

# Annual Report

## 2021



# This is FlexQube

FlexQube is a global provider of flexible and robust industrial carts and robotic solutions for material handling. The Group was founded in 2010 and in a short period of time has secured a large number of prominent companies as customers.

FlexQube is a technology company headquartered in Gothenburg, Sweden with subsidiaries in USA, Mexico, Germany and England. FlexQube offers solutions for cart-based material handling using a patented modular concept. FlexQube develops and designs customized solutions for both robotic and mechanical cart logistics. Through our own unique automation concept FlexQube can offer robust and self-driving robotic carts. FlexQube has more than 850 customers in over 35 countries with the primary markets being North America and Europe.

FlexQube's customers can be found within the manufacturing industry, distribution- and warehousing. Some examples of major customers are Amazon, Volvo Cars, Siemens, Autoliv, Scania, Oda and Mann+Hummel. 

## Content

### OVERVIEW

Our story – From mechanical to robotic .....	4
The year in brief .....	6
Key ratios, multi-year overview and KPIs .....	8
CEO letter .....	11

### STRATEGY

Strategy .....	14
Vision, Mission and core values .....	16
Strategic Direction .....	18
Goals .....	19

### OUR COMPANY

Customer Base .....	20
FlexQube's worldwide distributors .....	22
Deep dive / customer case .....	24
Our offering .....	26
Technology .....	27
Deep dive / product .....	28
Operations .....	30
Deep dive / supply chain .....	31
Share capital, the share and ownership .....	34

### FINANCIAL REPORT

Report of the Board of Directors .....	37
Group's consolidated income statement .....	45
Group's consolidated balance sheet .....	46
Group's consolidated changes in equity .....	48
Group's consolidated cash flow statement .....	49
Parent Company's income statement .....	50
Parent Company's balance sheet .....	51
Parent Company's changes in equity .....	52
Parent Company's cash flow statement .....	53
Notes .....	54
Auditor's report .....	65

### SUSTAINABILITY

Our sustainability journey .....	68
Sustainable Development Goals .....	70
Our sustainability approach .....	72
Environmental Sustainability .....	74
Social Sustainability .....	82
Governance/Economic Sustainability .....	90

### CORPORATE GOVERNANCE

Letter from the chairman .....	96
Corporate Governance Report .....	98
Board of Directors .....	108
Chief Executive Officer and Management .....	111
Annual General Meeting and financial calendar .....	117
Contact .....	117



## Our story – From mechanical to robotic

The FlexQube story began 30 years ago in central Sweden, with three boys who developed a love for playing with Lego®. They grew up and embarked on their professional careers, but the love of being able to build in a seemingly endless number of designs stayed with them.

While working for a global manufacturer of construction equipment, Per Augustsson (CTO, Chief Technical Officer, FlexQube) noticed that the handling of materials did not meet modern requirements. The industry's standards for welded solutions could not be sufficiently adapted to manage the constant changes within the industry.

Material handling carts used to transport items from the warehouse to the assembly area were welded together based on a design modified according to the dimensions and weight of the items.

When a product life cycle was modified or an ongoing improvement was needed, a welded cart was not flexible enough to change.

Per Augustsson realized immediately that because the production lines were being changed more frequently, there was also an increasing need for adaptive material handling carts. "I realized that the need for a robust and flexible concept for creating material handling carts was great. The more I looked into it, the more I realized that a concept with a small number of standardized building blocks was what was needed", says Per.

This insight led to the birth of the three friends' FlexQube idea. With it, they created a professional, robust and flexible material handling concept based on standardized building blocks.

"The concept is inspired by Lego®. We use an interval of seven centimeters in all the components, so you can easily design and assemble them into different solutions. Regardless of how you connect our products together, you get the same interface— just like you do with Lego®", says Anders.

Thanks to the modular building blocks, creating solutions for FlexQube's customers is fast and efficient. FlexQube has grown since it started and today helps over 850 customers in 35 countries - and the customer base keeps growing. The company has customers in a wide range of industries: automotive, construction and agriculture, heavy vehicle (buses, trucks, trains), distribution and storage, aviation, domestic appliances, consumer goods, energy, medical equipment and defense.

*"We have created a whole new product segment within the accelerating logistics automation market."*

In December 2017, Anders, Christian and Per reached one of the interim goals when FlexQube was listed on Nasdaq First North in Stockholm, and in its first year as a listed company posted growth of around 140 percent.

A lot has already happened in the FlexQube story; a short story, so far, but the robust, modular concept has much more potential, and we are still at the beginning of our journey.

The biggest transformation in the company's history began in the same year as FlexQube was listed. A transformation from mechanical products to products with advanced electronics and software. The project, which was christened FlexQube 4.0, was started with the aim of bringing motorized, self-drive carts to market. Three years later, our first FlexQube 4.0 concept is fully developed; the eQart. The mechanical FlexQube building blocks have been supplemented with smart modules such as motors, batteries, sensors and controllers.

With the eQart, we have created a whole new product segment within the accelerating logistics automation market. Modular and flexible carts, which are available in different sizes and applications, and come with various degrees of self-drive capability. The eQart makes our offering unique and we are ready to take the next step in FlexQube's history.

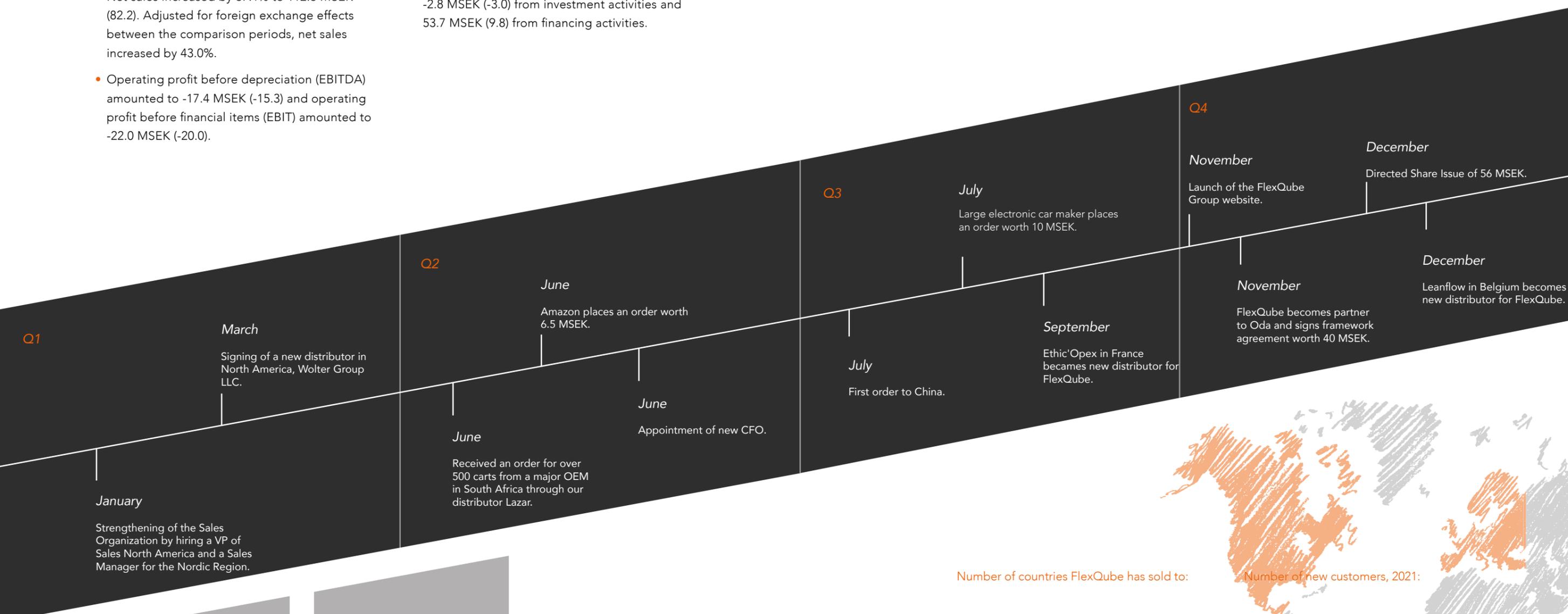
- 2010**  
FlexQube is founded by Anders, Christian and Per in December 2010.
- 2011**  
The patent is granted.
- 2012**  
Sales launch.
- 2013**  
FlexQube Inc. is launched.
- 2014**  
"Made in USA".
- 2015/16**  
Ranked number one on the "33-listan" (the top 33 most innovative companies in Sweden) two years in a row and new logotype.
- 2017**  
Sales to 22 countries and listing on the Nasdaq First North.
- 2018**  
Sales to a total of 25 countries and growth of around 140%. FlexQube GmbH is launched and carries out a targeted new share issue of 62.7 MSEK.
- 2019**  
Expansion to the UK, cooperation with LR Intralogistik GmbH and launch of eQart®.
- 2019**  
Relocation of head office in Sweden.
- 2020**  
Initiated cooperation with 9 dealers in seven different countries. Increased sales and further development of eQart.
- 2020-2021**  
Relocation of our Swedish and US headquarters.
- 2021**  
Order Intake Growth of 98% and increased sales in eQart.
- 2024**  
A recognized robotics company.

# The year in brief

- Order intake increased by 98.2% to 155.3 MSEK (78.4). Adjusted for foreign exchange rate effects between the comparative periods, orders received increased by 109.6%.
- Net sales increased by 37.1% to 112.6 MSEK (82.2). Adjusted for foreign exchange effects between the comparison periods, net sales increased by 43.0%.
- Operating profit before depreciation (EBITDA) amounted to -17.4 MSEK (-15.3) and operating profit before financial items (EBIT) amounted to -22.0 MSEK (-20.0).
- Profit before tax amounted to -22.5 MSEK (-20.1).
- Earnings per share amounted to -2.7 SEK (-2.7).
- Cash flow amounted to 21.5 MSEK (-4.6), of which -29.3 MSEK (-11.4) from operating activities, -2.8 MSEK (-3.0) from investment activities and 53.7 MSEK (9.8) from financing activities.

Total number of customers, accumulated 2017-2021:

# 850



Number of countries FlexQube has sold to:

# 35

Number of new customers, 2021:

# 80



# Key ratios

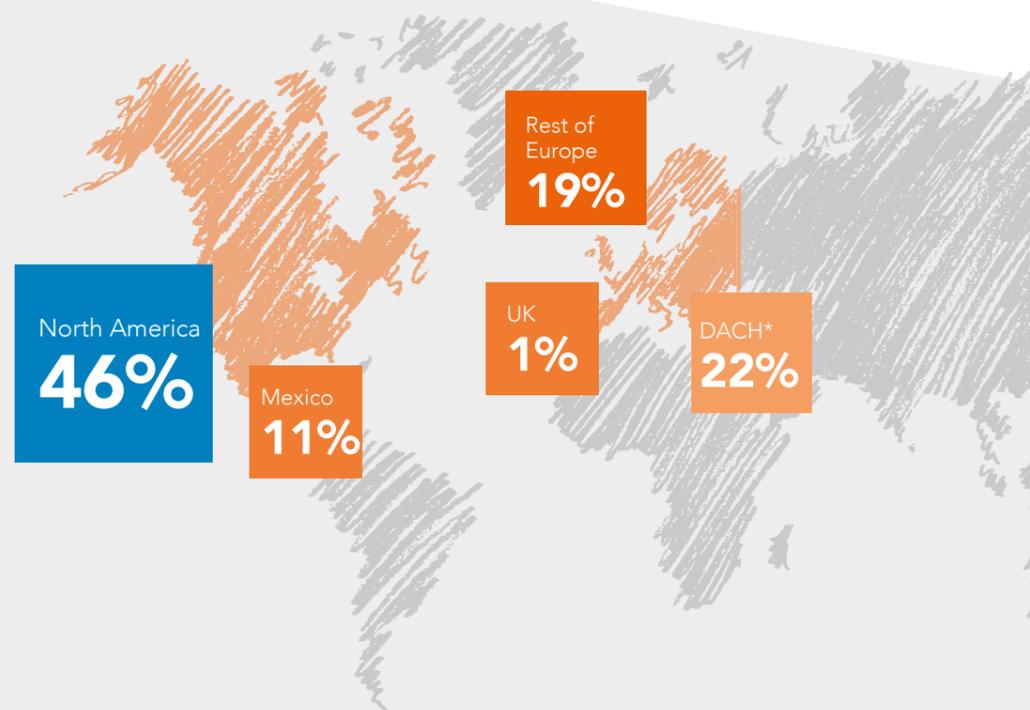
Order intake and net sales (MSEK)



Net sales per region (MSEK)



## Order intake per market 2021



\* Germany, Austria and Switzerland

# Multi-year overview and KPIs

	Unit	2021	2020	2019	2018	2017
Order intake	TSEK	155,282	78,369	81,208	63,743	37,232
Net sales	TSEK	112,630	82,163	72,561	68,901	29,004
Group's sales growth	%	37%	13%	5%	138%	51%
EBITDA	TSEK	-17,362	-15,303	-20,522	-5,971	-2,417
EBIT	TSEK	-21,995	-19,979	-21,722	-6,714	-2,848
Operating margin	%	-20%	-24%	-30%	-10%	-10%
Profit/loss before tax	TSEK	-22,533	-20,124	-21,801	-6,901	-3,050
Profit margin	%	-20%	-25%	-30%	-10%	-11%
Earnings per share before and after dilution	SEK	-2.7	-2.7	-2.9	-1.1	-2.5
<b>FINANCIAL POSITION</b>						
Equity/assets ratio	%	55%	56%	74%	81%	73%
Net debt including shareholder loans	TSEK	-54,373	-23,711	-45,175	-78,565	-33,451
Working capital	TSEK	39,350	27,547	32,989	24,496	2,692
Current ratio	%	225%	240%	311%	502%	415%
Working capital as a percentage of net sales	%	35%	34%	45%	36%	9%
Quick ratio including unused part of overdraft facilities	%	163%	170%	205%	406%	382%
Equity per share before and after dilution	SEK	8.8	5.7	8.9	11.7	5.7
<b>CASH FLOW</b>						
Cash flow from operating activities	TSEK	-29,323	-11,379	-28,474	-23,541	248
Cash flow from investing activities	TSEK	-2,834	-2,957	-13,496	-5,278	-594
Cash flow from financing activities	TSEK	53,678	9,778	-316	54,781	34,242
<b>KEY RATIOS PER SHARE</b>						
Number of shares	TNo.	8,233	7,433	7,433	7,433	6,333
Average number of shares before and after dilution	TNo.	8,233	7,433	7,433	6,385	1,224
<b>EMPLOYEES</b>						
Average number of employees	No.	39	30	24	17	11
Number of employees at the end of the period	No.	44	36	32	21	13

For definitions of key ratios, see Note 1 on page 54.



Anders Fogelberg  
CEO

## CEO LETTER

# A record year with major milestones

**2021 WAS OUR MOST SUCCESSFUL YEAR** to date, with an amazing growth of almost 100%. When I look back at 2021, I would summarize it as a very rewarding but challenging year at the same time. We had great success with major wins for both the mechanical cart concept, the eQart product line as well as the Liftrunners. We did have severe challenges within supply chain and operations, especially for Europe, where order volumes increased very fast, during a time when many suppliers struggled with the effects from disrupted supply chains, raw material supply, and Covid outbreaks.

