



Q4 2023 Update

23rd of February 2024

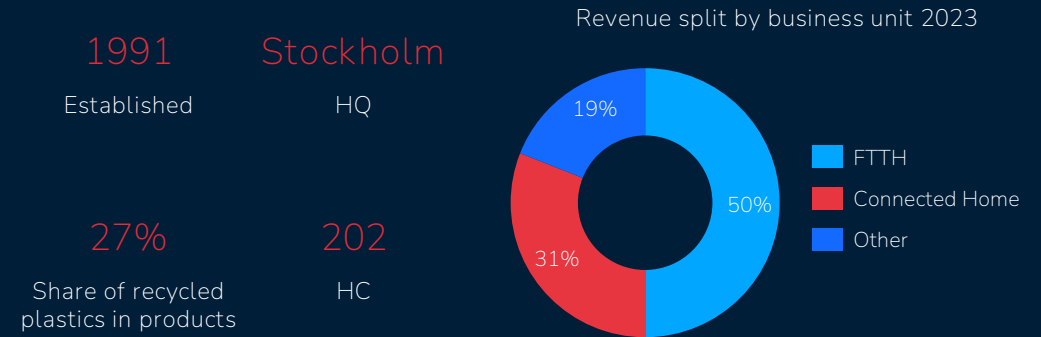


About Genexis Group

Background

- Developer and provider of high-speed fiber CPE products, powered by leading open-source software platform for CPE, RGW and IoT devices
- Operational through two business units:
 - Fiber-to-the-home (FTTH): fiber termination
 - Connected Home: Residential gateway, in-home Wi-Fi products and software solutions
- The market leading developer and provider of high-speed fiber CPE products

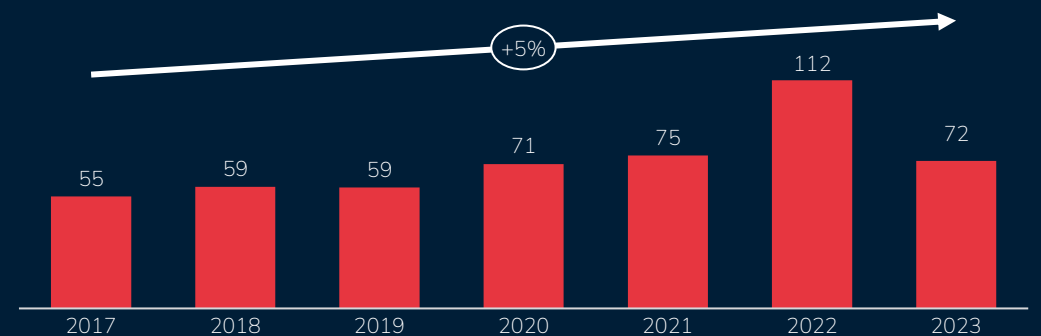
Corporate overview



Longstanding relationships with major operators



Revenue development (EURm)





Q4 2023 overview

Q4 results low; outlook H1 2024 positive

- Revenue in line with expectation
 - But gross margin low due to high fraction of low margin product sales
 - Resulting profitability is very low

- Strong increase in order intake on broad range of customers/regions
 - Second best-ever order intake quarter of EUR 23 million
 - Will materialize in higher revenues in H1 2024

- Cost savings initiatives are starting to show in financials
 - LTM costs down by 10% from peak during the summer
 - Further cost savings to materialize in full during Q1 2024

- Liquidity better than anticipated
 - Despite weak result, strong NWC management contributed to a better-than-expected cash position at end of December
 - Un-utilized credit facility amounts to EUR 3.9 million as per December 31



