareholder information for further details.

POST QUARTER EVENTS

On January 2, 2024, Xplora announced the completion of a share capital increase, registered with the Norwegian Register of Business Enterprises. Following the Board of Director's resolution, based on the authorization from the Annual General Meeting on May 16, 2023, the new share capital is NOK 176,626.48, with 44,156,620 shares at a par value of NOK 0.004 each, where each share carries one vote. The contractual subscription rights were exercised and paid in 2023, recorded as paid non-registered equity. Gross proceeds from the capital increase were NOK 17.5m. After this exercise there are no more contractual subscription rights, excluding employee options.



Q4 2023 Operational Highlights

In the final quarter of 2023, Xplora continued to strengthen its service revenue with key agreements and strategic initiatives. These included completing a previously announced revenue-share agreement, securing a new agreement in the Nordic region and the introduction of a service fee for alternate SIM users. These actions, coupled with considerable enhancements in operational processes, underscore the company's dedication to efficiency and service excellence.

REVENUE SHARE AGREEMENTS

This quarter Xplora completed and launched its previous announced revenue-sharing agreement with the American distributor/MVNO Troomi, which involved an annual purchase commitment of 10k smartwatch units. In addition, the company entered into a new revenue-share agreement with a new undisclosed Nordic Telco, expanding our presence and marking our 3rd revenue-share agreement in the Nordics, for a total of four revenue-share agreements globally.

Revenue sharing agreements are beneficial for Xplora in selling devices and provides an added services revenue stream in addition to the regular channels. The agreements also secure new customers to the telcos and boost their revenue, leading to a mutually beneficial proposition.

CUSTOMER SUPPORT OUTSOURCING

In an ongoing effort to enhance operational flexibility and meet customer needs, the company has strategically outsourced parts of its customer support team, while ensuring service excellence led by an in-house customer support leadership team and a Nordic team of specialists. This approach allows for quick adaptation to seasonal demands and maintains high

service standards by collaborating closely with the third-party provider. The move is focused on agility and leveraging external expertise for support, while the company concentrates on its core competencies and innovation. This transition, under careful monitoring, aims to uphold Xplora's commitment to excellence and is expected to positively impact operations and customer satisfaction.

INTRODUCTION OF SERVICE FEE IN THE NORDICS

During Q4, Xplora introduced a service fee for smartwatch users who opt for an alternate SIM provider. This initiative, first rolled out in the Nordics markets, aims to recapture revenue losses, ensuring that the company gain the full value of its service offerings across all customer segments. Not only does it allow the company to maintain the high-quality service its users expect, but it also strengthens Xplora's financial position. As Xplora plans to extend this fee structure to more markets, the company anticipates a positive impact on revenue without compromising customer satisfaction, demonstrating adaptability and a commitment to delivering competitive, high-quality service to both customers and stakeholders.



With our new products XGO3 and X6Play, Xplora ended up as a favorite Christmas gift in 2023.

Outlook

Leveraging the solid groundwork laid in 2022 and 2023, Xplora is stepping into 2024 with a robust foundation and a thriving subscription base. This year, the company's focus shifts towards product enhancement and the expansion of our subscription offerings, alongside a measured increase in hardware sales that prioritizes quality over quantity. Revenue sharing agreements, having proven successful, will continue to be central to the company's strategy. Our goal is clear: to drive robust and increased profitability while cementing our market leading position for years to come, making 2024 a year of both incremental improvements and significant advancements.

We are pleased to see continued growth in both our connectivity- and premium services, closing the year with a subscription base of 257k. With this ARR base of NOK 240m, Xplora expects a strong recurring service revenue, significantly contributing to the overall financial performance throughout the year. We expect our churn rate to be consistent with historic numbers into 2024, but now churning from a higher subscription base, we expect a more moderate net growth in subscriptions.

In the 18 months since we launched our value-product, the XGo3, its market share has increased, giving proof to its appeal and market fit. The historic lifespan of Xplora products where previous set to about 24 months, but due to its popularity, we will relaunch the

product in H2 2024 with a slightly upgrade, including new components and colors.