The year has also been very eventful, with some truly groundbreaking milestones. The first was the important order from Amazon for the development of robots which definitely accelerated our journey to become a recognized robotics company. Our team has made a heroic effort during the year with the delivery of this project. Amazon is a company who has efficient logistics as part of their business model, and to be chosen as a supplier and partner for the development of advanced logistics robots has been inspiring and rewarding.

The second was our biggest milestone yet for our concept, when we won the procurement of logistics carts for a large electronic car maker. To date, we have received orders worth more than 17 MSEK for their factory, and during the fourth quarter, we started deliveries on a slightly larger scale to their facilities in the US. For the latter two factories, we have delivered the products unassembled in order to be assembled on site. This both increases our net margin and at the same time reduces transport costs, it also allows the customer to receive the products faster. This is an offer we will develop further in 2022.

The third was our first and largest framework agreement to date with Norwegian food supplier Oda. The framework agreement, which we estimated to be worth at least 40 MSEK over four years, was signed at the end of November. In December, we received three major orders from Oda of close to 20 MSEK.

It is reasonable to assume that the actual framework agreement volume will exceed the previously communicated volume of 40 MSEK. We are not just a supplier in this context, but a partner that becomes an important part of the entire logistics system for the customer.

During the year we have also moved to new facilities in both USA and Sweden. With our rapid growth, there is a challenge to properly be able to match our needs with the increased demand. Our ability to drive order growth via more unassembled carts and pick to ship will be an important factor in 2022 and beyond.

The shift in consumer behavior during the pandemic with growth in e-commerce will most likely diminish slightly in coming years, but the trend is here to stay. We can clearly see a positive effect for our business where logistics becomes more challenging for e-commerce businesses with bulky, heavy goods needed to be managed in order fulfillment centers.

To stay competitive, companies are forced to seek efficient material handling solutions, including robotic and automated solutions. The importance of our unique concept is growing because of its ability to be used to create custom robotic solutions. This strengthens our position and our innovation power is evident with the development program together with Amazon.

As we look forward to the years ahead, we do so with high ambitions and a clear agenda. We will continue to work towards becoming a recognized robotics company. Working with Amazon and other well-known stakeholders for our eQart concept is in line with this goal.

During 2021, we demonstrated our ability to grow fast, across multiple industry segments, and our concept attracts more and more customers in existing and new countries.

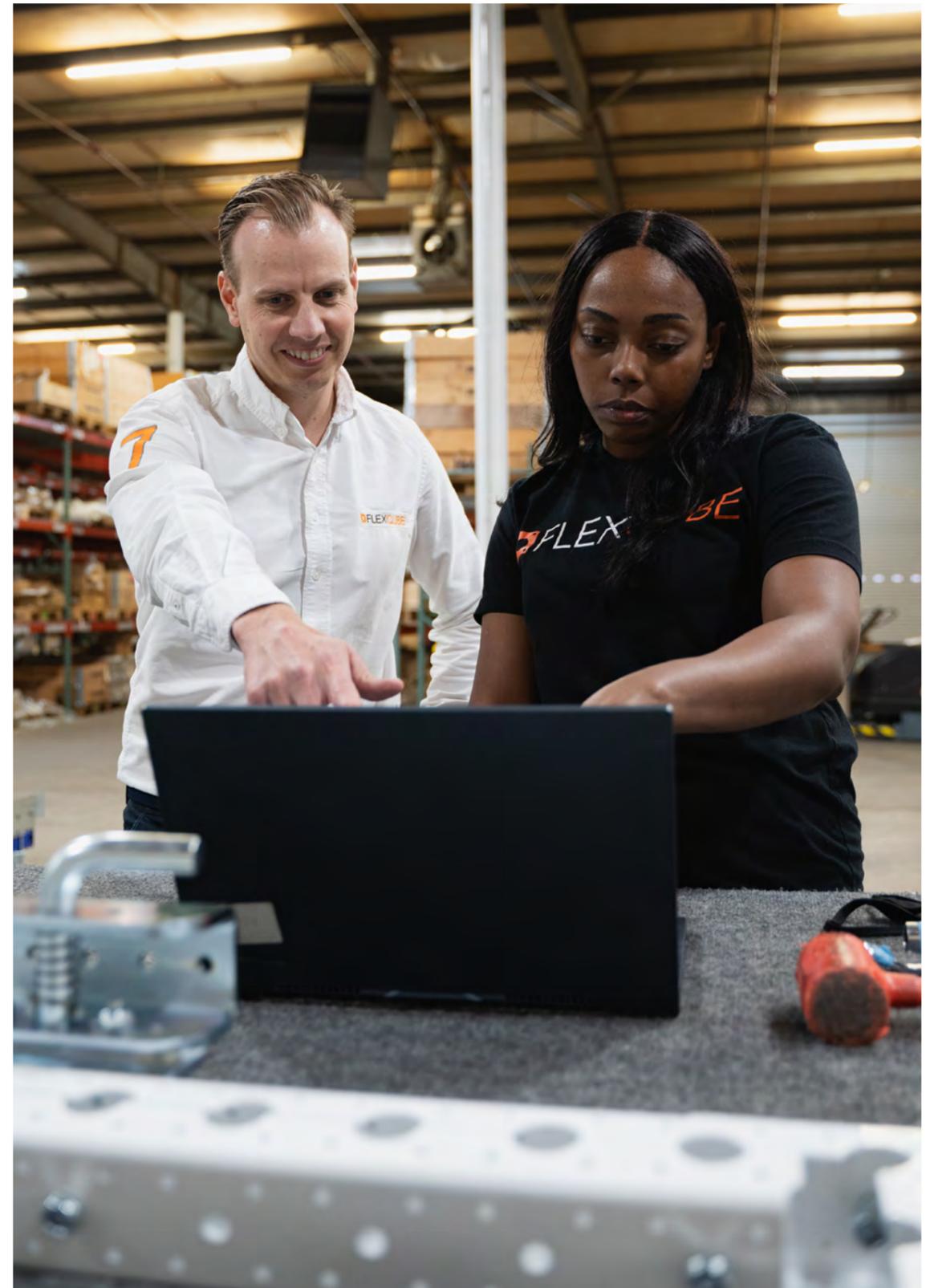
We will continue to focus on growth in the coming years and to accelerate sales across our product segments. We will continue more focused work towards key customers, organizing the sales team for eQart sales and increasing the share of distributor and integrator sales.

In addition to this, the operations need to ramp up to cope with our increasing demand. The delivery capacity is crucial in order to maintain our growth pace. We need to invest time and resources in creating greater scalability. It is important both to increase the number of suppliers and work on a concept that facilitates on-site assembly at the customer even more.

If we are successful with the three main objectives, we see that our path to profitability is clear. Adding margin by economies of scale and by selling on value with our innovative and quality driven product line makes it possible to improve our profitability.

After a very successful year, we are now taking on 2022 with high ambitions, strong confidence in our staff, and our product portfolio's ability to deliver good results. Every day we take a step closer to our vision that every factory and warehouse in the world will move materials with the help of FlexQube.

**Anders Fogelberg**  
CEO FlexQube AB (publ)



*"During 2021, we demonstrated our ability to grow fast, across multiple industry segments, and our concept attracts more and more customers in existing and new countries."*

**Anders Fogelberg, CEO**



## Strategy

FlexQube is a global provider of modular and robust robotic and mechanical carts for material handling. The Group was founded in 2010 and has since then had the ambition to create a whole new market. Today, the Group has a sales organization that focuses on Europe and North America. Manufacturing takes place in Gothenburg, Sweden for the European market and in Duncan, South Carolina, USA for the North American and Mexican markets.

### Market and trends

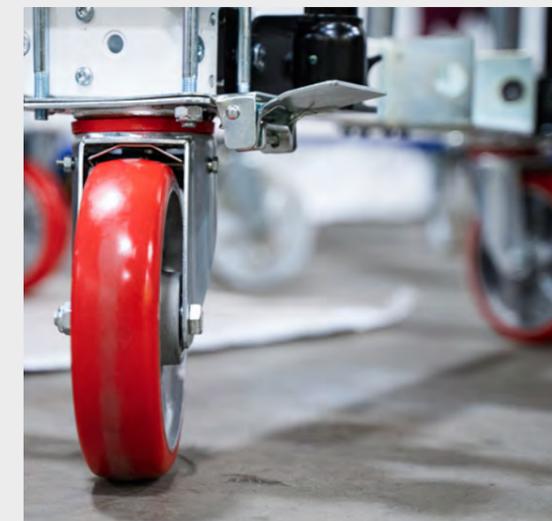
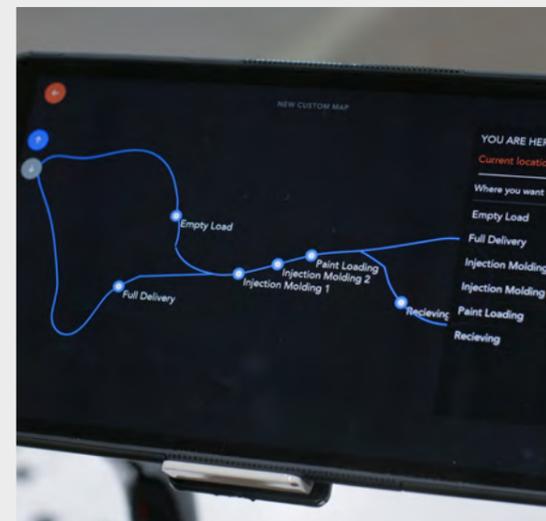
The industries and segments that FlexQube operates in are undergoing major challenges in the field of material handling, with today's consumers expecting more products and variants to choose from. The paradigm shift, called "mass customization", began in the late 1980s and has since developed into a situation where the number of products and variants on offer has increased significantly. The mass customization phenomenon drives a huge need for products offered by FlexQube, such as the need to switch from truck-based to cart-based and finally robotic material handling, as the demand for reliable and frequent transports increases.

In addition to this paradigm shift, there is global uncertainty, rapid changes in volume and mix, and rapid technological development, imposing greater demands on flexibility and the ability to re-configure the carts and robotics.

FlexQube's goal is to help its customers improve their internal logistics and achieve this by creating unique material carts and robots with modular building blocks, an innovative design process and a high level of intralogistics skill.

The need for cart-based material handling is increasing, and there are two major trends accelerating this:

1. The first one is the mass customization trend, with exploding number of products and options available for consumers. To manage the manufacturing of these products a lot of different part numbers must be handled inside factories, and customized carts is the main enabler to manage that.
2. The second, is that within ecommerce there is a change in consumer behavior where people are willing to buy bulky and heavy products on the internet, which also creates a need for flexible material handling with carts inside the warehouses.



# Strategic Planning Pyramid

Our strategic planning pyramid consists of our vision, mission, strategic direction and our core values. These steps help explain why we exist, how we work and what we do.

## Vision

We move material in every factory and warehouse in the world.

## Mission

We exist to make our customers world leaders in intralogistics

## Strategic Direction

Become a Recognized Robotics Company | Accelerate Sales | Innovate & Scale Operations | Profitability & Cash Flow Optimization

## Core values

Trust | Customer Focused | Courage | Industry Leaders

## Vision

Since the founding of FlexQube, our vision has been "A world free of welded carts". This message we feel is out there and understood. We are evolving, we've introduced new products and continue to develop new products. Many manufacturing and warehousing floors are turning into technologies such as robotics to automate and modernize their operations. We felt the need to adapt and rephrase our vision in order to match what we strive for, to **move material in every factory and warehouse in the world.**

## Why

We exist to make our customers world leaders in intralogistics.

## How

Our expertise and dynamic modular technology make it easy to design, rebuild and automate for ideal internal logisitcs.

## What

We offer module-based, standardized building blocks in order to create future-proofed, sustainable internal logistics solutions that, together with our knowledge database, customized solutions and comprehensive Solutions Library™, create the best opportunities for making our customers world leaders in internal logistics.

## Core values

FlexQube's four core values communicate what drives the company now and in the future as well as the fundamental values that build the brand. Trust, customer focus, courage and industry leadership – these keywords permeate throughout everything the organization and its employees do. Our core values ensure that we act consistently in all our markets, at all times.

# Strategic Direction

## Efficiency across all processes – Reduce Waste

The effect of scaling up our business and how we do business has given us new challenges that we did not anticipate. To be able to handle these challenges or growing pains that we face, we have chosen to revise our strategy. The conclusion of our revised strategic direction 2022–2026 is to eliminate waste from our processes in order to become more efficient.

An example is "pick to ship", meaning our customers perform the assembly themselves. This results in less transports, higher efficiency, shorter lead times and a reduction of waste for a more sustainable process. We are also increasing staff and building the organization to meet future growth and demands from our customers.

## Our 4 strategic objectives



**Become a recognized robotics company**



**Accelerate Sales**



**Innovate and scale operations**



**Cashflow optimization**

## Our journey continues...



# Goals

## In the short term, FlexQube's goals are to

- Continue very active sales work to drive growth and increase market share in all relevant markets.
- Continue building up own sales organization, strengthen customer and sales cooperation with various partners, establish new distributors on main markets and continue developing internal sales processes to increase conversion.
- Find new production logistics solutions through close-to-market development work, improve product technology and the product manufacturing process to lower manufacturing costs and increase the gross margin.
- Ensure an increased delivery capacity for our products in North America and Europe.
- Broaden the customer base to achieve an increased spread to more customers in distribution and warehousing, and to strive to increase the number of new customers significantly.
- Ensure full focus across the organization for ongoing eQart rollout. Establish a sales channel for more advanced eQart products with integrators.

## In the medium term, FlexQube's goals are to

- Strengthen our market position through continued broadening and expansion of the customer base and recurring sales to existing customers, and by reaching out to and establishing ourselves in new markets.
- Continue the strong increase of market shares in North America, primarily in the USA but also in Mexico, in terms of both the existing concept and the eQart concept.
- Continue the strong increase in market share in Europe, primarily in Germany and the UK, and also gain a foothold in other European countries with our own sales companies or distributors.

## In the long term, FlexQube's ambition is to

- Become the market-leading supplier of material handling carts and robots for internal logistics. FlexQube will be the go-to solution for tomorrow's production, warehousing and distribution logistics, and for making its customers world leaders in intralogistics. A necessary condition for this is having a presence and infrastructure – in sales, manufacturing and distribution – in all parts of the world.
- Further develop more products linked to Industry 4.0 and be a pioneer in technology that can be used to increase productivity, safety and ergonomics in intralogistics.

# Customer Base

FlexQube's customers are found in different industry segments and regions. As of December 31, 2021, FlexQube had an active customer base of approximately 850 customers distributed across 35 different countries. We see more and more increasing requests from customers in new business segments we want to be in and are prepared for. An example of a growing segment is e-commerce, where we have been very strong during 2021. For FlexQube as a company, we strive to be present in several segments and share knowledge between these to help our customers to be more competitive in a more aggressive market.

Below are the segments in which FlexQube operates:



### Automotive

- Manufacturing of commercial vehicles
- Subcontractors to the automobile industry



### Industrial Manufacturers

- Manufacturing of industrial machinery
- Manufacturing of energy related products



### Warehousing and storage

- Food suppliers
- Fashion and personal products

Order intake in the fourth quarter reached a record high of 52 MSEK, which means that order intake for the full year 2021 increased by almost 100% compared to 2020 to 155 MSEK. In Q1 we reached for the first time an order intake of more than 30 MSEK in a quarter, in Q3 for the first time more than 40 MSEK and in Q4 for the first time more than 50 MSEK.

Given the strong order intake in the fourth quarter, we are bringing a record order book of more than 50 MSEK into 2022.



