



 FLEXQUBE®

# QUARTERLY REPORT

## SECOND QUARTER 2023

# SECOND QUARTER

1 April– 30 June 2023

## THE QUARTER IN BRIEF

- Order intake decreased by 65.6 percent to 18.9 MSEK (54.9). Adjusted for foreign exchange rate effects between the comparison periods, order intake decreased by 70.3 percent.
- Net sales decreased by 33.7 percent to 37.2 MSEK (56.1). Adjusted for foreign exchange rate effects between the comparison periods, net sales decreased by 39.2 percent.
- Operating profit before depreciation (EBITDA) amounted to -8.7 MSEK (1.5) and operating profit before financial items (EBIT) amounted to -10.1 MSEK (0.3).
- Profit before tax amounted to -10.8 MSEK (0.2).
- Earnings per share amounted to -1.3 SEK (0.0).
- Cash flow amounted to -13.3 MSEK (-0.1), of which -4.5 MSEK (-8.8) from operating activities, -4.2 MSEK (-1.9) from investment activities and -4.6 MSEK (10.6) from financing activities.
- Liquid assets are amounted to 18.4 MSEK (35.5) at the end of the period.
- FlexQube annual report for 2022 is published and available on the company's website.
- The company received an order of approximately 1.8 MSEK from an existing customer for three different production facilities in Australia, marking a new market for FlexQube.
- In April, FlexQube participated in Logimat Germany, one of the largest logistics exhibitions in Europe. Among other things, we revealed our innovative AMR system, FlexQube Navigator, that was showcased for the first time at a trade show in Europe.
- In June, Mårten Frostne formally assumed the position as new CEO for the company.
- FlexQube sets a new record on the quarter for product gross margin.

**-33.7%**

Revenue growth

**-65.6%**

Order intake growth

# FIRST 6 MONTHS

1 January – 30 June 2023

## PERIOD 1 JANUARY – 30 JUNE

- Order intake decreased by 46.9 percent to 54.6 MSEK (102.9). Adjusted for foreign exchange rate effects between the comparison periods, orders received decreased by 53.0 percent.
- Net sales decreased by 33.2 percent to 66.5 MSEK (99.6). Adjusted for foreign exchange rate effects between the comparison periods, net sales decreased by 38 percent.
- Operating profit before depreciation (EBITDA) amounted to, -20.6 MSEK (-3.3) and operating profit before financial items (EBIT) amounted to -23.4 MSEK (-5.6).
- Profit before tax amounted to -24.4 MSEK (-5.9).
- Earnings per share amounted to -3.0 SEK (-0.7).
- Cash flow amounted to -12.3 MSEK (0.3), of which -27.7 MSEK (-13.6) from operating activities, -8.2 MSEK (-3.7) from investment activities and 23.6 MSEK (17.7) from financing activities.
- Liquid assets amounted to 18.4 MSEK (35.5) at the end of the period.

**-33.2%**  
Order intake growth

**-46.9%**  
Revenue growth

# SECOND QUARTER

1 April – 30 June 2023

## EVENTS AFTER THE END OF THE PERIOD

- FlexQube is granted a patent in Europe for its innovative AMR system, FlexQube Navigator. Equivalent patents are expected to be granted in the USA shortly, and applications are also under review in South Korea, Japan, China, Canada, Mexico, and India.
- The company obtained loan guarantees of 10 MSEK, through respective managing companies, from main owners Christian Thiel and Anders Fogelberg, which can be utilized as needed.



# FINANCIAL HIGHLIGHTS

## FINANCIAL HIGHLIGHTS

SEK	Unit	2023			2022			Full Year	
		Q2	Q1	Q4	Q3	Q2	Q1	2022	2021
Order intake	TSEK	18 892	35 740	38 760	36 722	54 896	48 050	178 428	155 282
Net sales	TSEK	37 181	29 362	48 595	56 433	56 078	43 490	204 594	112 630
Operating profit before depreciations (EBITDA)	TSEK	-8 687	-11 904	-2 203	3 964	1 515	-4 789	-1 514	-17 362
Operating income (EBIT)	TSEK	-10 057	-13 341	-3 516	2 772	351	-5 973	-6 365	-21 995
Operating margin	%	-27%	-45%	-7%	5%	1%	-14%	-3%	-20%
Number of employees at the end of the period	No.	59	56	58	58	54	57	58	44
<b>FINANCIAL POSITION</b>									
Working capital	TSEK	64 791	67 717	73 135	69 008	60 420	40 915	73 135	39 350
Solidity	%	34%	36%	45%	47%	46%	48%	45%	55%
Cash and cash equivalents	TSEK	18 387	31 422	30 452	36 077	35 529	35 529	30 452	34 924
Cashflow for the period	TSEK	-13 269	960	-4 833	-1 104	-121	457	-5 601	21 520
<b>KEY RATIOS PER SHARE</b>									
Number of shares	TNo.	8 233	8 233	8 233	8 233	8 233	8 233	8 233	8 233
Profit for the period	SEK	-1,3	-1.7	-0.5	0.3	0.0	-0.7	-0.9	-2.7
Equity	SEK	5,8	6.9	8.4	9.4	8.6	8.0	8.4	8.8



## SHORT-TERM CAUTIOUS MARKET, YET ACHIEVING A RECORD HIGH ROBOTICS SALES

After working my first few weeks, I can confirm that FlexQube has just as much potential as I envisioned, which was the reason I chose to accept the job. During the initial period, I have met with our staff to familiarize myself with the operations and with customers to understand their perspective on FlexQube. In my second week alone, I visited our facilities in Duncan, South Carolina, USA, and Aguascalientes, Mexico, as well as multiple customers in these markets. It is truly amazing to witness how our products are appreciated by customers for their flexibility and durability. I also saw examples of customers adapting our existing carts to fit new products in their operations - a unique opportunity offered by the FlexQube concept. Furthermore, it is evident that our customers have a significant interest in transitioning from mechanical carts and embarking on the journey towards automation through our AGV and AMR systems, while our mechanical carts will continue to have a place in many operations, even in the future.