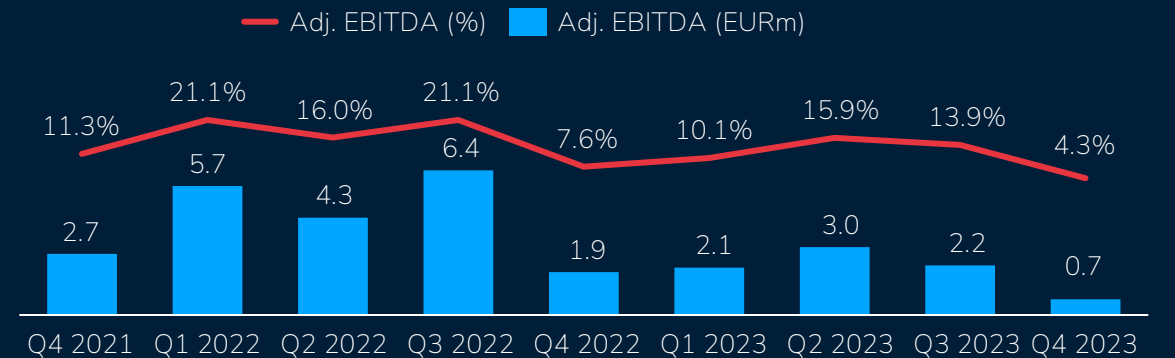
Q4 2023 update

- Q4 2023 revenue was inline with Q3 and within expectations: we are at the bottom of the 'U shape'. Gross margin was lower than previous quarter due to unfavorable mix effects in October impacting the whole quarter negatively. This resulted in a lower EBITDA, even with our cost-savings program in progress.
- FTTH** - We won Fiberhost (Poland) with a new product line. We also won several other projects, notably a mid-sized operator in Finland with our XGS-PON FiberTwist product. At NetworkX in Paris, we launched our TrueTalk technology, enabling interaction with central office equipment from multiple OEMs.
- Connected Home** - We conducted a roadshow with our new Aura E650 Wi-Fi gateway and have started testing with several known customers. A highlight was the launch by BT of its new consumer platform that is based on our IOWRT software. This reference will be a strong help in marketing the advantages of our software platform and products.

Revenue* & Gross margin development



EBITDA development



* Net Sales and Other Income



Sales* development by region from 2021 to 2023

□ Nordics

- Sales in Nordics is down from 2022 with variations between the countries
- Finnish market expanding + we are offering a solution-based package
- Sweden and Norway decline from a strong 2022. See continued stable market as customers start to move to 10G.
- Denmark slight decline compared to 2022 but shows further growth potential, gaining market share and expanding our presence

□ DACH+

- Significantly down from 2022 caused by overstocking combined with slower roll-out of fiber during 2023
- Slow-down is still there, but first signs of recovery
- For FTTH, growth will go in-line with the market; plan to broaden our offering will drive further growth

□ Benelux

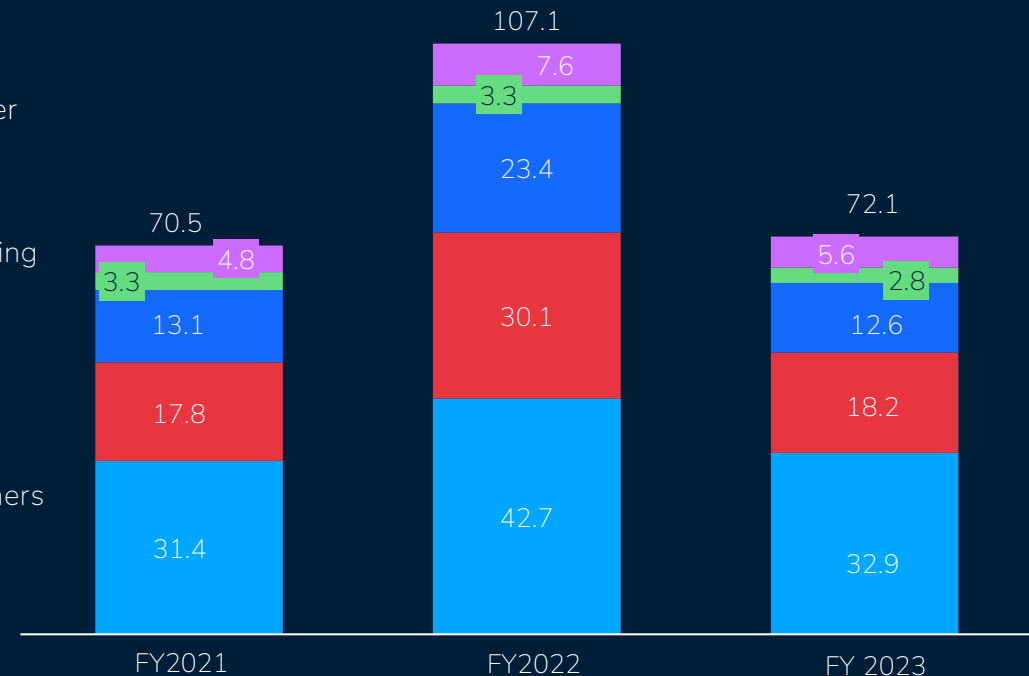
- Market in 2023 is down with respect to 2022, primarily due to high level of overstocking by customers
- Outlook for Benelux positive based increased forecast from existing customers as well as new opportunities