# 80

Number of new customers, 2021



# The customer in focus



### Modular concept

The FlexQube concept offers standardized building blocks specifically designed with material handling carts in mind. This ensures that function and performance are optimized for the tough environment to which the carts are exposed.



### Autonomous carts

FlexQube's eQart consists of the same standardized building blocks, but it is also equipped with a motor, battery, cameras and sensors that enable it to navigate autonomously. The eQart is designed to be the operator's best friend, and it is extremely easy to maneuver thanks to a large, clear, ergonomic screen supplied with each cart. The eQart is not a specific size or cart, but rather a concept that enables all FlexQube carts, both new and existing, to become smart.



### Design standard

FlexQube's carts are designed using a step-by-step process with standardized choices at every step. This makes it easy to develop quality-assured solutions, even though each cart looks different and has different functions.



### Expert in material handling

By working with many different customers in different industries and regions, FlexQube is building up a large knowledge bank. FlexQube gathers all solutions in its SolutionsLibrary™, which is available to all customers via FlexQube's website. The more solutions that are generated, the larger the knowledge bank and the greater the likelihood of finding a cart that already has a design that meets a customer requirement. In addition to the SolutionsLibrary™, FlexQube has a high level of knowledge concerning logistics development, strategies for this and what the future trends are.



### Scalable and global concept

Thanks to FlexQube's standardized building blocks and standardized design process, sales can be established quickly in new markets. A design can be created for a customer regardless of geographical location, and the concept makes it possible to send FlexQube's products unassembled for quick, cheap transportation. Manufacturing and assembly can also be established quickly if necessary.



### Simple integration

The factories of the future require interaction between different processes and equipment to create efficient material flows. FlexQube, thanks to its flexibility, can easily create carts that can be integrated with equipment from third parties. This applies above all to trolley vehicles, mother-daughter trains and solutions for automatic material robots, which are the most common integrations.

# FlexQube's worldwide distributors

In order to reach more markets and thereby also more customers, FlexQube made a strategic decision in early 2020 to sell FlexQube's concept through international distributors. We were able to sign on a number of distributors relatively quickly, which lead to a slow down in new distributors being onboarded in 2021. FlexQube is able to provide our distributors a unique concept which in turn provides them the opportunity for growth, expand their customer base and a first step into automation with our eQart. We have seen significant steps forward in both Europe and North America in our distributor development. Our continued focus on our global strategic accounts have led FlexQube to find partners in important manufacturing markets. A few of these significant markets (France, USA and Canada) have been strengthened with new additions in 2021. 2021 also saw the development of our most significant orders through our distributors with over 500 material handling carts being delivered to a prominent automotive OEM & one of our largest eQart orders coming through one of our distributors. The potential our distributors provide for all parties, (FlexQube, Disitributor & End-Customers) is truly exciting and definitely a journey that is only just getting started.



## Inter Price Logistica (IPL)

Location Mexico

Inter Price Logistica was created to solve and improve the handling of materials as well as the logistics of companies. IPL's vision is to be a leading company in Mexico in the implementation of intelligent equipment for material handling, software and services. As well as having the largest variety of products for all needs and costs.



## DID Automation

Location Spain

DID Automation is based in Valencia, Spain, and works with customers in automation and industry 4.0. DID Automation focuses on the electricity, automotive and food sectors in the Valencia region. FlexQube's products and the value they create are exactly what DID Automation's target segments demand.



## BG Log

Location Italy

BG Log is an Italian company that offers modular and complete systems for the specific needs of intralogistics, to help improve and optimize the efficiency of production flows from a Lean Supply Chain perspective. BG Log strives to provide their customers with intelligent, efficient and effective storage and material handling solutions.



## Lazar Intralogistics

Location South Africa

Lazar Intralogistics was founded in 2014 and was originally a customized steel processing company. The company later began to work more with intralogistics and today they focus on helping companies create efficient material handling in their plants. Lazar is located close to many car manufacturers and vendors in South Africa, to whom they provide material handling trolleys, scaffolding, the manufacture of certain steel parts and maintenance services. All aimed at creating efficient internal logistics.



DEEP DIVE / CUSTOMER CASE

# Siemens gets started with Automation

One of the most significant benefits that Siemens could take away from implementing the eQart products into their facility was that they got started. They were able to map out the project, assess their needs, and implement an automation project, which was fully automated.

Automation is a journey that will never stop, so taking the first steps can be the most difficult and the most daunting. Still, now those complex steps are over for Siemens.

### Challenge

This particular Siemens manufactures several different products and recently received several new products to manufacture. These new products needed new processes and new methods of transportation. The previous transportation methods led to movements of the materials to different stations by operators via pallet jack, forklift, or manual pushcart. On top of this, Siemens wanted to keep gearbox technicians at their workstations, eliminating the task of transporting the materials between workstations.

### Solution

Siemens needed to opt for two different eQart designs along with a roller transfer station. One was a standard flat deck pallet eQart used for the movement of parts loaded via forklift and then automatically transported throughout the facility. The second eQart was designed with rollers on top, which used gravity to transition the pallets from the eQart to the roller transfer station. A shooter mechanism completed the transfer which mechanically unloaded the pallet from the eQart and transitioned the pallet automatically.

**6-9**  
Months  
ROI

**2**  
Days  
Implementation

**2**  
eQart  
Designs



# Our offering

The FlexQube concept can be divided into hard and soft products. The hard products are the building blocks and the customer-unique carts that are built using these blocks, while the soft products are system tools and processes for quickly and easily creating the design that the customer needs.

FlexQube has developed a toolbox of smart, modular building blocks that are combined to create customer-unique carts for material handling. FlexQube has four basic building blocks:

1. FlexQube®
2. FlexPlate™
3. FlexBeam™
4. FlexTube™

All building blocks are equipped with FlexQube's standardized interfaces (couplings), which are used to connect the building blocks with one another. No matter how and which building blocks are combined, the same interface is always created. FlexBeam™ and FlexTube™ come in different lengths to make it possible to create different-sized carts. The lengths are also standardized and come in intervals of seven centimeters; the blocks are based on a modular conception where it must always be possible to combine all building blocks with one another.

In addition to FlexQube's basic building blocks, screws, couplings, shelves and wheels are also used to create a complete solution for the customer.

All accessories connected to FlexQube's building blocks are equipped with FlexQube's standardized interface, which makes integration straightforward. FlexQube is, as far as the company is aware, the only player on the market with a modular concept that is 100 % designed for creating material handling carts.

FlexQube's motorized cart, the eQart, consists of the same standardized building blocks, but is also equipped with smart modules such as a motor, battery, cameras and sensors that enable it to navigate automatically. The eQart is not a specific size or cart, but a concept that enables all FlexQube carts, both new and existing, to become self-drive.

These smart building blocks allow customers to join the transformation from forklifts to tugging carts into the world of automation. As the concept allows us to easily swap out and upgrade current carts, customers do not need to worry about being left behind as technology evolves and continuously improves intralogistics process.

# Technology

Innovation and product development are an important area for FlexQube. Developments in logistics and automation are gathering momentum. FlexQube tries to work closely with its customers to ensure the value of the new innovations, while constantly monitoring trends and technological developments.

Interest in automation solutions is steadily increasing among FlexQube's customers. It is mainly in the warehousing, distribution and manufacturing industries that logistics robots are predicted to be implemented on a very large scale in coming years.

Modularization is a key strategy for FlexQube. It creates the flexibility to quickly upgrade the product with new technology, but above all, facilitates a well thought-out modular concept that customized solutions can be easily created from.

A large part of FlexQube's development work is linked to the development of smart modules; such as motors, batteries, and navigation modules. These smart building blocks together with FlexQube's mechanical concept enable customer-unique logistics robots, also known as eQarts, to be easily and speedily configured to solve the customers' unique logistics problems. A special need for flexibility exists especially in the manufacturing industry, where the variation in size and shape of the object to be moved varies greatly.

An important strategy is partnerships with market-leading technology providers in the industry. Mainly in battery, engine and navigation technology. This

enables both development costs and development time to be kept down. It also ensures a high level of quality and reliability in the solutions developed. The smart building blocks have standardized interfaces with FlexQube's carts and enable scalability at the technological level. As an example, two variants of the navigation module can be offered. One with optical line tracking, and one with fully autonomous navigation. The same applies to batteries where a system of interchangeable batteries is offered, and also innovative inductive charging with market-leading performance.

The mechanical building blocks are also being developed and one of the strategies for 2022 is to develop a scalable and flexible concept for manufacturing them that paves the way for more customer order-driven manufacturing with reduced inventory and faster delivery times as a result.

The modular approach to both design and development allows us to grow with the industry. As new solutions come to market through our partnerships, we will grow with them.



Mechanical FlexQube Cart

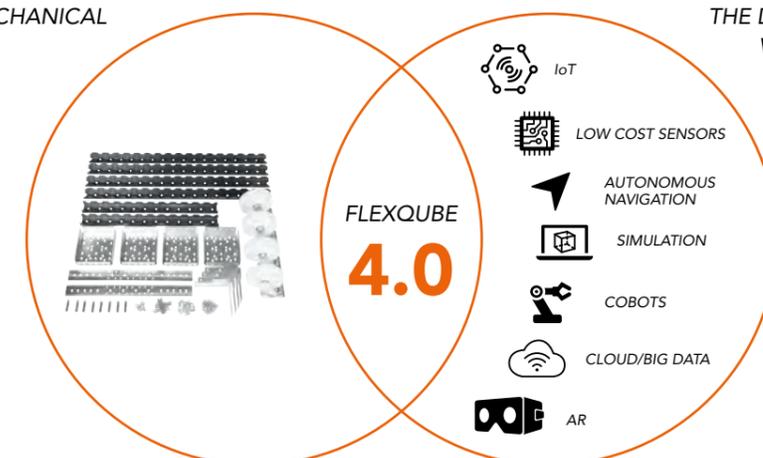
eQart Line

eQart Free

eQart Navigator

THE MECHANICAL WORLD

THE DIGITAL WORLD





## DEEP DIVE / PRODUCT

# The next step in the FlexQube automation journey

The focus market for the navigator is within manufacturing because there is a gap in the required solutions and what is available on the automation market today, which is developed with warehousing in mind. Many companies have automation high up on the agenda, but the implementation of robots in logistics is just in the beginning, and there is unique challenges related to manufacturing.

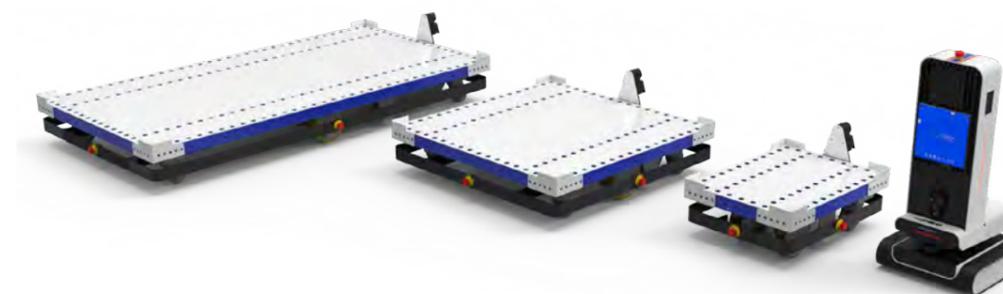
1. There is an extreme variation in the size and shape of the material to move.
  2. Tough requirements in terms of ergonomics. Parts must be presented correctly and easy to access. Low carts are desired.
  3. Timing is extremely important and is a major difference compared to automation in warehouses. If transport is delayed, only that package is affected. In manufacturing, delayed transport will stop the complete assembly line.
  4. Space is limited, and traffic is heavy with many different vehicle types sharing the same area together with people and products, so small robots are preferred
  5. And at last, the material must be delivered all the way to the assembler, meaning the robot/cart must park in a narrow space close to an assembly line
- FlexQube customers confirm the challenges, particularly in relation to use cases where robots are lifting or towing carts.
- Based on these challenges, FlexQube's long-term belief is that material in future factories will be moved with affordable, self-driving, safe and reconfigurable carts. Separating the cart and AMR will not make sense given that delivery rates are increasing and automation costs are expected to drop significantly. Instead, a modular design based on the patented FlexQube building blocks enables easy configuration of motorized carts of any size and shape to meet the needs of manufacturing.

FlexQube's development roadmap is aligned with the motorized cart vision, and the next step towards this vision is the development of the eQart Navigator. A truly unique product, being the world's first "non-load-carrying" AMR, that navigates motorized platforms. The concept is mitigating many of the challenges related to automation within manufacturing.

For this development, we have teamed up with the very best and recognized technology providers on the market to secure robustness, performance, and an agile time to market.

The Navigator is a non-load carrying AMR equipped with safety, navigation intelligence, and battery system that can dock with motorized carts through a standardized interface that transfers power and data to the motors in order to navigate it.

FlexQube has created a standardized interface between the navigator and the carts to create the highest flexibility. The docking includes a mechanical interface as well as data and power. Our inspiration comes from the robot business, where robot arms can be equipped with different smart attachments enabled by a standardized interface between the arm and the tool. FlexQube creates the same level of flexibility and standardization for AMRs. The docking is not related to any lifting or driving under the cart, enabling the navigator to pick up motorized carts of any size and shape.



The navigator ecosystem enables a high degree of flexibility for the customers. The ecosystem contains three levels.

1. The navigator level – standardized unit to navigate motorized platforms
2. The attachment level – motorized cart configured to carry specific material for a user case inside the factory
3. Material level – the material that needs to be transported from the warehouse to the assembly line

The navigator is a standardized product and is not customized for the use case. This enables long-term flexibility to re-use the investment even when the use case changes.

The motorized carts are custom configured for the material to move. Over time when the need is changing, the attachment can be re-configured for the new material and still be moved with the navigator thanks to the standardized interface.

During the spring, FlexQube will perform the first on-site pilot project, together with a major automotive company.