However, what brings me the greatest joy as the new CEO is meeting all our dedicated and skilled employees in the company. The staff is the foundation for us to continue our journey towards becoming a leading automation company, and without talented and engaged personnel, it would not be possible to achieve.

I can also confirm that we are operating in markets with favorable conditions, even though market uncertainty due to war, inflation, and rising interest rates negatively impacts our customers. In Mexico, significant investments are being made in new industrial facilities as part of European and American companies "nearshoring", as Mexico proves to be a better alternative for many firms than Asia, offering cost-effective labor compared to the United States. We also observe substantial initiatives in both the United States and Europe towards electrification. All these factories require new material handling equipment. However, the greatest potential lies within existing factories, where we have only scratched the surface. Many are working to enhance their production processes in various ways, and we can provide different solutions based on the customer needs and level of automation maturity.



## FLEXQUBES ROBOTIC CONCEPT

The positive trend for our automation products continues, both in terms of sales and, above all, in the ongoing development of the AGV system, eQart® Line, and the work on launching our AMR system, FlexQube Navigator.

During the quarter, 22 AGV systems were delivered, and we have already exceeded last year's total sales. Several major projects have been installed, including our largest AGV order in Europe to a customer in Slovakia consisting of seven eQart® Line robots. During the quarter, the final important product features have also been developed and implemented. The product is now entering a new phase with a focus on sales efforts and partnerships with distributors to increase the volume of sales.

For our AMR system, FlexQube Navigator, the first pilot AMR has been installed at the world's largest car manufacturer, which has invested in two robots and several different carriers. The customer showed early interest in our unique "non-load-bearing" AMR that can move carts with a wide variation in size and load weight. The feedback on functionality of the performance early in the products lifecycle is crucial for FlexQube.

Phase 1 of product development is now completed, and the focus, similar to our AGV system, is shifting from development to scaling up sales through our own salespeople and distributors. Delivery times and component shortages have been a challenge, but we have secured materials to build 50 AMR systems in the coming quarter, and we see a positive development regarding availability and delivery times for additional volume.

We have worked closely with TÜV SÜD, who has assisted us with the entire certification process, which will be completed in the third quarter. Several interesting procurement processes are ongoing, especially with existing customers in the automotive and heavy equipment industries, and we are ready to receive orders.

After the end of the quarter, an important patent has also been granted in Europe, providing protection for our innovation with a non-load-bearing AMR which is connected to a motorized FlexQube platform that is lifted from the ground. A patent that is expected to offer significant commercial advantage, and we are optimistic about obtaining similar patents in our other main markets, as well as having our additional patent applications approved for our AMR system.

## RESULT AND DEVELOPMENT

As we communicated for the first quarter, the market continues to be characterized by slower customer processes and uncertain sentiment among our customers purchasing departments, which negatively affects our order intake. The order intake decreases by 64% compared to the same quarter of the previous year. However, market activity remains high despite the decline in our order intake, our quoted values increased by 22%. In addition to the uncertainty surrounding our customers general economic conditions, our increased focus on AGV and AMR robots also leads to a short-term decline in order intake, as sales processes are longer, and more resources are allocated to these products. It should also be noted that we previously had the luxury of working reactively in our sales, as the influx of good projects was substantial. However, in a more challenging market, we must now work more strategically with our existing customers and the significant investments being made in the market, as well as develop distributor sales, to generate a more predictable order pipeline. Our opportunities are fantastic in the market, and we have only scratched the surface. With a more strategic sales approach, we should be able to grow despite challenging market conditions.

Although the transition from Anders Fogelberg to me as the new CEO has worked very well, it has had short-term effects on order intake over the past 6 months. Anders has placed a significant amount of focus over the past six months on preparing the company for me, which I am grateful for, and which is important in the long term. However, considering how important Anders has been for sales efforts, it is evident that this has affected the order intake. There has also been some personnel turnovers in our American sales organization during the spring, which also had an impact in the order intake, but after a much-needed vacation and parental leave during the summer, Anders will from mid-August start a full-time role as responsible for New Business Development, that will focus on large customers, both new and existing, as well as providing support to me and the sales team with his deep knowledge of selling FlexQubes various concepts.

The discrepancy between actual order intake, historical closing frequency, and the activity we observe in the market is high during the first half of the year, with some of the reasons mentioned above. However, we still have strong confidence that our current project pipeline and product offerings will lead to increased order intake in the long run and a favorable outcome for the second half of 2023. There is a good amount of patience and confidence within the organization, and we assess that the quality of the project pipeline is good.

As of now we have a new sales manager that just started in the Nordics, and we now have a well-staffed sales organization. If we determine that there is a requirement for extra sales and product resources in the upcoming autumn months to fully cater to our customers needs, then we will allocate our resources accordingly. We are now fully focused on increasing sales, with a very good cost control. In April, we exhibited at one of the largest trade shows in Europe, Logimat in Germany. This was also the first time we physically showcased our AMR system, FlexQube Navigator, at a European trade show, generating significant interest, and we expect to see the impact of this later in the year.

With lower revenue and ongoing significant investments in our robot concept, as well as sales activities such as trade shows and launch costs for the AMR system, this leads to lower profitability. It is, of course, never pleasant to report a deterioration in results, and now we have a strong focus on maximizing the impact of every cost and increasing the efficiency of existing resources in general. This needs to be balanced against the opportunity costs it entails, and even though we will have a strong cost focus in the short term until we see more positive developments, we need to continue investing in the company's strategy to achieve profitability in the long run. Despite challenging order intake and sales figures, it is still pleasing to see that we are achieving a new record level for our product gross margin. We are expected to continue increasing this as we further enhance efficiency, and robot sales become a larger part of the sales in the coming years.

Cash flow is of the highest priority to support our efforts and is something our finance and operations departments work on daily to optimize. Working capital has developed positively during the quarter, and after the quarter's end, we have also secured a loan guarantee of 10 million SEK from some of our larger shareholders to ensure we have an adequate buffer.