□ UK, North America & Other

- Expansion in UK and other regions underway
- Several distribution partners for North America signed up
- Lead pipeline filling up

Sales development by region (EURm)

■ Nordics ■ DACH+ ■ Benelux ■ UK ■ Other

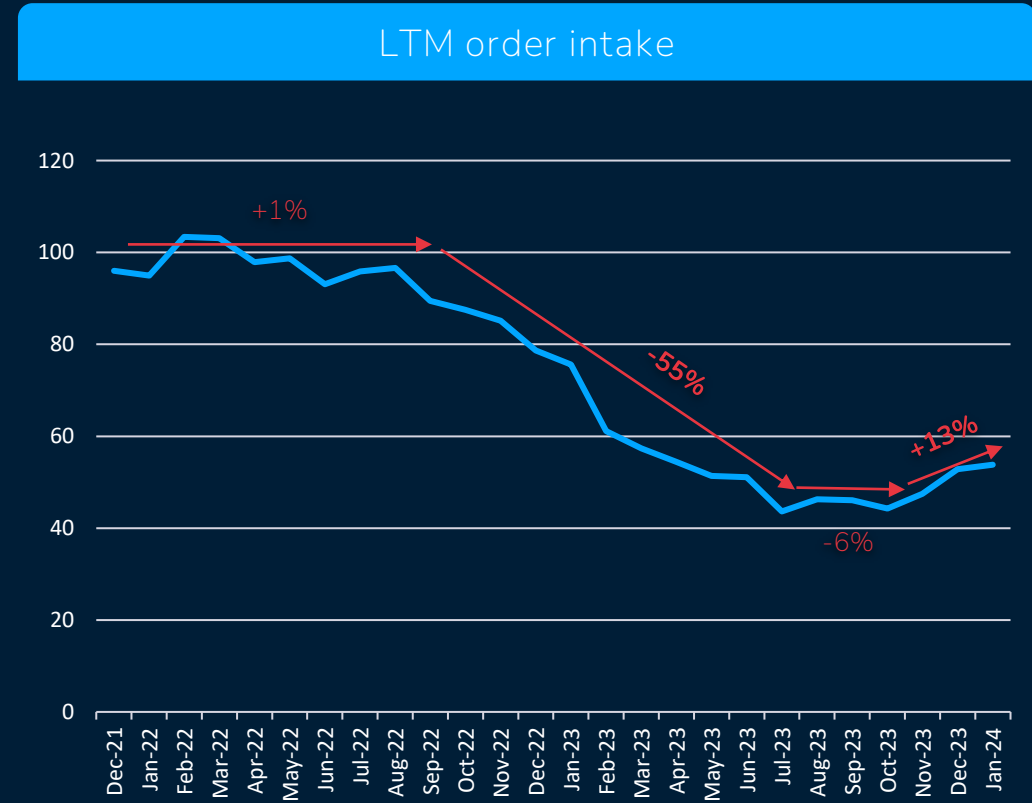


*Sales numbers based upon sales statistics, not fully matching Reported numbers



LTM order intake has started to increase

- LTM order intake is increasing, signaling the end of the 'dip'. In fact, Q4 2023 was one of our highest order intake quarters with total order intake of EUR 23 million.
- While we feel the upwards trend will continue, we must be careful that this is not a temporary catch-up effect. Customer feedback indicates the former, and we continue to engage closely with them to understand the longer-term demand.