Per Augustsson  
CTO

# Operations

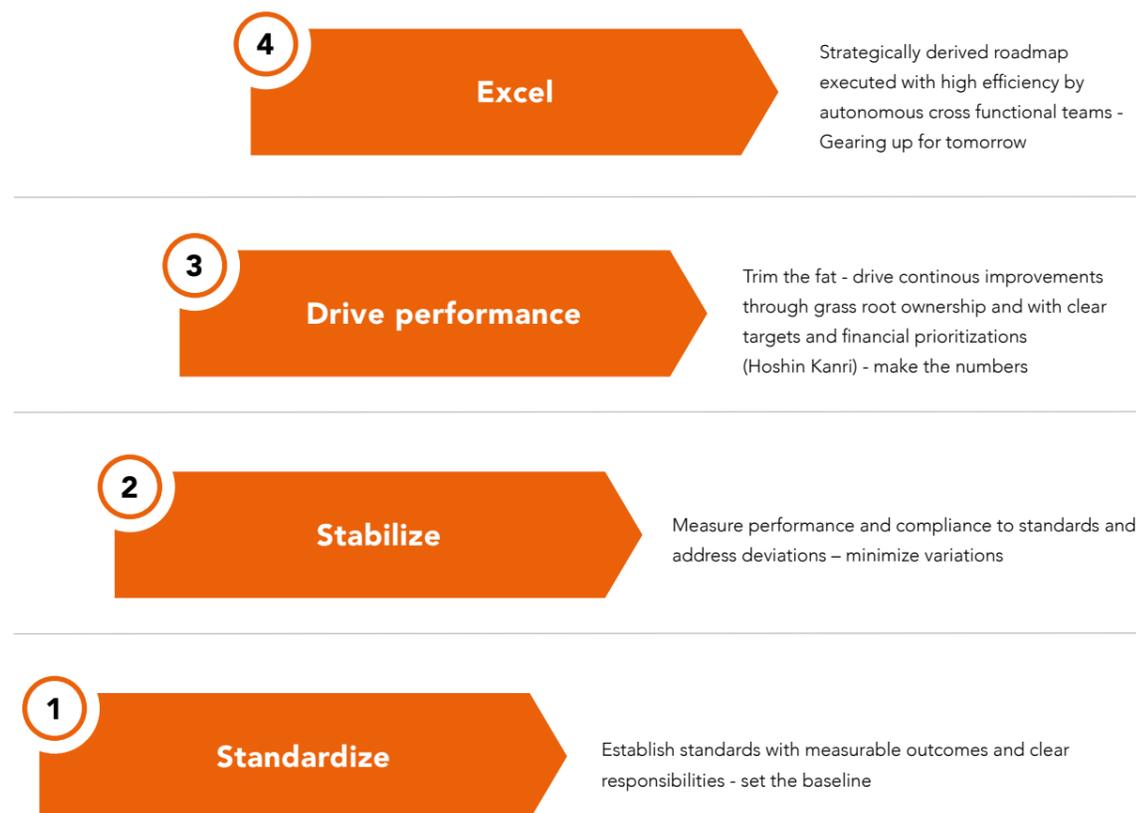
Our operations consist mainly of two labor-intensive assembly plants. In 2021, we relocated both our assembly sites. In Sweden, from August Barks gata in Västra Frölunda to Aminogatan in Mölndal. And in Duncan, South Carolina, from Spartanburg community college to Tucapau Road.

With the rapid sales growth experienced in Europe towards the second half of 2021, we were forced to act quickly and adapt. We have even set up satellite assembly as our space for operations was limited in Sweden. To some extent, the growth was a little too fast, and we had to review our operational structure to be able to mobilize operations more efficiently when order intake picks up. We have identified key hygiene factors that need to be maintained to maintain quality and lead times.

These are:

- Build a solid and professional supply chain organization
- Implement a process for inventory and operations planning to improve lead time and inventory levels
- Standardize and document all processes within the Supply chain
- Train people in procedures and standards
- Method for sourcing and supplier evaluation
- Set a clear KPI structure with strong accountability
- Quality management, including ISO standards and process for deviations
- Embed sustainability into supply chain operation

Building Excellence is our continuous improvement project that drives operational excellence throughout our company. This is a four-step journey that will help us deliver outstanding performance:



## DEEP DIVE / SUPPLY CHAIN

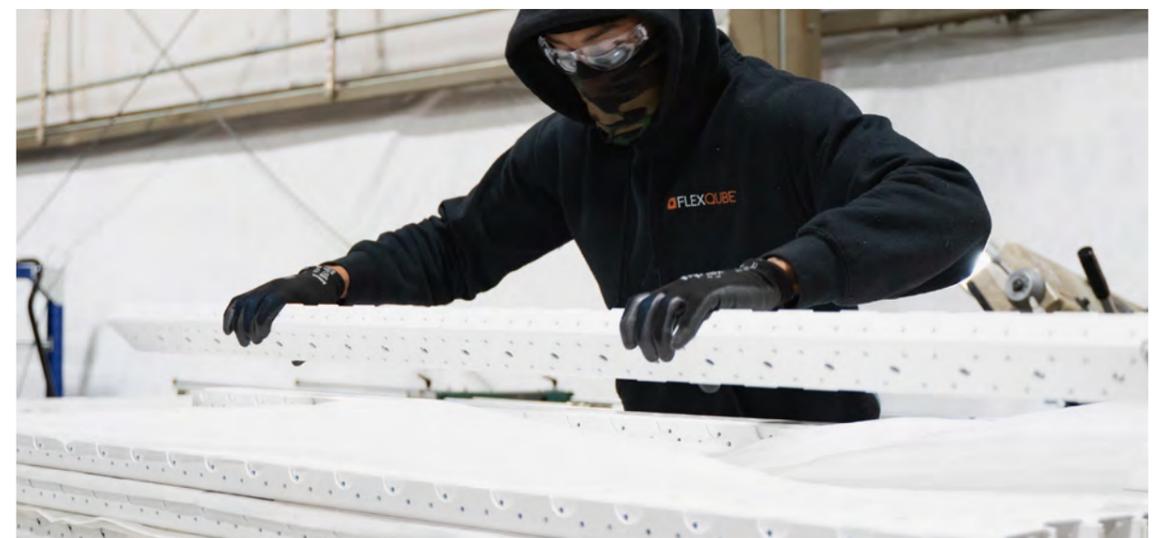
# Supply chain development

It has been a very challenging situation within Operations to handle the increased volume, especially in Europe where sales increased four times compared to the fourth quarter of 2020. This has contributed to increased costs within Operations, which has had a negative impact on the margin.

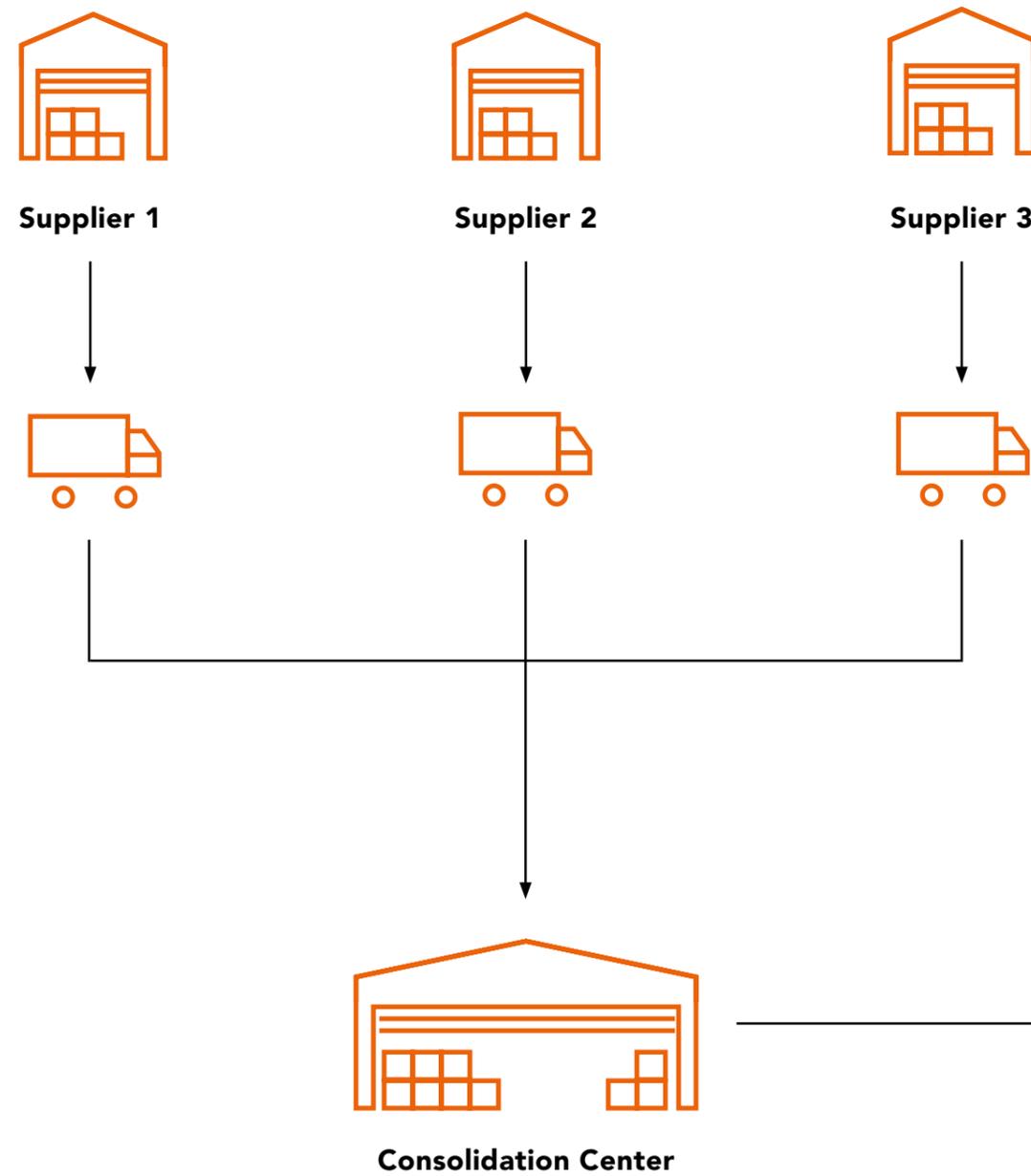
Even in North America, suppliers have had difficulty delivering at the pace we wanted and global disruptions in supply chains, particularly maritime transport from Europe and Asia, have contributed to delays and that means we have transported more goods by air than normal. Long lead times in supply chain has been a tough challenge for the business in 2021. To mitigate these challenges, we added more suppliers both in Europe and USA.

This will have a positive impact for our future growth. This is a strategy necessary to handle the growth, nevertheless, we still believe that our current and existing suppliers can grow with us. We intend to intensify our collaboration to work more proactively, with a better understanding of their capacity, we will be able to adjust our purchasing needs in the event of swinging sales increases.

Historically, our operations consisted of the below flow. This is our main flow and will continue to be part of our business moving forward.



However, we have been forced to rethink the way we do business in order to reduce lead times. In 2021, we have expanded our traditional supply chain management and logistics flow to a consolidated logistics flow with less finished assembly via flat packages and via our distributor network.



We have delivered large orders to Oda in flat packages, for on-site assembly with supervision from FlexQube. There are numerous advantages for both of us as a provider and for our customers:

- More cost efficient for the customer
- Shorter lead time for the customer
- Save transportation costs and CO2 emissions
- Train customers assemblers – increase product knowledge
- Reduced inventory and storage cost

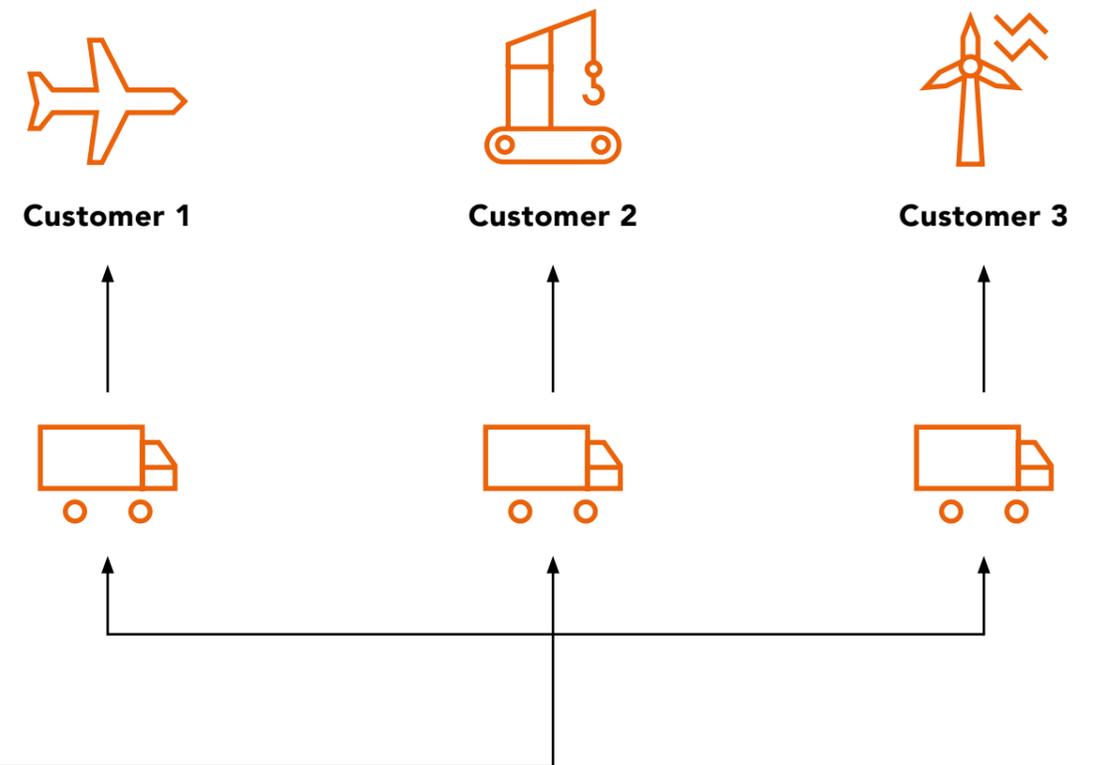
This is an offer we will develop further in 2022.



**70%**  
Transport emission  
reduction by shipping  
Flat packages



**20%**  
of Total Sales =  
Flat packages



# Share capital, the share and ownership

## FlexQube shares

FlexQube's share capital amounted on 31 December 2021 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 stock has been listed on the Nasdaq First North Stockholm under the FLEXQ symbol since December 14, 2017. FlexQube had sales of approximately 1.5 million shares during the period January 1 to December 31, 2021. This resulted in an average turnover of approximately 6,124 shares per trading day worth 408,587 SEK. The average price of the share during the period was around 56.4 SEK. The last closing at the end of the period was 79 SEK, meaning that it increased by 163.3% compared to the subscription price associated with its listing on December 14, 2017. Compared with the closing price on 31 December 2020, the share increased by 163%.

## Shareholders in FlexQube

As of December 31, 2021 FlexQube had approximately 1,800 shareholders. The table below shows the company's largest shareholders as of December 31, 2021.

Shareholders	Capital (TSEK)	Capital and votes %
Christian Thiel by Feldthusen Invest AB	1 945	23.6%
Per Augustsson by Augutech AB	1 458	17.7%
Anders Fogelberg by Birdmountain Invest AB	1 256	15.3%
Roosgruppen AB	1 232	15%
Nils-Robert Persson	487	5.9%
FCG Fonder	200	2.4%
Swedia Capital	140	1.7%
Modelio Equity	100	1.2%
Brofund Equity	85	1.0%
Other	1 330	16.2%
<b>Total</b>	<b>8 233</b>	<b>100%</b>

## Share capital

Following a directed new share issue carried out in December, the share capital as of December 31, 2021, amounted to SEK 0.8 million, divided into 8,233,333 shares. According to FlexQube's Articles of Association, the share capital must amount to a minimum of 0.5 MSEK and a maximum of 2.0 MSEK and the number of shares to a minimum of 5,000,000 and a maximum of 20,000,000. The quota value of the shares is SEK 0.1. The shares in FlexQube are not, and have not been, the subject of an offer as a result of a bid obligation, redemption right, or redemption obligation. The shares have also not been the subject of any public takeover bid. The shares have been issued in accordance with Swedish legislation and are denominated in Swedish kronor. There are no restrictions on the right to freedom transfer shares.

## Certain rights associated with the shares

FlexQube has only one type of share. All rights associated with a share are assigned to the person registered in the share register maintained by Euroclear Sweden. The rights associated with shares issued by the company, including those following from the Articles of Association, can only be changed in accordance with the procedures laid down in the Swedish Companies Act (2005: 551).

### Voting rights

Each share entitles the holder to one vote at general meetings of shareholders. Each shareholder is entitled to vote for the number of votes corresponding to the shareholder's total number of shares in FlexQube.