In summary, despite a challenging market, I can conclude that we have a fantastic product offering that is complete following the launch of our AMR system, FlexQube Navigator. We are in interesting markets, we have satisfied customers, and a fantastic team.

Moving forward, the requirement is to continue developing our company towards becoming an automation company in terms of organization, processes, and sales channels. This requires a lot of hard work, but also prioritizing our resources in the best way.

Finally, I would like to take the opportunity to thank the former CEO, Anders Fogelberg, for a good collaboration during the transition to me, and I look forward to working together and taking this company to new heights.

## **Mårten Frostne**

CEO FlexQube AB (publ)



# FINANCIAL SUMMARY

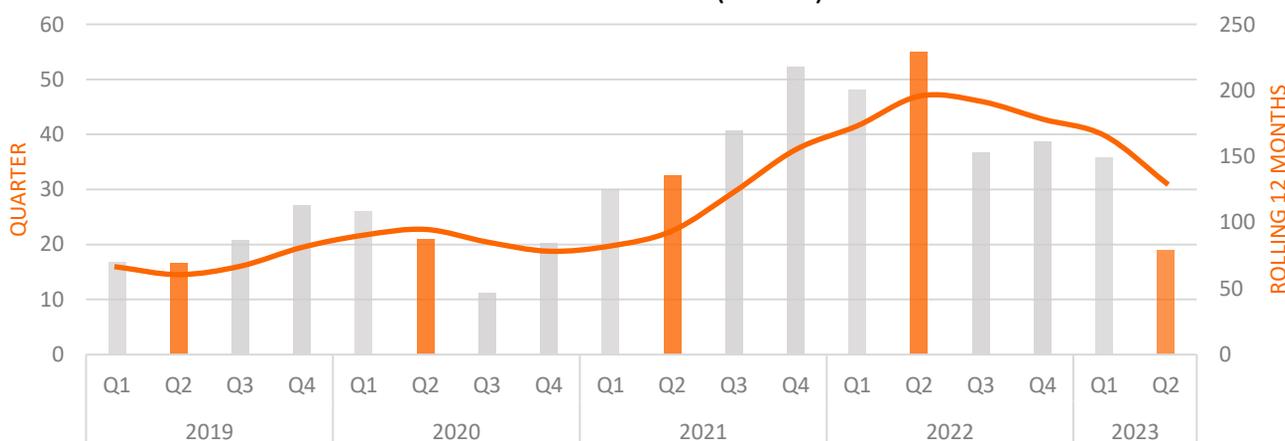
1 April – 30 June 2023

Numerical data given in brackets in this interim report refer to comparison with the interim period 1 April – 30 June 2022 or the balance sheet date 2022-06-30. FlexQube's accounting currency is in Swedish kronor (SEK). When converting foreign subsidiaries' income statement, the Group applies an average price for the year.

## ORDER INTAKE

The Group's order intake during the current quarter amounted to 18.9 MSEK (54.9), a decrease of 65.6 percent compared to the same quarter last year.

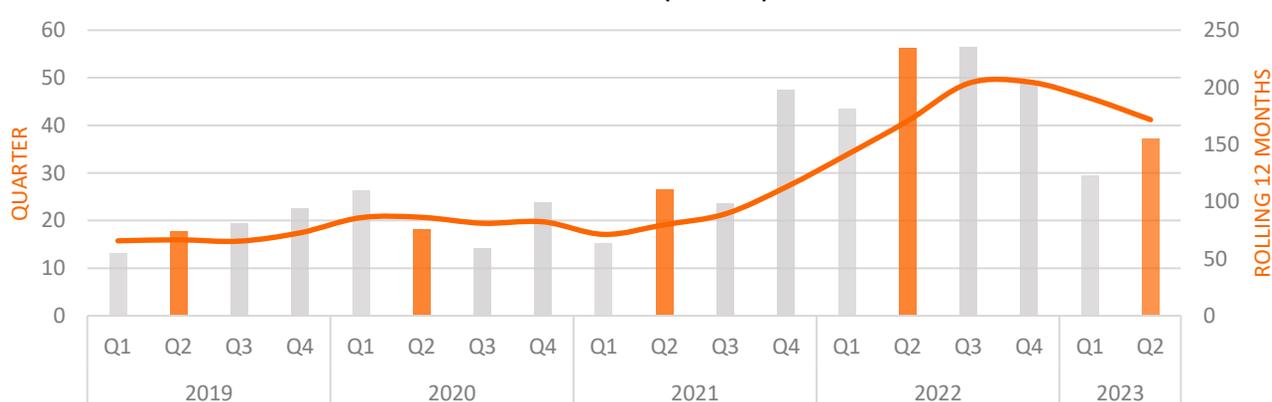
Order intake (MSEK)



## REVENUE

Net sales for the quarter amounted to 37.2 MSEK (56.1), a decrease of 33.7 percent compared to the same period last year. Total revenue decreased by 33.2 percent and thus amounted to 38.4 MSEK (57.5) at the end of the period.

Net Sales (MSEK)



# FINANCIAL SUMMARY

1 April – 30 June 2023

## OPERATING INCOME

Operating profit before depreciation (EBITDA) amounted to -8.7 MSEK (1.5). The decline in earnings is mainly attributable to lower sales and higher costs.

Personnel costs have increased by 11.7 percent compared to previous period as a result of personnel recruitments, salary increases and bonus costs.

Other external costs have decreased by 24.7 percent which is mainly due to lower shipping cost and lower cost for external production personnel.

Operating profit before financial items (EBIT) amounted to -10.1 MSEK (0.4), with depreciations amounted to -1.4 MSEK (-1.2).

Profit before tax amounted to -10.8 MSEK (0.2) and profit after tax amounted to -10.8 MSEK (0.2).

Deferred tax claims on loss carry forwards has not been taken into account.

## CASH FLOW

Cash flow for the period amounted to -13.3 MSEK (-0.1), of which:

Cash flow from operating activities amounted to -4.5 MSEK (-8.8). The improvement is mainly due to reduced working capital.

Cash flow from investment activities amounted to -4.2 MSEK (-1.9). The change between the comparison periods is, among other things, due to increased investments for intangible assets linked to our AGV and AMR systems.