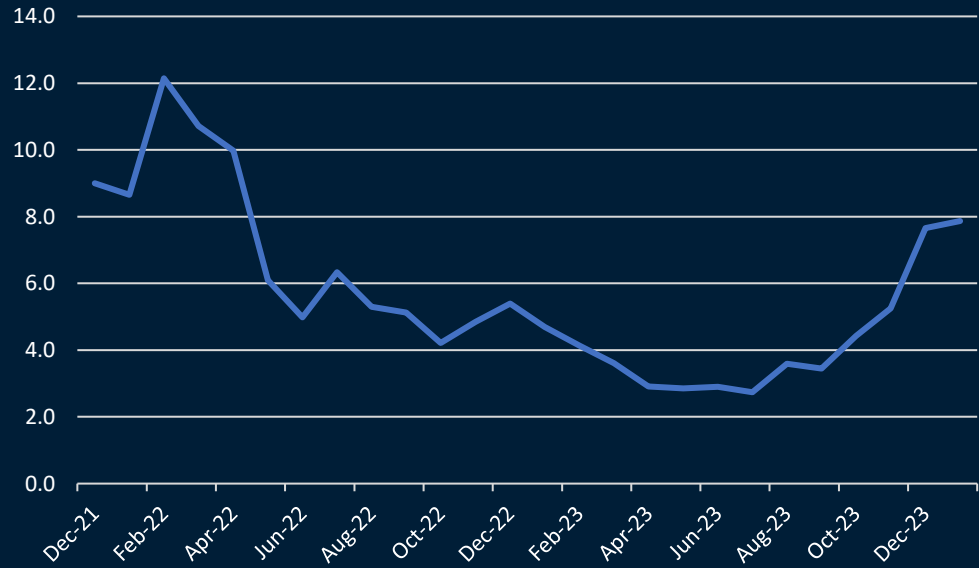




A more detailed look at 2023 shows a steep increase in Q4

- The trailing three months average of order intake during 2023, shows a strong increase towards EUR 8m per month.
- We feel confident that we have left the bottom of the 'U-shaped' dip. This is a good signal that the market is returning. We are still uncertain on the speed of recovery, as we have different signals from different markets.

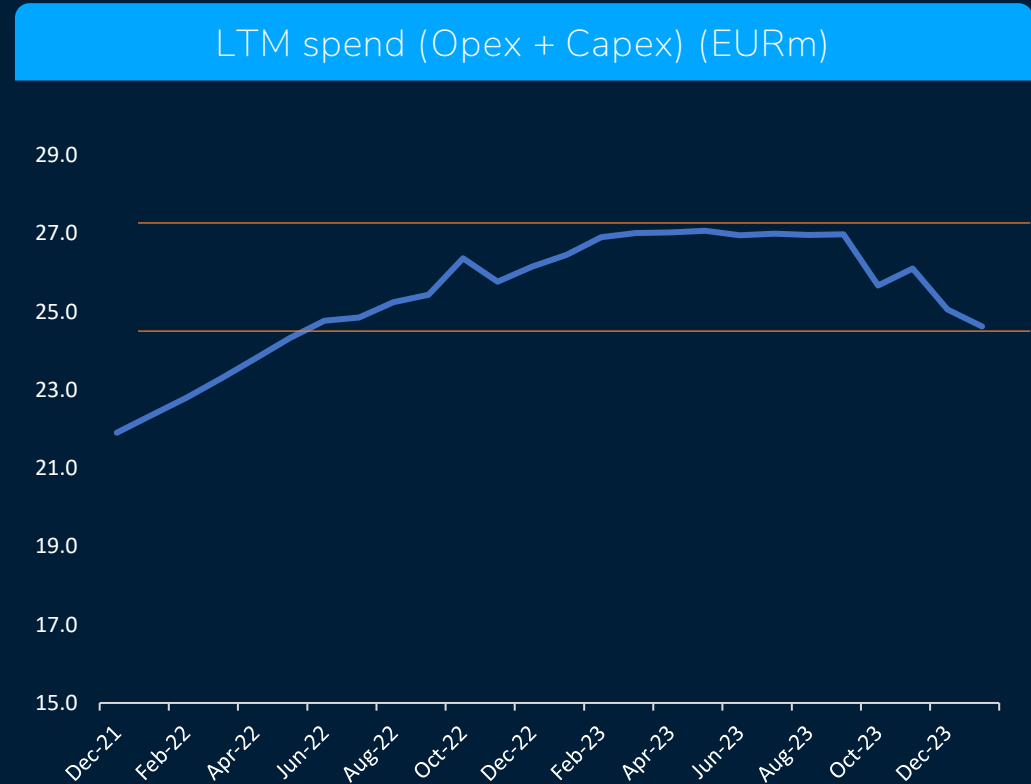
Trailing average three months order intake