### Entitlement to dividend and balance in the event of liquidation

The shares give equal rights to a share in the company's assets, earnings and any surplus in the event of liquidation. If FlexQube decides to issue new shares, warrants or convertibles through a cash or set-off issue, the shareholders have preferential subscription rights in proportion to the number of shares they already hold. There are, however, no provisions in the company's Articles of Association that limit the possibility of issuing new shares, warrants or convertibles, in accordance with the provisions of the Companies Act, with a deviation from the shareholders' preferential rights.

### Dividend and dividend policy

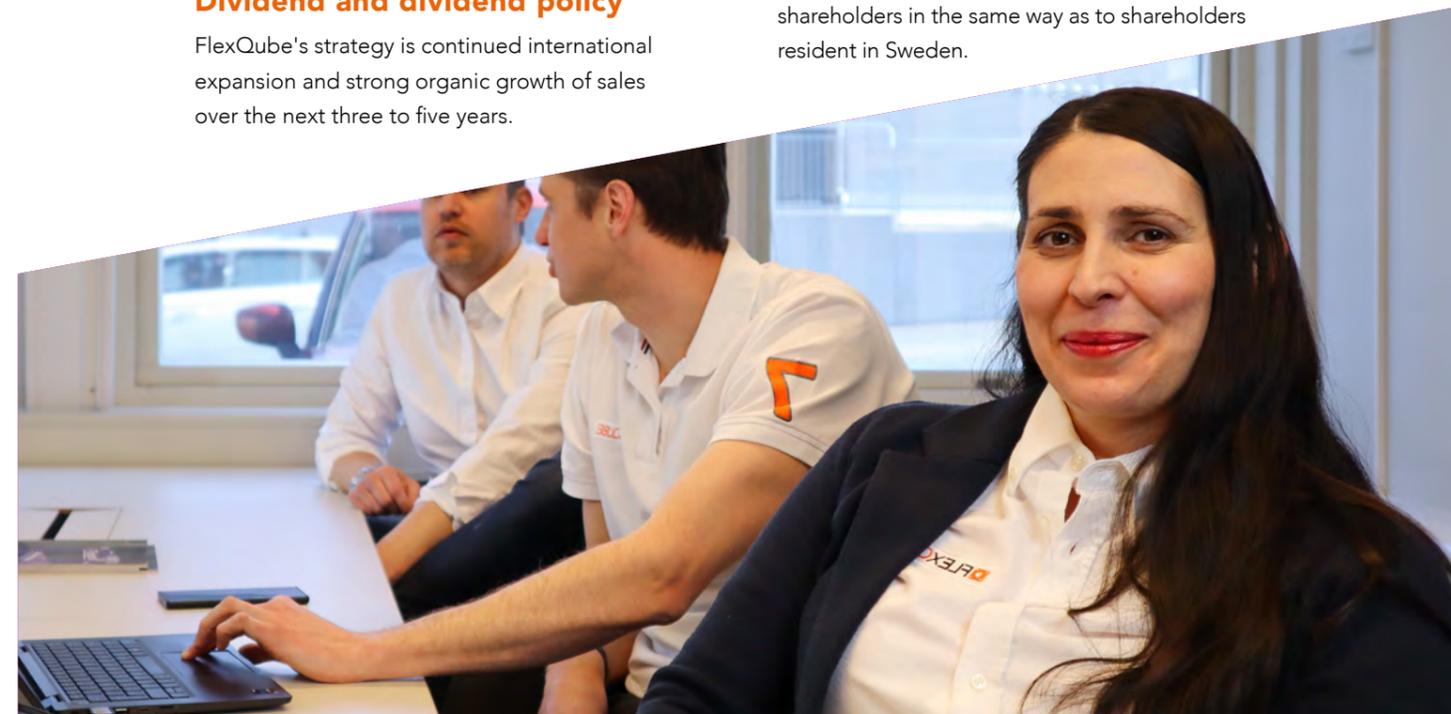
FlexQube's strategy is continued international expansion and strong organic growth of sales over the next three to five years.

In line with the company's strategy, growth will be prioritized over dividends over the next few years, and future decisions on dividends will be taken with regard to FlexQube's development and opportunities for growth. Decisions concerning dividends are made by the Annual General Meeting, and dividends are paid via Euroclear Sweden.

Payment of dividends will be made in SEK. A dividend may only be paid to such an amount that, after the dividend, there is full coverage for the company's restricted equity, and only if the dividend appears justified with regard to

- the requirements that the nature, scope and risks of the business place on the size of its equity; and
- the company's requirements for consolidation, liquidity and position in other respects (the so-called precautionary rule).

The right to dividend is assigned to the person who is registered as a holder of shares in the share register maintained by Euroclear Sweden on the record day set for the dividend by the Annual General Meeting. If a shareholder cannot be reached through Euroclear Sweden, the shareholder's claim on the company remains with respect to the amount of the dividend and is limited in time only by rules on ten-year limitation. In the event of limitation, the amount of the dividend accrues to the company. Neither the Companies Act nor FlexQube's Articles of Association contain any restrictions on the right to dividend of shareholders outside Sweden. Apart from any restrictions imposed by banking or clearing systems in the jurisdictions concerned, payment is made to such shareholders in the same way as to shareholders resident in Sweden.



## Central safekeeping of securities

FlexQube's shares are registered in a central security deposit register in accordance with the Swedish Central Securities Depository and Financial Instruments Accounts Act (1998:1479). The account operator is Euroclear Sweden AB, Box 7822, 103 97 Stockholm, Sweden. No share certificates have been issued for the company's shares. The ISIN code for FlexQube's shares is SE0010547075.

## Development of share capital

Since the company was formed in October 2012, the share capital in FlexQube has changed as shown in the following table.

Year	Event	Number of shares		Share capital (TSEK)	
		Change	Total	Change (TSEK)	Total (TSEK)
2012	Start-up	50	50	50	50
2017	Bonus issue	-	50	450	500
2017	Share split 100:1	4 950	5 000	-	500
2017	New issue	1 333	6 333	133	633
2018	New issue	1 100	7 433	110	743
2021	New issue	800	8 233	80	823

## Convertibles, warrants, etc.

FlexQube has a total of 131,000 outstanding warrants, of which 87,000 are of series N1 and 44,000 of series S1.

## Agreements with current shareholders

As far as the Board of Directors of FlexQube is aware, there are no agreements or the equivalent between shareholders that aim at joint influence over FlexQube or that may later lead to a change in the control of FlexQube.

## Incentive program

At FlexQube's Annual General Meeting on April 29, 2021, it was decided to issue warrants to the Board of Directors, senior executives and other employees within the company.

A total of 131,000 warrants were subscribed for and granted, of which 44,000 to board members, 34,000 to senior executives and 53,000 to other employees.

The term is three years, and each option gave the right to subscribe for one share at a subscription price of 56.43 SEK, corresponding to 180% of the average share price during the period April 30 - May 14, 2021. The options were issued on market terms at a price of 3.35 SEK per warrant. The subscription raised 438 850 SEK for the company.

# Report of the Board of Directors

The Board of Directors and CEO of FlexQube AB (publ), CIN 556905-3944, with registered office in Gothenburg, Sweden, hereby submits the Annual Report for the Parent Company and the Group for the financial year 2021.

## Business

FlexQube is a global provider of modular and robust industrial carts and robotic solutions for material handling. The group was founded in 2010, with sales starting in the second half of 2012, and has in a short time acquired a large number of prominent companies as customers. Today, the Group has a sales organization that focuses on Europe and North America. Manufacturing takes place in Sweden for the European market and in Duncan, South Carolina, USA for the North American and Mexican markets.

The industries and segments that FlexQube operates in are undergoing major challenges in the field of material handling, with today's consumers expecting more products and variants to choose from. The paradigm shift, called "mass customization", began in the late 1980s and has since developed into a situation where the number of products and variants on offer has increased significantly.

The mass customization phenomenon drives a huge need for products offered by FlexQube, such as the need to switch from truck-based to cart-based and finally robotic material handling, as the demand for reliable and frequent transports increases.

In addition to this paradigm shift, there is global uncertainty, rapid changes in volume and mix, and rapid technological development, imposing greater demands on flexibility and the ability to re-configure the carts.

FlexQube's goal is to help its customers improve their internal logistics and achieve this by creating unique material carts and robots with modular building blocks, an innovative design process and a high level of intralogistics skill.



## Market and trends

FlexQube is a global provider of modular and robust industrial carts for material handling. The Group was founded in 2010 and has since then had the ambition to create a whole new market. Today, the Group has a sales organization that focuses on Europe and North America. Manufacturing takes place in Sweden for the European market and in Duncan, South Carolina, USA for the North American and Mexican markets.

The industries and segments that FlexQube operates in are undergoing major challenges in the field of material handling, with today's consumers expecting more products and variants to choose from. The paradigm shift, called "mass customization", began in the late 1980s and has since developed into a situation where the number of products and variants on offer has increased significantly. The mass customization phenomenon drives a huge need for products offered by FlexQube, such as the need to switch from truck-based to cart-based material handling, as the demand for reliable and frequent transports increases. In addition to this paradigm shift, there is global uncertainty, rapid changes in volume and mix, and rapid technological development, imposing greater demands on flexibility and the ability to re-configure the carts.

FlexQube's goal is to help its customers improve their internal logistics and achieve this by creating unique material carts with modular building blocks, an innovative design process and a high level of intralogistics skills.

## Strategy and goals

For information concerning the company's strategy and goals, please see pages 16-19.

## Customer Base

FlexQube's customers are found in different industry segments and regions. As of December 31, 2021, FlexQube had an active customer base of approximately 850 customers in 35 countries. For more information about the company's customers and distributors, please see pages 20-23.

## Research and development

Innovation and product development are essential areas for FlexQube. Developments in logistics and automation are gathering momentum. FlexQube tries to work closely with its customers to ensure the value of the new innovations while constantly monitoring trends and technological developments.

Interest in automation solutions is steadily increasing among FlexQube's customers. It is mainly in the warehousing, distribution, and manufacturing industries that logistics robots are predicted to be implemented on a very large scale in coming years.

Modularization a key strategy for FlexQube. It creates the flexibility to upgrade the product with new technology quickly but, above all, facilitates a well thought-out modular concept that customized solutions can be easily created from.

A large part of FlexQube's development work is linked to the development of smart modules; such as engines, batteries, and navigation modules. Together with FlexQube's mechanical concept, these smart building blocks enable customer-unique logistics robots, also known as eQarts, to be easily and speedily configured to solve the customers' unique logistics problems. A special need for flexibility exists, especially in the manufacturing industry, where the variation in size and shape of the object to be moved varies greatly.

An important strategy is partnerships with market-leading technology providers in the industry. Mainly in battery, engine, and navigation technology. This enables both development costs and development time to be kept down. It also ensures a high level of quality and reliability in the solutions developed. The smart building blocks have standardized interfaces with FlexQube's carts and enable scalability at the technological level. As an example, two variants of the navigation module can be offered. One with optical line tracking and one with fully autonomous navigation. The same applies to batteries where a system of interchangeable batteries is offered and also innovative inductive charging with market-leading performance.

The mechanical building blocks are also being developed. One of the strategies for 2022 is to develop a scalable and flexible concept for manufacturing them that paves the way for more customer order-driven manufacturing with reduced inventory and faster delivery times.

For more information about research and development, please see pages 26-27.

## The product

The FlexQube concept can be divided into hard and soft products. The hard products are the building blocks and the customer-unique carts that are built using these blocks, while the soft products are system tools and processes for quickly and easily creating the design that the customer needs.

FlexQube has developed a toolbox of smart, modular building blocks that are combined to create customer-unique carts for material handling. FlexQube has four basic building blocks:

1. FlexQube®
2. FlexPlate™
3. FlexBeam™
4. FlexTube™

All building blocks are equipped with FlexQube's standardized interfaces (couplings), which are used to connect the building blocks with one another. No matter how and which building blocks are combined, the same interface is always created. FlexBeam™ and FlexTube™ come in different lengths to make it possible to create different-sized carts. The lengths are also standardized and come in intervals of seven centimeters; the blocks are based on a modular conception where it must always be possible to combine all building blocks with one another.

In addition to FlexQube's basic building blocks, screws, couplings, shelves and wheels are also used to create a complete solution for the customer. All accessories connected to FlexQube's building blocks are equipped with FlexQube's standardized interface, which makes integration straightforward. FlexQube

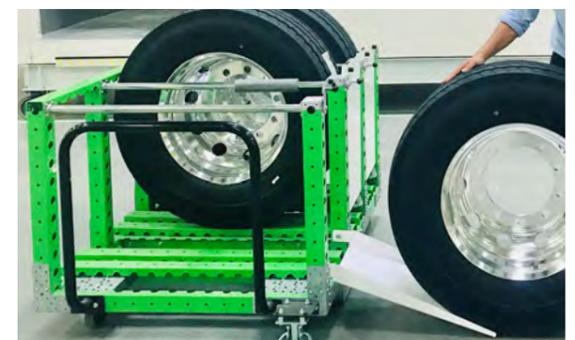
is, as far as the company is aware, the only player on the market with a modular concept that is 100 percent designed for creating material handling carts.

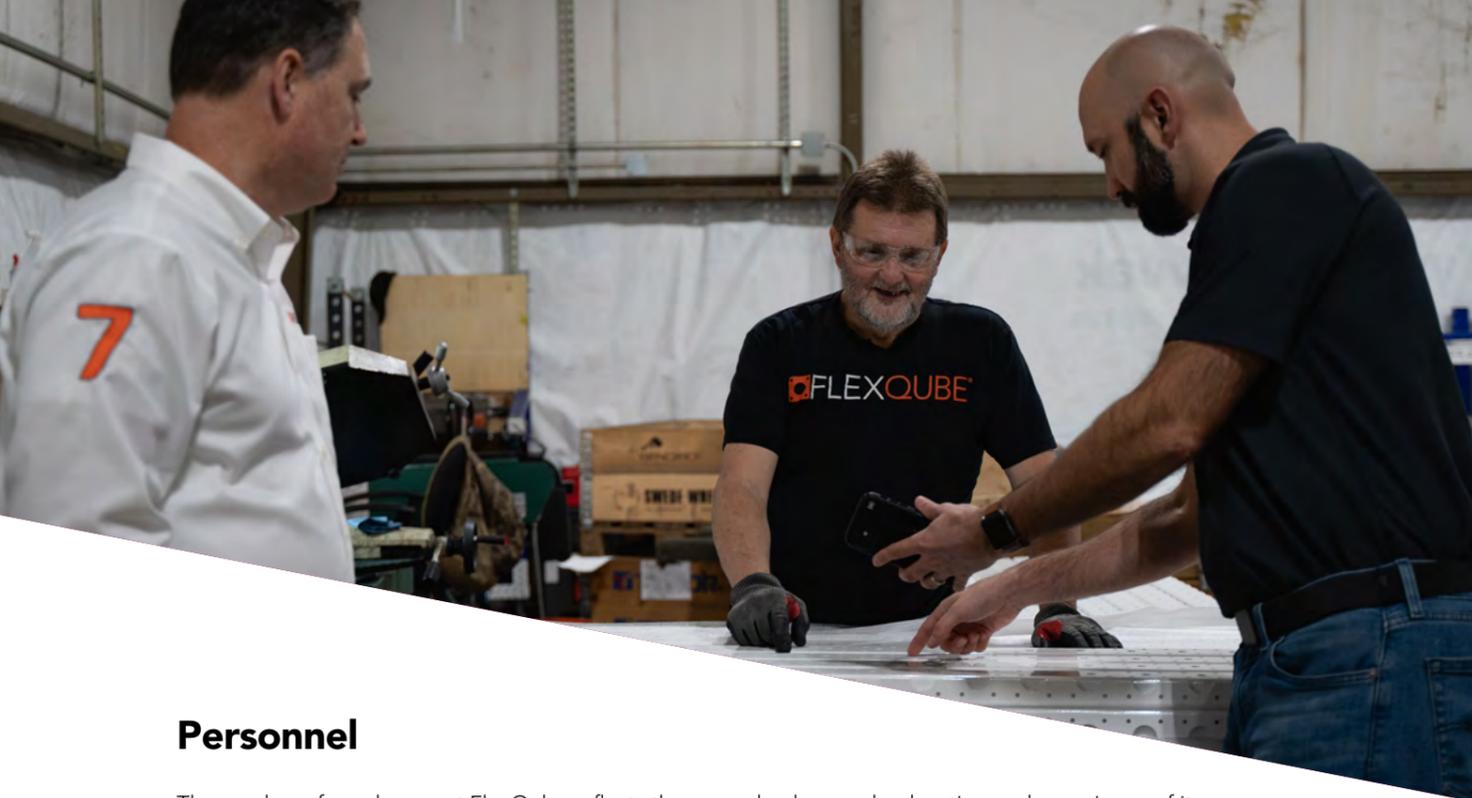
FlexQube's motorized cart, the eQart, consists of the same standardized building blocks but is also equipped with smart modules such as a motor, battery, cameras, and sensors that enable it to navigate automatically. The eQart is not a specific size or cart but a concept that enables all FlexQube carts, both new and existing, to become self-drive. For more information, please see pages 26-27.