Cash flow from financing activities amounted to -4.6 MSEK (10.6). The change between the comparison periods is mainly due to the utilization of invoice financing and loan amortization.

Liquid funds amounted to 18.4 MSEK (35.5) at the end of the period.

# FINANCIAL SUMMARY

1 January – 30 June 2023

## OPERATING INCOME

Operating profit before depreciation (EBITDA) amounted to -20.6 MSEK (-3.3). The deterioration in results is primarily attributable to the decreased in sales.

Personnel costs have increased by 12.3 percent compared to previous period as a result of personnel recruitments, salary increases and bonus costs.

Other external costs have decreased by 9.8 percent and is mainly because of decreased freight costs.

Operating profit before financial items (EBIT) amounted to -23.4 MSEK (-5.6), with depreciations amounted to -2.8 MSEK (-2.3).

Profit before tax amounted to -24.4 MSEK (-5.9) and profit after tax amounted to -24.4 MSEK (-5.9).

Deferred tax claims on loss carryforwards has not been taken into account.

## CASH FLOW

Cash flow for the period amounted to -12.3 MSEK (0.3), of which:

Cash flow from operating activities amounted to -27.7 MSEK (13.6). The deterioration is primarily due to the diminished outcome.

Cash flow from investment activities amounted to -8.2 MSEK (3.7). The change between the comparison periods is due, among other factors to increased investments in intangible fixed assets related to the AGV and AMR systems.

Cash flow from financing activities amounted to 23.6 MSEK (17.7). The change between the comparison periods is primarily due to an expanded overdraft facility.

Liquid funds amounted to 18.4 MSEK (35.5 MSEK) at the end of the period.

# FINANCIAL POSITION

30 June 2023

Numerical data given in parentheses in this interim report refer to comparison with the balance sheet date 2022-06-30. FlexQube's accounting currency is in Swedish kronor (SEK). When converting foreign subsidiaries' balance sheet items, the Group applies the current exchange rate as of 2023-06-30.

## CONSOLIDATED BALANCE SHEET

The company's total assets as of June 30, 2023 amounted to 140.2 MSEK (154.0).

Intangible fixed assets amounted to 22.4 MSEK (16.1). This item consists primarily of expenses linked to development costs for FlexQube's AGV and AMR systems. Other items included in intangible fixed assets are expenditure on development work regarding IT and software solutions towards customers, patents and trademarks, as well as conceptual development of FlexQubes mechanical building blocks.

Current assets amounted to 112.7 MSEK (134.8) at the balance sheet date, of which inventories amounted to 52.9 MSEK (49.0), accounts receivables amounted to 32.7 MSEK (43.1) and cash equivalents amounted to 18.4 MSEK (35.5).

At the end of the period, equity amounted to 48.0 MSEK (70.7).

Short-term liabilities amounted to 85.6 MSEK (76.6) and consist mainly of overdraft facilities, accounts payable and liabilities to credit institutions.

## THE FLEXQUBE SHARE

FlexQube's share capital on June 30, 2023 amounted to 0.8 MSEK. The number of shares amounted to 8 233 333 with equal rights, corresponding to a quota value of 0.1 SEK.

The company's share is listed on Nasdaq Stockholm First North under the symbol FLEXQ since December 14, 2017. FlexQube had a turnover during the period April 1 to 30 June 2023 of 113 443 shares.

The average turnover during the period was approximately 1 923 shares per trading day with a value of 75 778 SEK. The average price for the share during the period was 40.7 SEK.

The last close at the end of the period was 34.0 SEK an increase of approximately 13.3 percent from the IPO price at the close on December 14, 2017, or a decrease of approximately 38.0 percent from the closing price on December 31, 2022.

## PERSONNEL

The number of employees at FlexQube reflects the scalable operating model that the Group is actively working on, partly to be able to use economies of scale in the longer term and partly because of a somewhat limited cost suit in the short term.

The number of employees at the end of the period was 59 (54), of which 11 were women (13). The average number of employees in the period April to June 2023 was 57 persons (56), of whom 11 were women (13). It can also be noted that with the company's organizational structure, the company has about 20-30 additional people at the disposal of suppliers and external consultants.

## RELATED PARTY TRANSACTIONS

No transactions with related parties have occurred during the quarter.

# FINANCIAL POSITION

30 June 2023

## RISK AND UNCERTAINTY

FlexQube works continuously to evaluate and manage risk by assessing preventive measures and having relevant policies and guidelines in place.

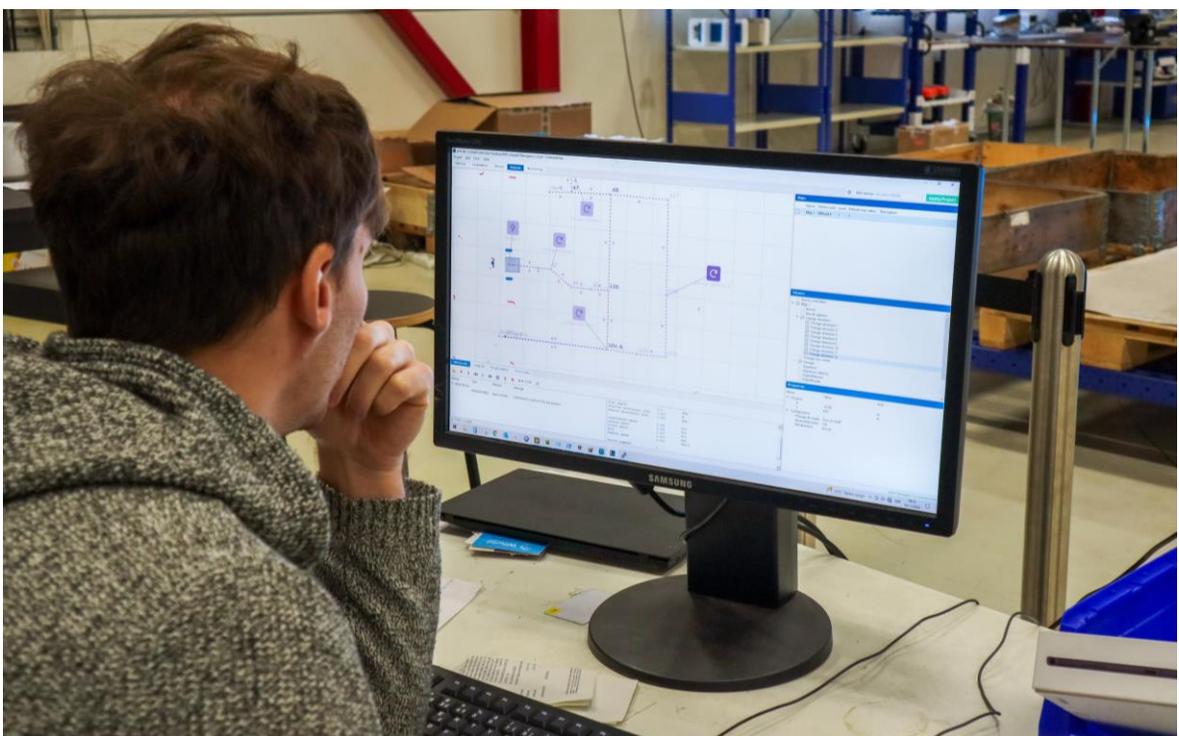
FlexQube is exposed to market and financial risks, of which currency and liquidity risks are the most significant. The Board of Directors annually decides on a finance policy aimed at identifying and minimizing the effects of financial risks.