Cost savings initiatives in effect

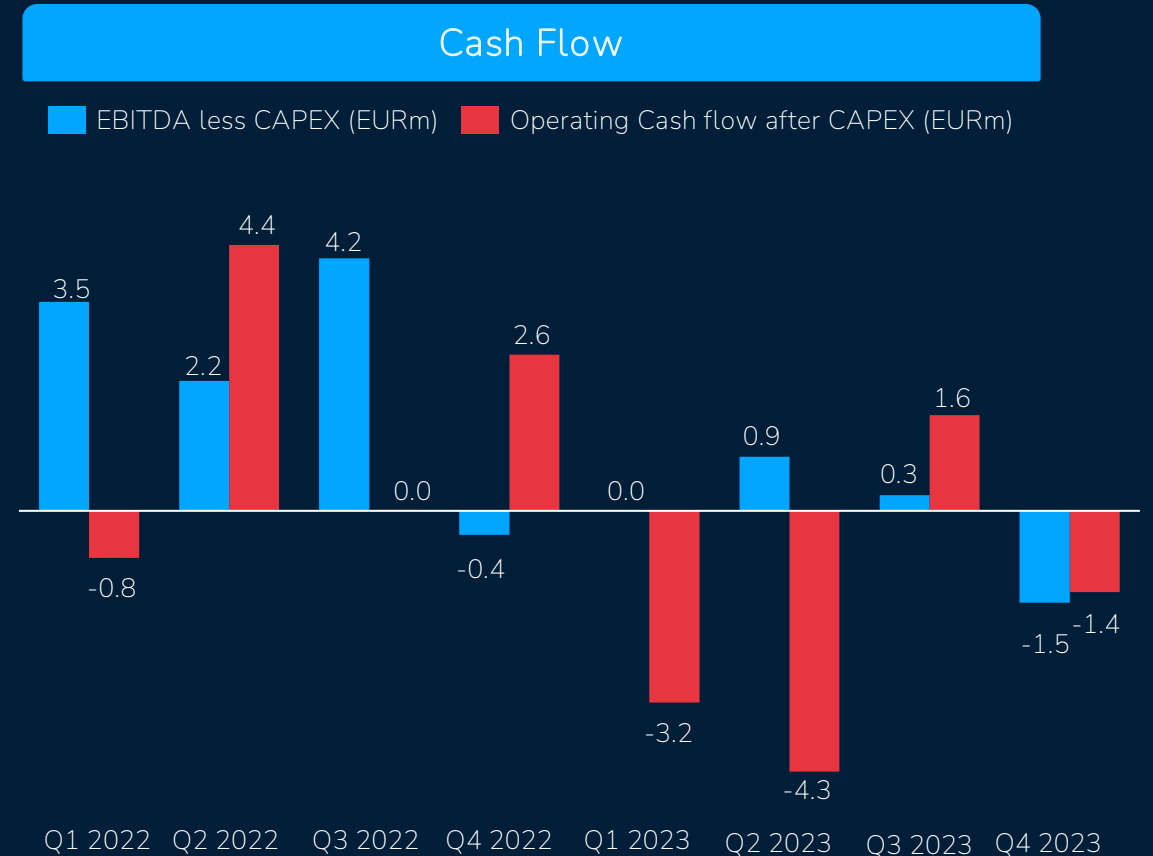
- Cost savings program fully implemented
- LTM spending has reduced to the same level as June 2022
- Cost savings will yield further cost decrease in Q1 2024 targeting ~ EUR 21m on annual basis