## Production and environment

In September 2019, FlexQube moved its production for the European market from its subcontractor in Värmland to its own production facility in Gothenburg. This has led to major savings in terms of lead times to customers and closer cooperation with suppliers. In July 2020, the same process was carried out in the USA when production was moved in-house from an external supplier to Duncan, South Carolina. We expect the same positive effects as well as greater exchange in production methods and processes between our operations in Sweden and the US. The main supplier for the Group has particular commitments governed by contracts with FlexQube, which must be fulfilled regarding the ability to deliver, quantity, quality, and delivery time, where the processes are designed to comply with applicable legislation and with directives in the field of safety and environment.

The FlexQube concept enables clear environmental gains since the modular design is easy to customize. For more information about sustainability, please see pages 68-95.





## Personnel

The number of employees at FlexQube reflects the scalable business model that the Group actively works with in order to take advantage of economies of scale in the long term and, at the same time, limit the risk. As of December 31, 2021, there were 44 employees, of whom 11 were women. The average number of employees for the full-year was 39, of whom 9 were women.

Although the number of employees in the company is relatively low, the company still has a wide range of expertise in relevant areas, stemming from the

background, education and experience of its employees.

In addition, if necessary, the company will hire staff to gain the necessary skills and to a large extent cooperate with the company's subcontractors. It can thus be noted that, given the company's business model, the company has an additional 20 to 30 employees working at suppliers and external consultants.

For more information about our social responsibility, please refer to pages 82-89.

## Multi-year overview

For definitions of key ratios, see Note 1 on page 54.

Earnings	Unit	2021	2020	2019	2018	2017
Order intake	TSEK	155,282	78,369	81,208	63,743	37,232
Net sales	TSEK	112,630	82,163	72,561	68,901	29,004
EBITDA	TSEK	-17,362	-15,303	-20,522	-5,971	-2,417
EBIT	TSEK	-21,995	-19,979	-21,722	-6,714	-2,848
FINANCIAL POSITION						
Equity/assets ratio	%	55%	56%	74%	81%	73%
Working capital	TSEK	39,350	27,547	32,989	24,496	2,692
Current ratio	%	225%	240%	311%	502%	415%
Quick ratio including unused part of overdraft facilities	%	163%	170%	205%	406%	382%

## Comments on financial developments in 2021

Numerical data in brackets in this Annual Report refers to comparisons with the period January – December 2020 or the balance sheet date December 31, 2020. FlexQube's accounting currency is the Swedish krona (SEK). When converting the income statement of foreign subsidiaries, the Group applies an average rate based on the average exchange rate for the year.

### Revenue

Net sales for the year amounted to 112.6 MSEK (82.2), an increase of 37 % compared with the previous year. Total revenue was up 36 %, totaling 114.1 MSEK (83.9) at the end of the period. The Group has a lower share of activated work and smaller exchange rate gains from the previous year.

### Costs

The cost of goods for resale, which includes purchases of materials and related expenses, such as freight and packaging, amounted to 60.4 MSEK (44.9), which is an increase of 34 % compared to the previous year.

Other external costs amounted to 39.2 MSEK (31.5), an increase of 25 % compared to the previous year. The increase is primarily attributable to increased shipping costs, marketing costs, and location-related costs to adapt to the larger volumes. The result is also negatively affected by costs for invoice borrowing and by higher consulting fees. The consulting fees are mainly related to the project with Amazon.

Personnel costs amounted to 31.7 MSEK (21.2), an increase of 49 %. The increase between the periods is attributable to the planned expansion.

### Earnings

EBITDA amounted to -17.4 MSEK (-15.3) and EBIT amounted to -22.0 MSEK (-20.0). Profit before tax amounted to -22.5 MSEK (-20.1) and profit after tax amounted to -22.6 MSEK (-20.1). Deferred tax assets on loss carryforwards have not been recognized.

### Balance sheet

The company's total assets on December 31, 2021, amounted to 130.0 MSEK (75.3). Intangible fixed assets amounted to 14.8 MSEK (16.3). This item consists mainly of expenses linked to development costs for FlexQube's self-driving cart eQart. Other items which are included in intangible fixed assets are expenses for development work on IT and software solutions for customers, patents, trademarks, and the conceptual development of FlexQube's mechanical building blocks.

Current assets amounted to 112.3 MSEK (56.5) on the balance sheet date. Inventories amounted to 33.4 MSEK (18.7), accounts receivable amounted to 32.6 MSEK (18.6) and cash equivalents amounted to 34.9 MSEK (13.4).

Equity amounted to 72.1 MSEK (42.5) at the end of the period. Short-term liabilities amounted to 49.9 MSEK (23.6), consisting mainly of accounts payable combined with accrued costs and deferred income.

Cash flow for the period amounted to 21.5 MSEK (-4.6), of which cash flow from operating activities amounted to -29.3 MSEK (-11.4) and is mainly driven by increased inventories and the change in working capital. Cash flow from investment activities amounted to -2.8 MSEK (-3.0). The change between the comparison periods is due to reduced investments for intangible fixed assets linked to the development program for FlexQube's eQart self-driving cart. Cash flow from financing activities amounted to 53.7 MSEK (9.8) where the change is due to the directed issue of new shares.

## Risk and uncertainties

FlexQube is an internationally active company that is exposed to a number of market and financial risks. The company constantly monitors identified risks and takes measures to reduce the risks and their effects if necessary.

Examples of financial risks are, liquidity and credit risks. The market risks consist mainly of currency risk. The Board of Directors of FlexQube is ultimately responsible for managing and monitoring the Group's financial risks. Currency and liquidity risks represent the most significant financial risks, while interest, financing and credit risks can be assigned lower risk.

The currency risk is due to the fact that part of the Group's revenues are in EUR for the European market, while operating costs are mainly in SEK.

The US unit has local manufacturing and a supply chain in the US and only limited purchases are made in currencies other than USD. Consequently, the US unit experiences limited currency risk, excluding any intra-Group transactions.

The liquidity risk is primarily due to the fact that the Group's major customers require long payment periods and that the Group is in an expansion phase. The Group is actively working to reduce these risks, and existing global financing agreements ensure a satisfactory cash flow. Liquidity risk is managed on an ongoing basis in cooperation with the Group's lenders and other financial partners.

The corona pandemic continued to be a major risk factor for the company, which affected the supplier's lead times and delays in deliveries.

However, the pandemic can have both direct and indirect effects on the company's operations in the form of production difficulties due to sick leave, problems with component deliveries from external suppliers, reduced demand for the Group's products in the context of an economic downturn or closed customer operations, difficulties in leading the company if senior executives or other key employees take longer sick leave, credit losses on accounts receivable, government action and similar.

## The Share

FlexQube's shares have been listed on Nasdaq First North in Stockholm since December 14, 2017, under the designation FLEXQ. FlexQube's share capital amounted to 0.8 MSEK on December 31, 2021, divided among 8,233,333 outstanding shares with equal rights. For more information concerning the share, see Share capital, the share, and ownership on pages 34-36.

## Parent Company

FlexQube AB (publ) in Gothenburg, Corp ID No. 556905-3944 is the Group's parent company. In connection with the company's public offering, the Parent Company has established a management function for the Group, within the framework of corporate management and governance. All other business-related transactions that do not concern Group management, with external and/or intra-Group parties, are carried out primarily by the subsidiaries.

## Other significant events during the financial year

### eQart

Development of the first commercial version of the eQart was completed in 2019. The product was finally certified in September and the first orders were placed by Daimler in Germany. The eQart was officially launched at the end of 2019 and in 2020 the company has conducted sales and product demonstrations while continuing to refine the product. The corona pandemic put a spanner in the works for a wide range of planned meetings and demonstrations, but especially towards the end of 2020, we saw an increase in order intake on the eQart concept. In the long term, we see the corona pandemic as something that will create a need for faster automation rates within the world's plants.

During 2021 we have seen a steady increase in projects, and over the year, we have a sales growth of 76 %. More and more eQarts are being delivered to customers that get instant value, reducing time spent on moving parts internally and focusing personnel on high-value tasks

We have several installations running on all our markets in the EU, US, and Mexico, with up to six eQarts running in cooperation. We have launched several software updates throughout the year, bringing more features to customers OTA (over the air) to improve the value created even after the initial setup.

### Sales and Marketing

Despite the corona pandemic, the company has posted another record year when it comes to sales, with a total net sales of 112.6 MSEK, or growth of 37%. The targets for the year were higher, but given the prevailing conditions around the world, we are pleased with the outcome. As physical visits have been kept to a minimum, the company has focused significantly on digital presence and continued with our "virtual demos" concept. The customer connects via the internet and receives a full product review mainly of the eQart from FlexQube employees, tailored to the customer's needs. This concept has been live in all markets and very popular both with existing and future potential customers.

### Organization and capacity

FlexQube continued to grow in 2021 and has boosted the organization in all areas, both through our own employees and also by increasing resources among our external partners.

In April 2021, we moved the European operations to new premises with bigger space for warehousing. Soon after we realized that our resource and development team needed more space for the ongoing project and rented another facility close by the headquarter in Mölndal, Sweden.

After the decision in 2020 of insourcing all assembly and distribution for North America and making the entire US operations located under one roof, it was time to move on to a larger facility. In August 2021, we moved to new premises but still in Duncan, South Carolina.

The company has been supplemented with resources in management, sales, and purchasing. These consolidations are expected not only to increase the gross margin, but also to lead to better quality in both products and processes.

### The corona pandemic

In 2021 we still saw that the corona pandemic effected the company's business in some markets.

At the beginning of the year, we still experienced delays in deliveries from Asia, and due to restrictions, some customer projects were moved forward, and there was no possibility to visit customers physically. Despite these challenges, the company's sales increased by 37% compared to the previous year.

The corona pandemic has also impacted our processes as we have invested significantly in our digital presence, both when it comes to marketing and more innovative services such as our "virtual demos".

The company has benefited from government funding programs linked to the corona pandemic, primarily in the form of personnel lay-offs and deferral of tax payments. As a result of the restriction on physical meetings, costs are also significantly lower for e.g., travel and trade fairs.

## Proposed distribution of profits and dividends

In light of the fact that the Group is in an expansion and growth phase and the result for 2021, the Company's Board of Directors proposes that the profits should be carried forward to a new account and that no dividend be paid to shareholders. With regard to the Group's and the Parent Company's earnings and financial position in general, please refer to the following balance sheet and income statement, statement of changes in equity, cash flow statements, and notes. The Corporate Governance Report may be found on pages 100-106.

### The following funds in the Parent Company (TSEK) are at the disposal of the Annual General Meeting:

Profit carried forward	1,481
Share premium reserve	144,336
Profit for the year	1,312
	<b>147,130</b>

The Board of Directors proposes the following amount to be carried forward on new account	147,130
---	---------





## Group's consolidated income statement

TSEK	Note	2021	2020
Net sales		112,630	82,163
Capitalised work on own account		769	605
Other operating income*	2, 23	681	1,181
<b>Total operating income</b>		<b>114,080</b>	<b>83,950</b>
<b>OPERATING COSTS</b>			
Goods for resale		-60,362	-44,891
Other external costs	4	-39,238	-31,490
Personnel costs	3	-31,707	-21,248
Depreciation of fixed assets	5	-4,633	-4,676
Other operating expenses*	6	-136	-1,624
<b>Total operating expenses</b>		<b>-136,076</b>	<b>-103,929</b>
<b>Operating income (EBIT)</b>		<b>-21,995</b>	<b>-19,979</b>
<b>INCOME FROM FINANCIAL ITEMS</b>			
Interest income and similar credits	22	-	11
Interest expenses and similar charges	22	-538	-156
<b>Total financial items</b>		<b>-538</b>	<b>-144</b>
<b>Income after financial items</b>		<b>-22,533</b>	<b>-20,124</b>
Income taxes	8	-26	-13
<b>Income for the period</b>		<b>-22,559</b>	<b>-20,137</b>
<b>ATTRIBUTABLE TO:</b>			
Owner of the Parent Company		-22,559	-20,137
Earnings per share attributable to owners of the Parent Company		2.7	-2.7

\*Includes exchange rate fluctuations of operating items.