The currency risk is due to the fact that part of the Group's revenues are in EUR for the European market, while operating expenses are mainly in SEK. The U.S. entity has local manufacturing and supply chain operations in the U.S. and only limited purchases are made in currencies other than USD. Thus, the currency risk is limited for the US entity, except for any intra-group transactions.

The liquidity risk is mainly due to the fact that the Group's major customers require long payment periods and that the Group is in an expansive phase. Management continuously follows forecasts for liquidity reserves and expected cash flows. The Group works actively to reduce liquidity risk through prudent liquidity management and ongoing close cooperation with the Group's lenders and other partners.

FlexQube is an international company facing risks related to changing market conditions. FlexQube works actively to be a leader in its field of activity in order to withstand risk in the form of increased competition.

FlexQube's significant risks and uncertainties are described in more detail in the Annual Report for 2022.



# ABOUT THE PARENT COMPANY

FlexQube AB (publ) in Mölndal with org.nr. 556905-3944 is the group's parent company. In connection with the company's IPO, the Parent Company has established a management function for the Group, within the framework of management and governance. All other business-related transactions that do not involve group management, with external and/or intra-group parties, are primarily traded by the subsidiaries.

## PARENT COMPANY'S FINANCIAL SUMMARY OF THE SECOND QUARTER OF 2023

Numerical data given in brackets refer to comparison with the interim period April 1 to June 30 2022 or the balance sheet date 2022-06-30. The parent company's accounting currency is in Swedish kronor (SEK).

### SALES AND OPERATING PROFIT

The parent company's net sales amounted to 0.0 MSEK (0.0). Other operating income refers to an accrued currency gains on loans to subsidiaries in foreign currencies amounting to 2.5 MSEK (3.8). Other operating expenses relate to accrued foreign exchange losses on loans to subsidiaries in foreign currency amounting to SEK -0.1 million (0.0).

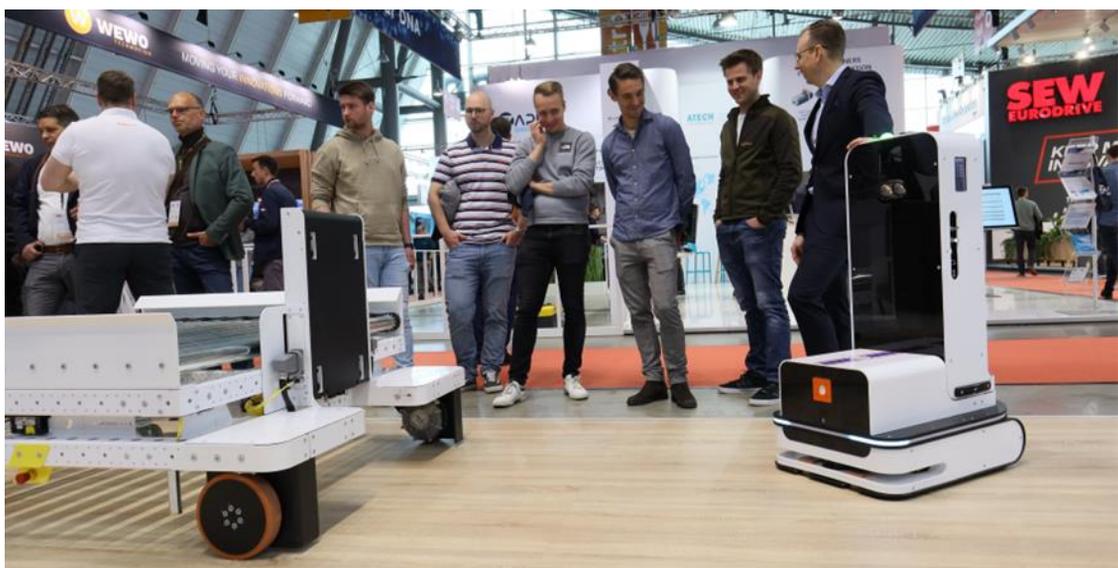
Operating profit before financial items (EBIT) amounted to 1.2 MSEK (2.8).

Profit before tax amounted to 2.1 MSEK (3.4) and profit after tax amounted to 2.1 MSEK (3.4).

### THE PARENT COMPANY'S FINANCIAL POSITION

The parent company's total assets amounted to 157.0 MSEK (153.7.5) as of June 30, 2023.