In 2024, we will also increase the activities in our two new divisions: Senior and SaaS. Although unlikely to generate notable profits this year, we will lay the foundation for added growth and we will be looking for proof of concept in both divisions.

As we grow our top line in 2024, we will strive to realize economics of scale by reducing operating expenses as a percentage of revenue. We will also be keeping a close eye on our capex, which we expect to see in the interval of NOK 15m to NOK 20m for the year.



Xplora Technologies Group
PROFIT & LOSS

NOK '1000	Note	Q4 2023	Q4 2022	FY 2023	FY 2022
Device revenue		151,382	137,091	476,579	346,881
Service revenue		60,078	40,888	210,248	152,269
Other revenue		653	794	2,272	2,826
Total Revenue	2	212,113	178,774	689,099	501,976
Cost of sales		112,690	107,610	356,785	264,963
Gross Profit		99,423	71,164	332,314	237,012
Payroll expenses	3	29,093	28,847	113,349	85,728
Marketing expenses		24,856	29,173	72,106	82,659
Other operating expenses		33,813	33,598	113,191	102,175
EBITDA		11,661	-20,454	33,668	-33,550
Depreciation and amortization		15,266	14,685	56,518	51,188
Operating profit / EBIT		-3,605	-35,139	-22,849	-84,738
Other finance cost		2,989	1,081	13,122	2,134
Finance (income)/expenses - net		-5,919	-1,888	-6,351	-1,888
Profit (loss) before tax		-675	-34,332	-29,620	-84,983
Income tax		858	7,592	829	10,589
Net profit (loss)		183	-26,740	-28,791	-74,394

Quarterly figures are unaudited.

Xplora Technologies Group
BALANCE SHEET

NOK '1000	Note	Q4 2023	Q3 2023	Q4 2022
Fixed Assets		1,456	1,624	1,976
Goodwill		138,167	143,695	154,705
Customer Contracts		23,044	27,653	41,479
Intangible Assets		47,168	46,018	40,978
Other long-term receivables		6,577	4,699	4,188
Total Non-current assets		216,412	223,689	243,326
Accounts receivable		38,760	32,853	43,521
Inventories		107,998	96,658	96,350
Other receivables		36,672	55,703	74,337
Cash & equivalents		137,433	116,582	50,409
Total Current assets		320,863	301,796	264,617
Total Assets		537,275	525,485	507,943
Total Equity	6	330,596	326,387	350,585
Debt to credit institutions		14,583	16,667	22,917
Other long-term debt		0	0	0
Total long-term debt		14,583	16,667	22,917
Short-term debt to credit institutions		55,303	68,574	15,397
Accounts payable		47,423	48,698	41,238
Other current liabilities		89,370	65,158	77,807
Total Short-term debt		192,095	182,431	134,441
Total Equity and debt		537,275	525,485	507,943

Quarterly figures are unaudited.

Xplora Technologies Group
CASH FLOW

NOK '1000	Note	Q4 2023	Q4 2022	FY 2023	FY 2022
Profit before tax		-675	-34,332	-29,620	-84,983
Depreciation and amortization		15,266	14,685	56,518	51,188
Working capital changes		10,106	-920	34,731	-22,851
Net cash flow from operating activities		24,697	-20,567	61,628	-56,646
Xplora Mobile Investment/ acquisition		0	0	0	-20,000
Capex		-6,112	-9,320	-24,162	-38,139
Net cash flow from investing activities		-6,112	-9,320	-24,162	-58,139
Change in debt		-15,355	10,426	31,573	8,458
Proceeds from share issue		17,500	0	17,500	16,500
Other		121	121	485	485
Net cash flow from financing activities		2,266	10,547	49,558	25,443
Net change in cash and cash equivalent		20,851	-19,340	87,025	-89,342
Cash and cash equivalents at start of period		116,582	69,748	50,409	139,751
Cash and cash equivalents at end of period		137,433	50,409	137,433	50,409

Quarterly figures are unaudited.