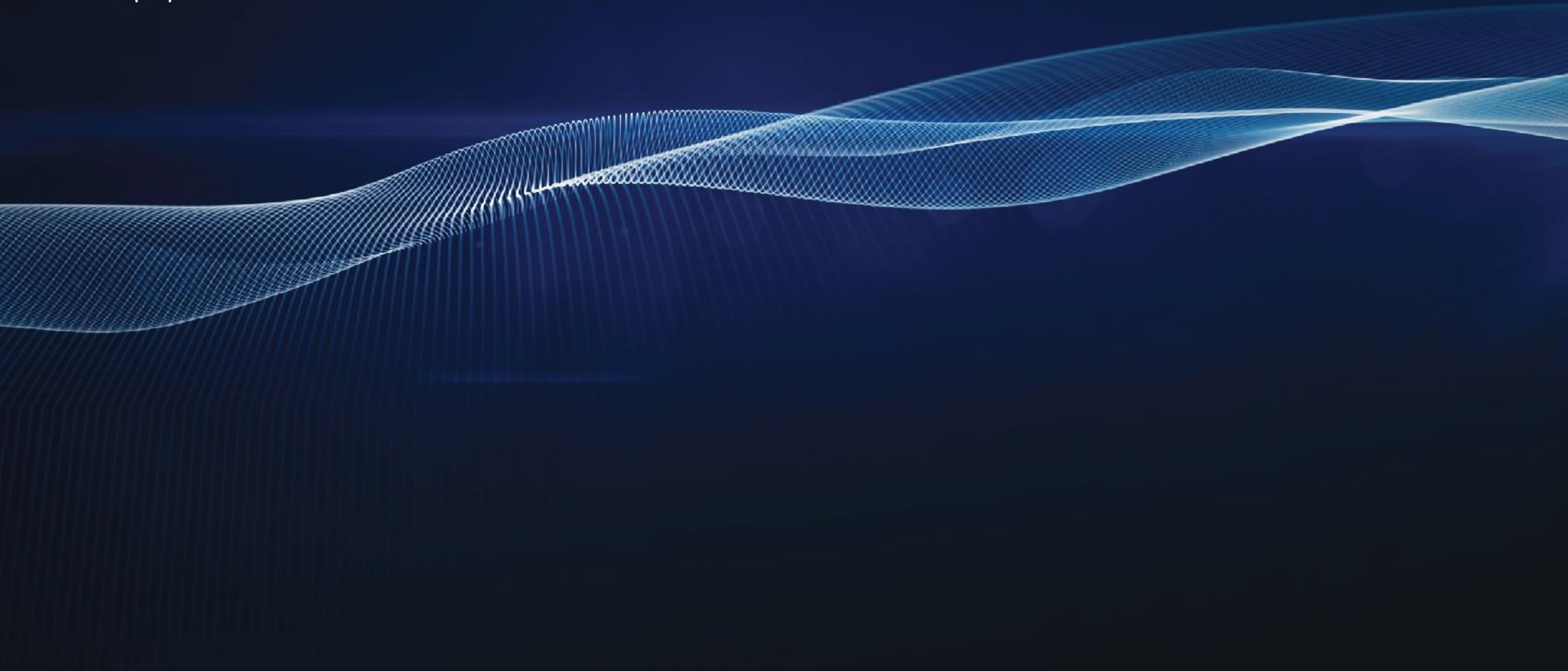


Liquidity position under control and outlook is positive based on actions taken

- Net utilization of credit facility of EUR 2.1m as of Dec 31, 2023
 - Leaving EUR 3.9m un-utilized
 - NWC improvements of ~ EUR 3m during Q4 2023 as inventory is returning to more normal levels
- Positive cash flow expected for H1 2024
 - Continued good control of NWC
 - Improving revenue and lower cost
 - Positive dialogue with Sellers of Inteno Group around remaining Earn-out payment in order to ensure that Earn-out payment shall not impact bondholders negatively



Appendix



Income Statement



EUR thousands	Q4 2023 01.10-31.12	Q4 2022 ¹⁾ 01.10-31.12	FY 2023 01.01-31.12	FY 2022 ¹⁾ 01.01-31.12
Net Sales	15 293	23 654	69 688	28 028
Other Operating Income	674	1 268	2 494	1 618
Capitalized R&D	1 063	1 894	6 851	2 807
Total Income	17 030	26 816	79 033	32 453
Cost of Goods Sold	-10 943	-16 953	-46 966	-17 641
Other External Costs	-1 642	-3 463	-9 386	-5 458
Personnel Costs	-3 719	-5 152	-14 962	-5 769
Depreciation, Amortization and Impairment	-7 320	-3 690	-12 425	-7 944
Total Operating Expenses	-23 624	-29 258	-83 739	-36 812
Operating Profit/Loss	-6 594	-2 442	-4 706	-4 359
Financial Income	54	502	225	2 387
Financial Expenses	-2 862	-1 371	-7 482	-4 624
Net Financial Items	-2 808	-870	-7 257	-2 237
Profit/Loss Before Tax	-9 402	-3 312	-11 964	-6 596
Income Tax Expense	-109	-239	355	-2 377
Profit for the Year	-9 511	-3 552	-11 608	-8 973
Number of shares	109 282	109 282	109 282	109 282
Profit per share (EUR)	-87,0	-32,5	-106,2	-82,1
Average number of employees	153	168	162	164