Fixed assets amounted to 144.5 MSEK (151.3) and consist of shares in and loans to subsidiaries. The difference between the comparison periods is attributable to increased capital injections into subsidiaries as well as repaid loans from subsidiaries. Current assets amounted to 12.5 MSEK (2.3) and consist mainly of liquid funds. The parent company's equity amounted to 152.1 MSEK (152.7). Short-term liabilities amounted to 4.7 MSEK (2.0) and consists mainly of liabilities to related parties.



# FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

	Second quarter		6 months		Full Year
TSEK	2023	2022	2023	2022	2022
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Net sales	37 181	56 078	66 544	99 567	204 594
Capitalised work on own account	893	418	1 710	623	1 453
Other operating income*	304	974	422	1 891	3 499
<b>Total operating revenue</b>	<b>38 378</b>	<b>57 469</b>	<b>68 676</b>	<b>102 082</b>	<b>209 547</b>
<b>OPERATING EXPENSES</b>					
Goods for resale	-19 244	-24 278	-33 067	-47 823	-98 096
Other external costs	-13 786	-18 304	-29 995	-33 253	-63 362
Personnel costs	-14 630	-13 103	-26 589	-23 673	-49 604
Other operating expenses*	595	-270	385	-608	-
<b>EBITDA</b>	<b>-8 687</b>	<b>1 515</b>	<b>-20 591</b>	<b>-3 275</b>	<b>-1 514</b>
Depreciation of fixed assets	-1 370	-1 163	-2 807	-2 347	-4 851
<b>Total operating expenses</b>	<b>-48 435</b>	<b>-57 118</b>	<b>-92 073</b>	<b>-107 703</b>	<b>-215 912</b>
<b>Operating income (EBIT)</b>	<b>-10 057</b>	<b>351</b>	<b>-23 397</b>	<b>-5 621</b>	<b>-6 365</b>
<b>FINANCIAL INCOME AND EXPENSES</b>					
Interest income and similar credits	126	-	-	-	24
Interest expenses and similar charges	-848	-131	-1 236	-244	-656
<b>Total financial items</b>	<b>-723</b>	<b>-131</b>	<b>-1 050</b>	<b>-244</b>	<b>-632</b>
<b>Income after financial items</b>	<b>-10 779</b>	<b>220</b>	<b>-24 447</b>	<b>-5 865</b>	<b>-6 997</b>
Income taxes	-	-25	-	-25	-71
<b>Income for the period</b>	<b>-10 779</b>	<b>195</b>	<b>-24 447</b>	<b>-5 890</b>	<b>-7 068</b>
<b>Attributable to:</b>					
Owner of the Parent Company	-10 779	195	-24 447	-5 890	-7 068
Earnings per share attributable to owners of the Parent Company	-1,3	-0,7	0,0	-0,7	-0,9

\*Includes exchange rate changes of operating items

# CONSOLIDATED BALANCE SHEET

## ASSETS

TSEK	2023-06-30	2022-06-30	2022-12-31
<b>ASSETS</b>			
Fixed assets			
<b>Intangible fixed assets</b>			
Capitalized development expenses	18 774	13 298	14 664
Concessions, patents, licenses, trademarks	3 630	2 776	2 790
Other intangible assets	-	18	-
<b>Total intangible fixed assets</b>	<b>22 403</b>	<b>16 092</b>	<b>17 454</b>
<b>Tangible fixed assets</b>			
Property, plant and equipment	2 541	1 651	2 301
Inventories, tools and installations	2 568	1 463	2 335
<b>Total tangible fixed assets</b>	<b>5 109</b>	<b>3 114</b>	<b>4 636</b>
<b>Total fixed assets</b>	<b>27 512</b>	<b>19 206</b>	<b>22 089</b>
Current assets			
Inventories	52 904	49 033	51 430
<b>Total inventories etc.</b>	<b>52 904</b>	<b>49 033</b>	<b>51 430</b>
<b>Current receivables</b>			
Accounts receivable	32 684	43 076	43 601
Other receivables	1 298	1 677	1 641
Prepaid expenses and accrued income	7 429	5 483	4 487
<b>Total current receivables</b>	<b>41 411</b>	<b>50 236</b>	<b>49 729</b>
<b>Cash and cash equivalents</b>	<b>18 387</b>	<b>35 529</b>	<b>30 452</b>
<b>Total current assets</b>	<b>112 702</b>	<b>134 798</b>	<b>131 612</b>
<b>TOTAL ASSETS</b>	<b>140 214</b>	<b>154 003</b>	<b>153 701</b>

# CONSOLIDATED BALANCE SHEET

## EQUITY AND LIABILITIES

TSEK	2023-06-30	2022-06-30	2022-12-31
<b>Equity</b>			
Capital stock	823	823	823
Additional paid in capital	149 994	147 730	148 232
Retained earnings	-78 402	-71 935	-72 655
Income for the period	-24 447	-5 890	-7 068
<b>Total equity</b>	<b>47 969</b>	<b>70 729</b>	<b>69 332</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions	5 729	5 500	4 344
Other non-current liabilities	889	1 156	1 547
<b>Total non-current liabilities</b>	<b>6 618</b>	<b>6 656</b>	<b>5 892</b>
<b>Current liabilities</b>			
Accounts payable	20 797	31 688	21 896
Overdraft facility**	40 000	2 304	2 308
Liabilities to credit institutions	4 993	23 278	22 007
Current tax liability	5	5	5
Other current liabilities	8 527	7 564	15 052
Accrued expenses and deferred income	11 305	11 780	17 208
<b>Total current liabilities</b>	<b>85 628</b>	<b>76 618</b>	<b>78 477</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>140 214</b>	<b>154 003</b>	<b>153 701</b>

\*\*Specification of overdraft limit and unused portion of check for each period is given below:

<b>Specification of overdraft limit and unused part of check:</b>	<b>2023-06-30</b>	<b>2022-06-30</b>	<b>2022-12-31</b>
Overdraft limit (TSEK)	40 000	2 300	2 300
Unused part of overdraft facility (TSEK)	-	-	-