# Group's consolidated balance sheet

## Assets

TSEK	Note	12/31/2021	12/31/2020
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	9		
Capitalized development expenses		11,985	12,634
Concessions, patents, licenses, trademarks		2,562	2,767
Other intangible assets		239	869
<b>Total intangible fixed assets</b>		<b>14,787</b>	<b>16,270</b>
<b>Tangible fixed assets</b>			
Property, plant and equipment	10	1,890	1,389
Inventories, tools and installations		1,066	1,098
<b>Total tangible fixed assets</b>		<b>2,956</b>	<b>2,487</b>
<b>Total fixed assets</b>		<b>17,743</b>	<b>18,757</b>
<b>Current assets</b>			
Inventories	13	33,407	18,741
<b>Total inventories etc.</b>		<b>33,407</b>	<b>18,741</b>
<b>Current receivables</b>			
Accounts receivable		32,634	18,646
Other receivables		5,247	1,784
Prepaid expenses and accrued income	14	6,049	3,940
<b>Total current receivables</b>		<b>43,931</b>	<b>24,370</b>
Cash and cash equivalents	21	34,925	13,389
<b>Total current assets</b>		<b>112,262</b>	<b>56,500</b>
<b>TOTAL ASSETS</b>		<b>130,005</b>	<b>75,257</b>

# Group's consolidated balance sheet

## Equity and liabilities

TSEK	Note	12/31/2021	12/31/2020
<b>EQUITY</b>			
Capital stock	15	823	743
Additional paid in capital		147,589	97,070
Retained earnings		-53,737	-35,208
Income for the period		-22,559	-20,137
<b>Total equity</b>		<b>72,116</b>	<b>42,468</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions		6,656	8,590
Other non-current liabilities		1,329	635
<b>Total non-current liabilities</b>		<b>7,985</b>	<b>9,225</b>
<b>Current liabilities</b>			
Accounts payable		26,692	9,840
Overdraft facility**		-	-
Liabilities to credit institutions	16	6,741	1,405
Current tax liability		5	4
Other current liabilities		5,517	3,476
Accrued expenses and deferred income	18	10,950	8,839
<b>Total current liabilities</b>		<b>49,904</b>	<b>23,565</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>130,005</b>	<b>75,257</b>

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

Specification of overdraft limit and unused part of check:	12/31/2021	12/31/2020
Overdraft limit (TSEK)	2,300	2,300
Unused part of overdraft facility (TSEK)	2,300	2,300

## Group's consolidated changes in equity

TSEK	Share capital	Other paid-up capital	Profit carried forward, etc.	Total equity
Opening balance 01-01-2020	743	97,069	-31,919	65,893
Income for the period			-20,137	-20,137
Exchange rate differences when converting foreign subsidiaries			-3,289	-3,289
<b>OUTGOING BALANCE 12-31-2020</b>	<b>743</b>	<b>97,069</b>	<b>-55,345</b>	<b>42,468</b>
Opening balance 01-01-2021	743	97,069	-55,345	42,468
Income for the period			-22,559	-22,559
Exchange rate differences when converting foreign subsidiaries			1,608	1,608
Premium paid when issuing warrant		439		439
New issues of shares	80	55,920		56,000
Issuing expenses		-5,839		-5,839
<b>OUTGOING BALANCE 12-31-2021</b>	<b>823</b>	<b>147,589</b>	<b>-76,296</b>	<b>72,116</b>

## Group's consolidated cash flow statement

TSEK	Note	2021	2020
<b>Operating activities</b>			
Operating income before financial items		-21,995	-19,980
<i>Adjustments for items not included in cash flow</i>			
Depreciation		4,633	4,676
Other items not included in cash flow	20	1,744	-3,168
Interest received		-	11
Interest paid		-538	-156
Income tax paid		-25	-13
<b>Cash flow from operating activities before changes in working capital</b>		<b>-16,182</b>	<b>-18,629</b>
<i>Cash flow from changes in working capital</i>			
Changes in inventories		-14,584	6,600
Changes in operating receivables		-19,561	97
Changes in operating liabilities		21,003	553
<b>Cash flow from operating activities</b>		<b>-29,323</b>	<b>-11,379</b>
<b>INVESTMENT ACTIVITIES</b>			
Acquisition of intangible fixed assets		-2,089	-2,345
Acquisition of tangible fixed assets		-745	-776
Sold tangible fixed assets		-	164
<b>Cash flow from investments activities</b>		<b>-2,834</b>	<b>-2,957</b>
<b>FINANCING ACTIVITIES</b>			
New issues of shares		56,000	-
Issuing expenses		-5,839	-
Warrant program		439	-
Change in non-current financial liabilities		4,430	-
New borrowings		11,500	10,000
Amortization of loans		-12,533	-
Amortization of financial leasing liabilities		-319	-222
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>53,678</b>	<b>9,778</b>
<b>CASH FLOW FOR THE PERIOD</b>		<b>21,520</b>	<b>-4,558</b>
Cash and cash equivalents at the beginning of the period		13,389	18,092
Exchange difference in cash and cash equivalents		15	-144
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>34,925</b>	<b>13,389</b>

# Parent Company's income statement

TSEK	Note	2021	2020
Net sales		2,419	1,548
Other operating income	2, 23	1,797	-
<b>Total operating income</b>		<b>4,216</b>	<b>1,548</b>
<b>OPERATING EXPENSES</b>			
Other external costs	4	-1,724	-864
Personell costs	3	-695	-813
Other operating expenses	6	-	-2,966
<b>Total operating expenses</b>		<b>-2,419</b>	<b>-4,642</b>
<b>Operating income (EBIT)</b>		<b>1,797</b>	<b>-3,095</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
Interest income and similar credits	22	1,389	1,560
Interest expenses and similar charges	22	-77	-
<b>Total financial items</b>		<b>1,312</b>	<b>1,560</b>
<b>Income after financial items</b>		<b>3,109</b>	<b>-1,534</b>
Appropriations	7	-1,797	-
Income tax for the period	8	-	-
<b>Income for the period</b>		<b>1,312</b>	<b>-1,534</b>

# Parent Company's balance sheet

TSEK	Note	12/31/2021	12/31/2020
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Financial assets</b>			
Shares in subsidiaries	12	76,405	57,308
Receivables from subsidiaries	11	40,389	31,360
<b>Total financial assets</b>		<b>116,794</b>	<b>88,668</b>
<b>Total fixed assets</b>		<b>116,794</b>	<b>88,668</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Receivables from subsidiaries		4,266	796
Prepaid expenses and accrued income	14	50	47
<b>Total current receivables</b>		<b>4,316</b>	<b>843</b>
Cash and bank balances	21	30,119	7,674
<b>Total current assets</b>		<b>34,435</b>	<b>8,518</b>
<b>TOTAL ASSETS</b>		<b>151,229</b>	<b>97,186</b>
<b>Equity</b>			
Capital stock	15	823	743
<b>Total restricted equity</b>		<b>823</b>	<b>743</b>
Capital surplus		144,336	93,817
Retained earnings		1,481	3,016
Income for the period		1,312	-1,535
<b>Total non-restricted equity</b>		<b>147,130</b>	<b>95,298</b>
<b>Total equity</b>		<b>147,953</b>	<b>96,041</b>
<b>Current liabilities</b>			
Liabilities to subsidiaries		1,958	-
Other current liabilities		572	367
Accrued expenses and deferred income	18	746	778
<b>Total current liabilities</b>		<b>3,276</b>	<b>1,145</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>151,229</b>	<b>97,186</b>

## Parent Company's changes in equity

TSEK	Share capital	Share premium reserve	Profit carried forward, etc.	Total equity
Opening balance 01-01-2020	743	93,816	3,016	97,576
Income for the period			-1,534	-1,534
<b>OUTGOING BALANCE 12-31-2020</b>	<b>743</b>	<b>93,816</b>	<b>1,481</b>	<b>96,041</b>
Opening balance 01-01-2021	743	93,816	1,481	96,041
Income for the period			1,312	1,312
Premium paid when issuing warrant		439		439
New issues of shares	80	55,920		56,000
Issuing expenses		-5,839		-5,839
<b>OUTGOING BALANCE 12-31-2021</b>	<b>823</b>	<b>144,336</b>	<b>2,794</b>	<b>147,953</b>

## Parent Company's cash flow statement

TSEK	Note	2021	2020
<b>Operating activities</b>			
Operating income before financial items		1,797	-3,095
Adjustments for items not included in cash flow			
Other items not included in cash flow	20	-2,622	1,659
Interest received		1,389	1,560
Interest paid		-77	-
<b>Cash flow from operating activities before changes in working capital</b>		<b>487</b>	<b>125</b>
<b>Cash flow from changes in working capital</b>			
Changes in operating receivables		-3,472	1,292
Changes in operating liabilities		334	-1,491
<b>Cash flow from operating activities</b>		<b>-2,651</b>	<b>-74</b>
<b>Investment activities</b>			
Capital contribution		-19,097	-23,250
Loans granted to Group companies		-45,900	-16,392
Repayments received from Group companies		39,493	32,261
<b>Cash flow from investments activities</b>		<b>-25,504</b>	<b>-7,382</b>
<b>Financing activities</b>			
New issues of shares		56,000	-
Issuing expenses		-5,839	-
Warrant program		439	-
New borrowings		11,500	-
Amortization of loans		-11,500	-
<b>Cash flow from financing activities</b>		<b>50,600</b>	<b>-</b>
<b>CASH FLOW FOR THE PERIOD</b>		<b>22,445</b>	<b>-7,456</b>
Cash and cash equivalents at the beginning of the period		7,674	15,130
Exchange difference in cash and cash equivalents			
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>30,119</b>	<b>7,674</b>

# NOTES Apply to both the Group and the Parent Company

## Note 1 ACCOUNTING AND VALUATION PRINCIPLES

The current financial information has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Board's BFAR 2012:1 Annual Report and Consolidated Financial Statements (K3). The accounting principles have not changed from the previous year.

### CONSOLIDATED FINANCIAL STATEMENTS

Companies in which FlexQube holds the majority of votes at the Annual General Meeting are classified as subsidiaries and consolidated in the consolidated financial statements. Subsidiaries are included in the consolidated financial statements from the date on which the controlling influence is transferred to the Group. They are excluded from the consolidated financial statements from the date on which the controlling influence ceases. The consolidated financial statements have been prepared in accordance with the acquisition method. The acquisition date is the date on which the controlling influence is obtained. Identifiable assets and liabilities are initially valued at fair value on the acquisition date. Goodwill/Negative goodwill is the difference between the acquired identifiable net assets at the acquisition date and the acquisition value including the value of the minority interest, and is initially valued at the acquisition value. The Group has never reported any goodwill.

### Transactions between Group companies have been eliminated in their entirety.

Subsidiaries in other countries prepare their annual reports in foreign currency. Upon consolidation, the items in these subsidiaries' balance sheets and income statements are translated at the exchange rate on the balance sheet date or the spot rate on the day each transaction took place. The exchange rate differences arising from the translation of the balance sheet for foreign subsidiaries are reported as accumulated exchange rate differences under consolidated equity.

### Foreign currency

Monetary assets and liabilities denominated in foreign currencies are measured at the spot rate on the balance sheet date. Transactions in foreign currency are translated in accordance with the spot rate on the date of the transaction.

### Revenue

Sales of goods are recognized when significant risks and benefits are transferred from sellers to buyers in accordance with the terms of sale. Sales are recognized after deduction of VAT and discounts. Sales of services are reported when the service in question has been carried out under the agreed terms.

### Public grants

Contributions from the government are recognized at fair value when there is reasonable assurance that the grant will be received and that the Group will meet the conditions associated with the grant. Government grants related to cost recovery are accrued and recognized in the income statement over the same periods as the costs the grants are intended to cover. Government grants are presented as other income in the consolidated income statement.

### Leases

Leases that essentially transfer the economic risks and benefits of owning an asset from the lessor to the lessee are classified in the consolidated financial statements as financial leases. Financial leases entail that rights and obligations are recognized in the balance sheet as assets and liabilities, respectively. The asset and liability is initially measured at the lower of the asset's fair value and the present value of the minimum lease payments. Expenses directly attributable

to the lease are added to the value of the asset. Leasing fees are allocated on interest and amortization according to the effective interest rate method. Variable fees are recognized as an expense in the period they arise. The leased asset is depreciated on a straight-line basis over the estimated service life. Leases where the economic benefits and risks that are attributable to the leasehold item remain in essence with the lessor are classified as operating leases. Payments, including a first increased rent, under these agreements are recognized on a straight-line basis over the term of the lease.

### Employee benefits (short-term benefits)

Short-term benefits in the Group consist of salary, social security contributions, paid vacation, paid sick leave, health care and bonuses. Short-term benefits are reported as an expense and a liability when there is a legal or informal obligation to pay compensation.

### Compensation after termination of employment

The Group only has defined contribution plans. In defined contribution plans, the company pays fixed fees to another company and has no legal or informal obligation to pay anything further even if the other company cannot fulfill its commitment. The Group's profit/loss is charged for expenses as employees' pensionable services are performed.

### Income tax

Current taxes are measured based on the tax rates and tax rules applicable on the balance sheet date. Deferred taxes are measured based on the tax rates and tax rules determined prior to the balance sheet date.

### Intangible fixed assets

Intangible fixed assets are recognized at cost less accumulated amortization and impairment losses.

The capitalization model for internally generated intangible fixed assets is applied in the consolidated financial statements, which means that: Development expenditure directly attributable to the development and testing of identifiable, unique software products controlled by the Group is reported as intangible fixed assets when the following criteria are met:

- it is technically possible to complete the software so that it may be used,
- the company's intention is to complete the software and to use or sell it,
- there are conditions for using or selling the software,
- it can be shown how the software generates likely future financial benefits,
- adequate technical, financial and other resources for completing the development and for using or selling the software are available, and
- the expenses attributable to the software during its development can be calculated in a reliable manner.

Directly attributable expenses capitalized as part of a development program include expenses for employees and a reasonable proportion of indirect costs. Capitalized development expenditure is reported as intangible assets and amortized from the time when the asset is ready to be used. Amortization is carried out on a straight-line basis over the estimated useful life. The amortization period for internally generated intangible fixed assets is from three to ten years.

### Tangible fixed assets

Tangible fixed assets are reported at cost less depreciation. Cost includes expenses directly attributable to the acquisition of the asset. Expenses for ongoing repairs and maintenance are reported as expenses. Capital gains and losses on the disposal of capital assets are reported as Other operating income and Other operating expenses respectively. The following depreciation periods are applied:

- Inventories, 2 to 5 years.
- Cars, 3 to 6 years.

### Financial instruments

Financial instruments are reported in accordance with the rules in Chapter 11 of K3, which means that valuation is based on cost. Financial instruments recognized in the balance sheet include accounts receivable and other receivables, accounts payables and loan liabilities. The instruments are recognized in the balance sheet when FlexQube becomes party to the instrument's contractual terms. Financial assets are derecognized from the balance sheet when the right to receive cash flows from the instrument has expired or been transferred and the Group has transferred virtually all risks and benefits associated with ownership. Financial liabilities are derecognized from the balance sheet when the obligations have been canceled or otherwise terminated.

### Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method (FIFO). The reported value of stock includes a deduction for obsolescence in accordance with phased obsolescence which has been defined for the Group. Phasing means that on the basis of a consistent equation, write-down is calculated at different intervals, based on the turnover rate of the individual product. This write-down rule is also supplemented by an assessment of the individual product group.

### Cash flow statement

The cash flow statement has been prepared using the indirect method. The reported cash flow only includes transactions that have resulted in incoming or outgoing payments. The company classifies cash as cash and cash equivalents.

## PARENT COMPANY ACCOUNTING AND VALUATION PRINCIPLES

The same accounting and valuation principles apply to the Parent Company as to the Group, except in the cases listed below:

### Shares and shares in subsidiaries

Shares and shares in subsidiaries are reported at cost less any impairment losses. Cost includes the purchase price paid for the shares as well as acquisition costs. Any capital contributions are added to cost when they are paid. Dividends from subsidiaries are reported as income.

### Group contributions

Group contributions from the Parent Company to subsidiaries and Group contributions received by the Parent Company from subsidiaries are reported as appropriations.

### Equity

Equity is divided into restricted and unrestricted equity, in accordance with the Annual Accounts Act.

## ITEMS AFFECTING COMPARABILITY

Items affecting comparability are accounted for separately where necessary to explain the Group's results. Items affecting comparability are substantial income or expense items that should be noted because of the importance of their nature or amount.

## ASSESSMENTS AND ESTIMATES

The Group makes estimates and assumptions about the future of the accounts in accordance with good accounting practices. Estimates and assessments are based on historical outcomes and other factors that are evaluated on an ongoing basis. Therefore, the actual outcome may differ from the assumptions and estimates made.

### Intangible assets

The carrying amount depends on the future market for the products and expected cash flows. The Group tests each year whether there is a need for impairment, and the assessment as of December 31, 2021, is that the carrying amount does not exceed fair value.