NOTES

NOTE 1 GENERAL AND BASIS OF PREPARATION

Xplora Technologies AS is a Norwegian public limited liability company listed on Euronext Growth Oslo under the ticker XPLRA. The company's head office is located at Nedre Slottsgate 8, 0157 Oslo, Norway.

The condensed interim financial statements for the three months ending on 31 December 2023 have been prepared in accordance with the Norwegian Accounting Act (NGAAP) and generally accepted accounting principles. The accounting principles applied in preparing this interim financial statement are consistent with the annual report as of 2022. All interim financial statements are unaudited.

The preparation of the interim accounts entails the use of valuations, estimates and assumptions that affect the application of the accounting policies and the amounts recognized as assets and liabilities, income, and expenses. The actual results may deviate from these estimates. The material assessments underlying the application of the Group's accounting policy and the main sources of uncertainty are the same as for the consolidated accounts for 2022.

NOTE 2 REVENUES PER LEGAL ENTITY

PER SEGMENT					
NOK '1000		Q4 2023	Q3 2023	FY 2023	FY 2022
Device revenue		151,382	134,132	476,579	346,881
Service revenue		60,078	55,552	210,248	152,269
Other revenue		653	543	2,272	2,826
Total		212,113	190,227	689,099	501,976
Legal entity allocation					
NOK '1000					
Xplora Technologies AS	(Norway)	782	2,135	4,138	4,079
Xplora Mobile AS	(Norway)	32,648	32,253	128,149	173,067
Xplora Mobile Holding AS	(Norway)	-	-	-	-
Xplora Technologies Ltd.	(Great Britain)	29,171	26,936	93,186	60,123
Xplora Technologies GmbH	(Germany)	75,278	56,321	222,418	170,600
Xplora Technologies SL	(Spain)	4,059	(122)	7,628	4,458
Xplora Technologies Inc.	(USA)	11,641	6,082	27,242	12,151
Xplora Mobile AB	(Sweden)	45,009	54,284	160,890	49,413
Xplora Mobile OY	(Finland)	6,891	6,894	25,251	19,469
Xplora Technologies ApS	(Denmark)	6,460	5,294	19,705	8,525
Xplora Technologies SAS	(France)	174	150	490	92
Total		212,113	190,227	689,099	501,976

Quarterly figures are unaudited.

Following the distribution agreement, the financial report will, going forward, reflect actual revenue passing through each legal entity, rather than geographical revenue allocation.

NOTE 3 PERSONNEL EXPENSES AND REMUNERATION**PAYROLL COSTS**

NOK '1000	Q4 2023	Q3 2023	Q2 2023	Q1 2023	FY 2023	FY 2022
Salaries/Wages	23,498	29,082	18,709	22,641	93,929	73,132
Social security fees	4,373	3,802	2,834	3,361	14,370	9,103
Pension expenses	1,024	975	921	930	3,850	2,965
Other benefits	199	316	349	335	1,199	528
Total	29,093	34,176	22,812	27,267	113,348	85,728
Included in the above:						
Share-based compensation	-218	4,260	1,177	356	5,575	-3,757

Quarterly figures are unaudited.

NOTE 4 SHARE CAPITAL AND SHAREHOLDER INFORMATION

Share capital	No. of shares	Share par value	Book value
Ordinary shares	41,656,619	0.004	166,626.48