# CONSOLIDATED CHANGES IN EQUITY

TSEK	Capital stock	Additional paid in capital	Retained earnings etc.	Total equity
Opening balance 2022-01-01	823	147 589	-76 296	72 116
<b>Income for the period</b>			-7 068	-7 068
Exchange rate differences when converting foreign subsidiaries			3 641	3 641
Premium paid when issuing warrant		643		643
<b>OUTGOING BALANCE 2022-12-31</b>	<b>823</b>	<b>148 232</b>	<b>-79 723</b>	<b>69 332</b>
Opening balance 2023-01-01	823	148 232	-79 723	69 332
<b>Income for the period</b>			-24 447	-24 447
Exchange rate differences when converting foreign subsidiaries			1 312	1 312
Premium paid when issuing warrant		1 762		1 762
<b>OUTGOING BALANCE 2023-06-30</b>	<b>823</b>	<b>149 994</b>	<b>-102 858</b>	<b>47 959</b>

# CONSOLIDATED CASH FLOW STATEMENT

	Second quarter		6 months		Full Year
TSEK	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
<b>OPERATING ACTIVITIES</b>					
Operating income before financial items	-10 057	351	-23 539	-5 621	-6 365
Adjustments for items not included in cash flow					
Depreciation	1 370	1 163	2 807	2 347	4 851
Other items not included in cash flow	267	3 929	793	4 002	5 664
Received interest	126	-	186	-	24
Interest paid	-848	-131	-1 236	-244	-656
Income tax paid	-	-24	-	-24	-70
<b>Cash flow from operating activities before changes in working capital</b>	<b>-9 142</b>	<b>5 288</b>	<b>-20 989</b>	<b>459</b>	<b>3 448</b>
Cash flow from changes in working capital					
Changes in inventories	2 798	-6 239	-2 206	-15 626	-21 831
Changes in operating receivables	5 019	-8 839	9 962	-6 305	-1 058
Changes in operating liabilities	-3 179	982	-14 486	7 872	-2 523
<b>Cash flow from operating activities</b>	<b>-4 504</b>	<b>-8 809</b>	<b>-27 719</b>	<b>-13 599</b>	<b>-21 964</b>
<b>INVESTMENT ACTIVITIES</b>					
Acquisition of intangible fixed assets	-3 367	-1 722	-6 755	-3 011	-6 012
Acquisition of tangible fixed assets	-785	-199	-1 411	-711	-2 075
<b>Cash flow from investments activities</b>	<b>-4 152</b>	<b>-1 922</b>	<b>-8 166</b>	<b>-3 723</b>	<b>-8 087</b>
<b>FINANCING ACTIVITIES</b>					
Warrant program	205	171	1763	141	643
Change in non-current financial liabilities	-2 726	11 099	20 679	18 840	17 573
New borrowings	-	-	3 929	-	9 000
Amortization of loans	-1 967	-578	-2 544	-1 156	-2 311
Amortization of financial leasing liabilities	-125	-84	-249	-168	-454
<b>Cash flow from financing activities</b>	<b>-4 613</b>	<b>10 609</b>	<b>23 576</b>	<b>17 658</b>	<b>24 451</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-13 269</b>	<b>-121</b>	<b>-12 309</b>	<b>336</b>	<b>-5 601</b>
Cash and cash equivalents at the beginning of the period	31 422	35 529	30 452	34 925	34 925
Exchange difference in cash and cash equivalents	234	122	244	269	1 128
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>18 387</b>	<b>35 529</b>	<b>18 387</b>	<b>35 529</b>	<b>30 452</b>

# PARENT COMPANY'S INCOME STATEMENT

	Second quarter		6 months		Full Year
TSEK	2023	2022	2023	2022	2022
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Net sales	-	-	-	-	-
Other operating income	2 491	3 805	2 061	4 070	3 865
<b>Total operating income</b>	<b>2 491</b>	<b>3 805</b>	<b>2 061</b>	<b>4 070</b>	<b>3 865</b>
			<b>0</b>	<b>0</b>	
OPERATING EXPENSES			0	0	
Other external costs	-1 146	-860	-1 727	-1 306	-2 211
Personnel costs	-186	-169	-362	-330	-685
Other operating expenses	-	-	-17	-	-
<b>Total operating expenses</b>	<b>-1 332</b>	<b>-1 030</b>	<b>-2 106</b>	<b>-1 635</b>	<b>-2 896</b>
<b>EBITDA</b>	<b>1 159</b>	<b>2 775</b>	<b>-45</b>	<b>2 434</b>	<b>969</b>
<b>Operating income (EBIT)</b>	<b>1 159</b>	<b>2 775</b>	<b>-45</b>	<b>2 434</b>	<b>969</b>
			0	0	
FINANCIAL INCOME AND EXPENSES			0	0	
Interest income and similar credits	927	657	1 830	1 153	2 505
Interest expenses and similar charges	-	-	-137	-	-15
<b>Total financial items</b>	<b>927</b>	<b>657</b>	<b>1 694</b>	<b>1 153</b>	<b>2 490</b>
<b>Income after financial items</b>	<b>2 086</b>	<b>3 432</b>	<b>1 649</b>	<b>3 587</b>	<b>3 459</b>
Appropriations	-	-	-	-	-3 400
Income tax for the period	-	-	-	-	-
<b>Income for the period</b>	<b>2 086</b>	<b>3 432</b>	<b>1 649</b>	<b>3 587</b>	<b>59</b>

# PARENT COMPANY'S BALANCE SHEET

## ASSETS

TSEK	2023-06-30	2022-06-30	2022-12-31
ASSETS			
Fixed assets			
<b>Financial assets</b>			
Shares in subsidiaries	107 605	76 405	85 570
Receivables from subsidiaries	36 857	74 926	65 583
<b>Total financial assets</b>	<b>144 462</b>	<b>151 331</b>	<b>151 153</b>
<b>Total fixed assets</b>	<b>144 462</b>	<b>151 331</b>	<b>151 153</b>
Current assets			
<b>Current receivables</b>			
Receivables from subsidiaries	1 700	1 051	2 155
Other receivables	301	267	100
Prepaid expenses and accrued income	344	269	59
<b>Total current receivables</b>	<b>2 345</b>	<b>1 587</b>	<b>2 314</b>
<b>Cash and cash equivalents</b>	<b>10 160</b>	<b>796</b>	<b>9 172</b>
<b>Total current assets</b>	<b>12 505</b>	<b>2 383</b>	<b>11 486</b>
<b>TOTAL ASSETS</b>	<b>156 967</b>	<b>153 714</b>	<b>162 639</b>