Balance Sheet



EUR thousands	31.12.2023	31.12.2022
ASSETS		
Non-current assets		
Capitalized Expenditure for Software	20 626	16 110
Customer Contracts	18 146	13 022
Trademarks	6 673	1 732
Goodwill	53 324	64 111
User rights	453	1 422
Machines & Inventory	2 187	1 968
Financial Assets	34	972
Total Fixed Assets	101 442	99 337
Current assets		
Stock & Work In Progress	8 551	12 530
Accounts Receivable	6 975	8 831
Prepayments & Accrued Income	1 587	1 833
Cash & Bank Balances	0	17 437
Total current assets	17 114	40 631
TOTAL ASSETS	118 556	139 967

EUR thousands	31.12.2023	31.12.2022
EQUITY		
Equity	25 390	40 278
Total Equity	25 390	40 278
Liabilities		
Non-current Liabilities		
Provisions For Guarantees	182	0
Provisions For Deferred Taxes	8 481	1 713
Other Provisions	0	132
Other Long-Term Liabilities	59 551	59 529
Total non-current Liabilities	68 214	61 374
Current Liabilities		
Bank Overdrafts	2 132	0
Other Short-Term Financial Liabilities	7 651	18 774
Current Liabilities To Customers & Suppliers	9 013	12 463
Tax Liabilities	817	844
Vat & Special Excise Duties	1 556	2 022
Personnel Taxes, Fees & Salary Deductions	17	347
Accrued Expenses & Deferred Income	3 767	3 866
Total Current Liabilities	24 952	38 316
Total Liabilities	93 166	99 690
TOTAL EQUITY AND LIABILITIES	118 556	139 967

Cash-flow



EUR thousands	Q4 01.10- 31.12.2023	Q4 01.10- 31.12.2022	FY 01.01- 31.12.2023	FY 01.01- 31.12.2022	Pro forma FY 01.01- 31.12.2022 ¹⁾
Cash flows from operating activities					
EBITDA adjusted	726	1 932	7 959	5 480	18 363
Interest payments and adjustments FX	-2 480	0	-6 625	2 522	0
Non-cash Result	0	-213	0	-104	-73
Income Taxes Paid	-301	-732	-1 757	-1 505	-2 590
Cashflow Before Change In Net Working Capital	-2 055	987	-422	6 392	15 700
Change in working capital					
Change in Inventory	2 155	-504	3 940	-940	-390
Change in Accounts receivables	1 719	7 890	1 777	6 719	2 366
Change in Other ST Operating receivables / Accruals	1 493	-1 000	446	-136	-1 000
Change in Accounts payables	-663	-1 916	-3 226	-722	-3 149
Change in Other ST Operating payables / Accruals	-1 749	-528	-1 411	-9 758	1 732
Change in Net Working Capital	2 956	3 943	1 527	-4 837	-441
Net cash flow from Operating Activities	901	4 929	1 105	1 555	15 258
Cash flows from Investing Activities					
Capex Intangible Assets	-2 484	-2 041	-8 272	-3 126	-7 884
Capex Plant & Equipment	226	-253	-120	-576	-1 044
Proceeds From Disinvestments	0	0	0	0	-36
Net cash flow from Investing Activities	-2 091	-2 304	-8 245	-3 702	-8 974

EUR thousands	Q4 01.10- 31.12.2023	Q4 01.10- 31.12.2022	FY 01.01- 31.12.2023	FY 01.01- 31.12.2022	Pro forma FY 01.01- 31.12.2022 ¹⁾
Cash Flows from Financing Activities					
Acquisitions ²⁾	0	-36 538	-12 093	-28 479	-36 295
Equity issuance	0	30 673	-112	33 872	29 096
Net Other Financial Items	979	-805	1 022	58 950	-27
Issuance/amortisation of SHL	0	-300	0	-37 248	-23 203
Change in bank debt	0	405	0	-5 615	46 604
Change in overdraft	0	-1 715	-39	0	-4 235
Leasing Amortization	0	327	0	0	-266
Net Cash Flow from Financing Activities	979	-7 954	-11 222	21 479	11 675
Non-recurring Items in EBITDA	-99	-1 258	-241	-1 895	-1 895
Net Increase/Decrease in Cash	-310	-6 586	-18 604	17 437	16 065
Cash & Cash equivalents by beginning of period	-1 725	18 025	17 437	0	1 703
Exchange rate differences on cash	-96	-215	-965	0	-397
Cash & Cash equivalents by December 31	-2 132	17 437	-2 132	17 437	17 437



Thank you