SHAREHOLDERS AS OF 31.12.2023

Shareholder	Shares	% Outstanding
Passesta AS 1)	5,603,342	13.5%
Eden AS 2)	2,240,125	5.4%
Harmonium Invest AS 3)	2,150,625	5.2%
S. Munkhaugen AS	1,991,325	4.8%
MP Pensjon PK	1,907,165	4.6%
Vinterstua AS	1,381,406	3.3%
Fougner Invest AS	1,338,344	3.2%
MK Capital AS 4)	1,320,325	3.2%
Commerzbank Aktiengesellschaft	1,124,519	2.7%
Skattum Invest AS	1,124,355	2.7%
Esmar AS 5)	1,092,576	2.6%
Kirkbak Holding AS 6)	1,076,750	2.6%
Nordnet Livsforsikring AS	886,871	2.1%
Arepo AS	840,000	2.0%
Camelback Holding AS	754,000	1.8%
Thunderstorm Invest AS	592,337	1.4%
Clearstream Banking S.A.	511,840	1.2%
Torsen Tankers & Towers AS	477,174	1.1%
August Industrier AS	450,000	1.1%
Alden AS	450,000	1.1%
Top 20 Shareholders	27,313,079	65.6%
Other	14,343,540	34.4%
Total Shares Outstanding	41,656,619	100%

The parent company has one share class with equal voting rights per share.

1) Passesta AS is owned by Chairman of the board Tore Engrebretsen

2) Eden AS is owned by Hildegunn Hodne Ulltveit-Moe, a close relative to board member Harald Fr. Hodne Ulltveit-Moe

3) Harmonium Invest AS is owned by board member Harald Fr. Hodne Ulltveit-Moe

4) MK Capital AS is 50% owned by CEO Sten Kirkbak through Kirkbak Holding AS

- 5) Esmar AS is 90% owned in part by board member Bjørn Eide through Racce AS
6) Kirkbak Holding AS is owned by CEO Sten Kirkbak

Board member Ingrid Elvira Leisner holds 25,000 shares through Duo Jag AS
Board member Kari Bech-Moen owns 6000 shares through M-Effective Holding AS

NOTE 5 EARNINGS PER SHARE

NOK '1000	Q4 2023	Q4 2022*	FY 2023	FY 2022
Net earnings (NOK)	183	-26,740	-28,791	-74,394
Average numbers of shares (k)	41,657	41,657	41,657	40,720
Earnings per share	0.00	-0.64	-0.69	-1.83

Quarterly figures are unaudited.

*Table is updated to reflect a corrected figure due to an error in the Q4 22 report.

NOTE 6 EQUITY

NOK '1000	Share capital	Share premium	Other paid-up equity	Total equity
Equity at 01.01.2023	167	347,313	3,106	350,585
Proceeds from share issue	0	0	0	0
Paid not registered capital	0	17,500	0	17,500
Foreign currency translation	0	-1,928	0	-1,928
Option program	0	-6,769	0	-6,769
Net profit as of 31.12.2023	0	-28,791	0	-28,791
As of 31.12.2023	167	327,324	3,106	330,596

Quarterly figures are unaudited.

In return for guaranteeing for the loan financing in 2019 and 2020, the company issued independent subscription rights to Skadi AS, Harmonium Invest AS, Hering AS and Torsen Tankers & Towers AS (collectively the "Subscribers"). The subscription rights were exercised and paid in 2023 before the 2023 December expiry, recorded as non-registered equity. 2.5m new shares were issued January 2, 2024, and there are no more contractual subscription rights.

For the Management Incentive Plan (MPI), Sten Kirkbak (CEO) and Sanghyo Kim (CTO) exercised a total of 1.6m options, each with a strike price of NOK 7 per share. The exercise was settled as a cash payment. Additionally, the company granted 1.6m options to its management group in Q4 23. Total outstanding share options are 2.5m at the end of 2023.

For further details and clarifications, please see note 3 and note 12 in the annual report for the year 2022.

FORWARD LOOKING STATEMENTS

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This report includes and is based, inter alia, on forward-looking information and contains statements regarding the future in connection with the Company's growth initiatives, profit figures, outlook, strategies, and objectives. All forward-looking information and statements in this report are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industry in which the Company operates. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors may lead to actual profits, results and developments deviating substantially from what has been expressed or implied in such statements. Although the Company believes that its expectations and the report are

based upon reasonable assumptions, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in the report.

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