# PARENT COMPANY'S BALANCE SHEET

## EQUITY AND LIABILITIES

TSEK	2023-06-30	2022-06-30	2022-12-31
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Capital stock	823	823	823
<b>Total restricted equity</b>	<b>823</b>	<b>823</b>	<b>823</b>
Capital surplus	146 741	144 477	144 979
Retained earnings	2 853	2 794	2 793
Income for the period	1 649	3 587	59
<b>Total non-restricted equity</b>	<b>151 243</b>	<b>150 858</b>	<b>147 831</b>
<b>Total equity</b>	<b>152 066</b>	<b>151 682</b>	<b>148 655</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable	131	683	1
Liabilities to subsidiaries	2 303	161	3 400
Other current liabilities	1 799	879	9 978
Accrued expenses and deferred income	468	310	605
<b>Total current liabilities</b>	<b>4 701</b>	<b>2 032</b>	<b>13 984</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>156 967</b>	<b>153 714</b>	<b>162 639</b>

# ACCOUNTING PRINCIPLES

The current interim report has been established in accordance with ÅRL and the General Council of the Swedish Accounting Board BFNAR 2012:1 Annual Report and Consolidated Accounts (K3). The accounting principles are unchanged compared to the previous year. For definitions, see the annual and consolidated financial statements for 2022.

This is a translation of the official Swedish quarterly report. In case of any deviations between the Swedish and English report the Swedish report always prevail.

## DEFINITIONS OF KEY RATIOS

**Equity per share:** Equity at the end of the period divided by adjusted number of shares at the end of the financial year.

**Order intake:** Value of orders received during the specified period.

**Cash flow for the period:** Total cash flow from operations at the end of the period.

**Earnings per share:** Profit for the period in relation to adjusted average number of shares during the financial year.

**Working capital:** Inventories and trade receivables minus trade payables.

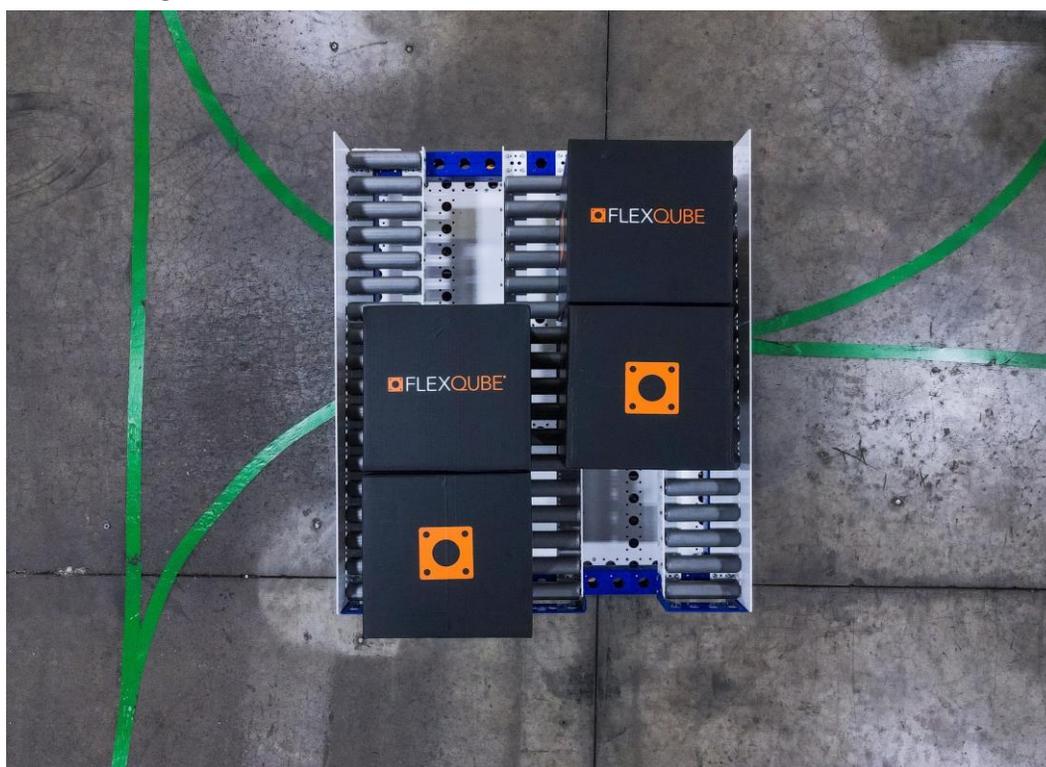
**Operating margin (EBIT%):** Operating profit after depreciation as a percentage of net sales.

**Operating profit before depreciation (EBITDA):** Operating profit before depreciation, interest and tax.

**Operating profit (EBIT):** Operating profit before interest and tax.

**Equity ratio:** Relationship between the company's equity and the total assets in the company's balance sheet.

**Operative product gross margin:** Product sales minus cost of good sales including production staff and excluding obsolescence in relation to Product sales





The Board of Directors and the CEO certify that the interim report provides a true and fair view of the parent company's and the Group's operations, position and results and describes significant risks and uncertainties faced by the parent company and the companies that are part of the Group.

Gothenburg, August 9<sup>th</sup>, 2023



**Christian Thiel**

Chairman



**Anders Ströby**

Board member



**Per Augustsson**

Board member



**Mikael Bluhme**

Board member



**Mårten Frostne**

CEO

This report has not been reviewed by the company's auditor.



# FINANCIAL CALENDAR

FlexQube's financial reports are available on the company's website.

The following reports are planned to be published as below:

Interim report Q3	2023-11-08
Interim report Q4	2024-02-21



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This information is such that FlexQube AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted for publication on 9<sup>th</sup> of August 2023, at 08:00 CET.