### Inventories

The inventory value is dependent on assessments regarding the calculation of the inventory's net sales value. These assessments may lead to write-downs of the inventory value. The risk that the net sales value is lower than the acquisition value is considered low, as the majority of the products are insensitive to trends and have a long shelf life. No significant obsolescence is judged to exist in the inventory.

## DEFINITIONS OF KEY RATIOS

**Current ratio:** Current assets as a percentage of current liabilities.

**EBIT:** Earnings before interest and tax.

**EBITDA:** Earnings before interest, tax, and depreciation and amortization.

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

**Sales growth:** The difference in net sales between two periods, divided by net sales during the first period.

**Quick ratio:** Current assets excluding inventories and including unused overdraft facilities as a percentage of current liabilities.

**Net debt:** Gross debt, i.e. total non-current and current borrowings, including any used part of the overdraft facilities, minus cash and cash equivalents, current receivables and easily realized assets.

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

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

**Working capital:** Inventories and accounts receivable less accounts payable.

**Operating margin:** Operating profit/loss after depreciation/amortization as a percentage of net sales.

**Equity/assets ratio:** The ratio of the company's equity to the total assets in the company's balance sheet.

**Profit margin:** Profit before tax as a percentage of net sales.

### Definitions of alternative key ratios

**Quick ratio including unused part of overdraft facilities:** Current assets excluding inventories plus unused overdraft facilities as a percentage of current liabilities.

**Working capital as a percentage of net sales:** Total current assets less current liabilities in relation to net sales in percent.

Note 2	OTHER OPERATING INCOME	2021	2020
	<b>OTHER OPERATING INCOME, GROUP</b>		
	Other income	140	223
	Grants received*	57	531
	Exchange gains from operating activities (net)	483	427
	<b>Total other operating income, Group</b>	<b>681</b>	<b>1,181</b>
	<b>OTHER OPERATING INCOME, PARENT COMPANY</b>		
	Exchange gains on receivables from Group companies	1,797	-
	<b>Total other operating income, Parent Company</b>	<b>1,797</b>	<b>-</b>

\* Government grants related to Covid-19 refer to support for lay-offs and amount to 0 (461 TSEK). Government grants are presented as other income in the consolidated income statement. There are no unfulfilled conditions or contingent liabilities attached to these grants.

Note 3	PERSONNEL	2021	2020
	<b>AVERAGE NUMBER OF EMPLOYEES IN THE GROUP</b>		
	The average number of employees was	39	30
	-Of whom women	9	7
	Hired staff	30	31

#### GENDER DISTRIBUTION IN BOARD AND MANAGEMENT AS AT THE BALANCE SHEET DATE

Number of Board members	4	5
-Of whom women	-	-
Number of other senior executives, incl. CEO	8	3
-Of whom women	1	-

#### SALARIES, REMUNERATION, ETC. TO BOARD, PARENT COMPANY

Christian Thiel, Chairman of the Board	195	140
Anders Ströby	135	140
Ulf Ivarsson	75	233
Kristina Ljunggren	-	50
Mikael Bluhme	135	90
Per Augustsson	-	-
<b>Total salaries, remuneration etc. to Board</b>	<b>540</b>	<b>653</b>
<b>Total social security contributions</b>	<b>141</b>	<b>176</b>

The Board has not received any variable remuneration, pension or other benefits.

#### SALARIES, REMUNERATION, ETC. TO EMPLOYEES, SUBSIDIARIES

Anders Fogelberg (CEO)*	1,226	1,258
Other senior executives (7)	4,882	1,821
Other employees	19,235	13,659
<b>Total salaries, remuneration, etc. to employees</b>	<b>25,343</b>	<b>16,737</b>
<b>Total social security contributions</b>	<b>3,842</b>	<b>3,143</b>

\*Benefits in addition to salary and pension have been awarded to the CEO in the amount of 92 TSEK (111 TSEK)

Note 3	PERSONNEL <sub>(contd.)</sub>	2021	2020
	<b>PENSION COSTS, SUBSIDIARIES*</b>		
	Anders Fogelberg (CEO)	113	91
	Other senior executives (7)	460	244
	Other employees	640	422
	<b>Total pensions to employees</b>	<b>1,213</b>	<b>756</b>
	<b>Total special payroll tax on pension costs</b>	<b>220</b>	<b>148</b>

\*Pension costs consist of contract premiums paid during the year in accordance with defined contribution pension plans. No pension was paid by the Parent Company in 2021 or 2020.

Note 4	REMUNERATION TO THE AUDITORS	2021	2020
	<b>REMUNERATION TO AUDITORS, GROUP</b>		
	Audit, PwC	250	175
	Other assignments, PwC	58	45
	Tax advice, PwC	-	50
	<b>Total remuneration to auditors, Group</b>	<b>308</b>	<b>270</b>

#### REMUNERATION TO AUDITORS, PARENT COMPANY

Audit, PwC	250	175
Other assignments, PwC	58	45
Tax advice, PwC	-	50
<b>Total remuneration to auditors, Group</b>	<b>308</b>	<b>270</b>

Note 5	DEPRECIATION/AMORTIZATION
Amortization of intangible fixed assets in the Group amounts to 3.6 MSEK (3.6). Depreciation of tangible fixed assets in the Group amounts to 1 MSEK (1.1). No depreciation/amortization was carried out in the Parent Company.	

Note 6	OTHER OPERATING COSTS	2021	2020
	<b>OTHER OPERATING COSTS, GROUP</b>		
	Capital losses	-	5
	Depreciation/amortization	-	99
	Exchange loss from operating activities (net)	136	1,519
	<b>Total other operating costs, Group</b>	<b>136</b>	<b>1,624</b>

#### OTHER OPERATING COSTS, PARENT COMPANY

Exchange loss from operating activities (net)	-	-2,966
<b>Total other operating costs, Parent Company</b>	<b>-</b>	<b>-2,966</b>

Note 7	APPROPRIATIONS	2021	2020
	<b>APPROPRIATIONS, PARENT COMPANY</b>		
	Group contributions paid	1,797	-
	<b>Total appropriations, parent company</b>	<b>1,797</b>	<b>-</b>

Note 8	TAX	2021	2020
	<b>TAX ON PROFIT FOR THE YEAR, GROUP</b>		
	Swedish companies	-	-
	Foreign companies	-26	-13
	<b>Total current tax, Group</b>	<b>-26</b>	<b>-13</b>

Deferred tax assets for carry-backs in 2021 or 2020 have not been reported; the deficit on the balance sheet date amounts to 76.3 MSEK (55.3) in the Group.

TAX ON PROFIT FOR THE YEAR, PARENT COMPANY			
	Tax on profit for the year	-	-
	<b>Total current tax, Parent Company</b>	<b>-</b>	<b>-</b>

Note 9	INTANGIBLE ASSETS, GROUP	2021	2020
	<b>CAPITALIZED EXPENDITURE FOR DEVELOPMENT WORK</b>		
	Opening cost and depreciation/amortization	12,634	13,364
	Cost for the year	1,917	1,926
	Depreciation/amortization for the year	-2,566	-2,557
	Depreciation/amortization	-	-99
	<b>Closing book value</b>	<b>11,985</b>	<b>12,634</b>

OTHER INTELLECTUAL PROPERTY RIGHTS			
	Opening cost and depreciation/amortization	869	1,500
	Depreciation/amortization for the year	-630	-631
	<b>Closing book value</b>	<b>239</b>	<b>869</b>

CONCESSIONS, PATENTS, LICENSES AND TRADEMARKS			
	Opening cost and depreciation/amortization	2,767	2,755
	Cost for the year	172	380
	Depreciation/amortization for the year	-376	-369
	<b>Closing book value</b>	<b>2,562</b>	<b>2,767</b>

Note 10	TANGIBLE FIXED ASSETS, GROUP	2021	2020
	<b>PLANT AND MACHINERY</b>		
	Opening cost and depreciation/amortization	1,389	2,036
	Cost for the year	642	-
	Disposals	-	-409
	Translation differences for the year	82	183
	Depreciation/amortization for the year	-223	-421
	<b>Closing book value</b>	<b>1,890</b>	<b>1,389</b>

1.6 (0.7) MSEK of the item relates to fixed assets relating to company cars that have been included in the consolidated balance sheet as a result of financial leasing.

Note 10	TANGIBLE FIXED ASSETS, GROUP	2021	2020
	<b>INVENTORIES, TOOLS AND FACILITIES</b>		
	Opening cost and depreciation/amortization	1,098	1,063
	Cost for the year	745	727
	Translation difference of the year	61	7
	Depreciation/amortization for the year	-839	-699
	<b>Closing book value</b>	<b>1,066</b>	<b>1,098</b>

Note 11	RECEIVABLES FROM SUBSIDIARIES	2021	2020
	FlexQube Europe AB	13,867	17,300
	FlexQube GmbH	247	1,119
	FlexQube Inc	25,443	13,722
	FlexQube Ltd	-	1,009
	FQ IP AB	-	-
	Currency effects on internal loans	832	-1,790
	<b>Receivables from Group companies</b>	<b>40,389</b>	<b>31,360</b>

Note 12	SHARES IN GROUP COMPANIES
	FlexQube AB (publ), CIN 556905-3944, is the Parent Company of the FlexQube Group. The table below lists all wholly-owned subsidiaries with their company name, CIN, registered office and book value as of December 31, 2021.

Group companies	CIN	Registered office	Number of shares	Book value 2021	Book value 2020
FlexQube Europe AB	556823-6078	Möln dal, Sweden	50,000	38,973	24,603
FlexQube GmbH	HRB 110829	Frankfurt am Main, Germany	25,000	8,485	7,605
FlexQube Inc	90-0998273	Delaware, USA	1,000	25,290	22,336
FlexQube Ltd	11917032	London, United Kingdom	1,000	3,371	2,479
FQ IP AB	556905-4017	Möln dal, Sweden	50,000	285	285
<b>Total</b>			<b>127,000</b>	<b>76,405</b>	<b>57,308</b>

Note 13	INVENTORIES, GROUP	2021	2020
	North America	19,987	13,436
	Europe	13,420	5,306
	<b>Total inventories, Group</b>	<b>33,407</b>	<b>18,741</b>

Note 14	PREPAID EXPENSES AND ACCRUED INCOME	2021	2020
	<b>PREPAID EXPENSES AND ACCRUED INCOME, GROUP</b>		
	Accrued Income	2,780	1,374
	Prepaid Rents	568	8
	Other prepaid expenses	2,700	2,558
	<b>Total prepaid expenses and accrued income, Group</b>	<b>6,049</b>	<b>3,940</b>
	<b>PREPAID EXPENSES AND ACCRUED INCOME, PARENT COMPANY</b>		
	Other prepaid expenses	-	-
	Other interim claims	50	47
	<b>Total prepaid expenses and accrued income, Parent Company</b>	<b>50</b>	<b>47</b>

Note 15	SHARE CAPITAL	Share	Value per share
	Number/quota value at start of year	7,433,333	0.1
	Number/quota value at end of year	8,233,333	0.1

At FlexQube's Annual General Meeting on April 29, 2021, it was decided to issue stock options to the Board of Directors, senior executives, and other employees within the company. The price of the stock options has been calculated by an independent party according to the Black-Scholes model. Each stock option gives the right to subscribe for one share in the company at an exercise price according to the table below:

Total amount of stock option	Price (SEK)	Redemption price (SEK)	Maturity (years)	Participants
131,000	3.35	56.43	3	13

Note 16	NON-CURRENT LIABILITIES	2021	2020
	<b>NON-CURRENT LIABILITIES, GROUP</b>		
	Liabilities to credit institutions		
	-Of which long-term component	6,656	8,590
	-Of which current component	6,741	1,405
	<b>Total liabilities to credit institutions</b>	<b>13,397</b>	<b>9,995</b>
	The share of long-term debt that falls due within 5 years amounts to 13,397 TSEK.		
	Other non-current liabilities		
	-Of which long-term component	1,329	635
	-Of which current component	253	305
	<b>Total other non-current liabilities</b>	<b>1,582</b>	<b>940</b>

The item "Other non-current liabilities" has been included in the balance sheet as a result of financial leasing and consists of financial leasing agreements as of the current balance sheet date only.

Note 17	OVERDRAFT FACILITIES, GROUP	2021	2020
	Used overdraft facilities	-	-
	Unused overdraft facilities	2,300	2,300
	<b>Total limit</b>	<b>2,300</b>	<b>2,300</b>

Note 18	ACCRUED EXPENSES AND DEFERRED INCOME	2021	2020
	<b>ACCRUED EXPENSES AND DEFERRED INCOME, GROUP</b>		
	Accrued salaries and vacation pay	3,509	2,433
	Social security contributions	630	485
	Deferred expenses	3,701	4,451
	Other accrued expenses	3,110	1,471
	<b>Total accrued expenses and deferred income, Group</b>	<b>10,950</b>	<b>8,839</b>
	<b>ACCRUED EXPENSES AND DEFERRED INCOME, PARENT COMPANY</b>		
	Accrued fees to Board	-	420
	Social security contributions	-	113
	Other accrued expenses	746	245
	<b>Total accrued expenses and deferred income, Parent Company</b>	<b>746</b>	<b>778</b>

Note 19	PLEDGED ASSETS	2021	2020
	<b>PLEDGED ASSETS, GROUP</b>		
	Floating charges	12,300	12,300
	Shares in subsidiaries	234	243
	<b>PLEDGED ASSETS, PARENT COMPANY</b>		
	Floating charges	12,300	12,300
	Shares in subsidiaries	285	285

Note 20	CASH FLOW STATEMENT, GROUP	2021	2020
	<b>OTHER NON-CASH ITEMS, GROUP</b>		
	Exchange rate differences	1,521	-3,097
	Other items not affecting cash flow	222	-71
	<b>Total non-cash items, Group</b>	<b>1,744</b>	<b>-3,168</b>
	<b>OTHER NON-CASH ITEMS, PARENT COMPANY</b>		
	Exchange difference on loans in foreign currency	-2,622	1,659
	<b>Total non-cash items, Parent Company</b>	<b>-2,622</b>	<b>1,659</b>

Note 21	CASH AND CASH EQUIVALENTS	2021	2020
	Available cash and cash equivalents, bank accounts with the Group	34,925	13,389
	-Of which available cash and cash equivalents with Parent Company	30,119	7,674

Not 22	INTEREST INCOME AND INTEREST EXPENSES	2021	2020
	INTEREST INCOME AND INTEREST EXPENSES, GROUP		
	Other interest income	-	11
	Total other interest income, group	-	11
	External interest costs	538	156
	Total external interest costs, group	538	156
	INTEREST INCOME AND INTEREST EXPENSES, PARENT COMPANY		
	Internal interest income	1,389	1,560
	Total internal interest income, parent company	1,389	1,560
	External interest costs	77	-
	Total external interest costs, parent company	77	-

**Note 23 TRANSACTIONS WITH RELATED PARTIES**

*Transactions with related companies*

The parent company has taken a loan from the company's chairman of the board via a company for a total of 11.5 MSEK, the entire amount has been repaid as of 31 December 2021. Interest was paid at 76.6 TSEK.

*Purchases and sales between Group companies*

For the Parent Company, 100% (100) of the year's sales and 0% (0) of the year's purchases relate to subsidiaries. Sales in the Parent Company relate to Group administration. Other sales and purchases between subsidiaries are omitted from the consolidated accounts in their entirety.

**Note 24 PROPOSED DISTRIBUTION OF PROFITS AND DIVIDENDS**

2021

THE FOLLOWING FUNDS ARE AT THE DISPOSAL OF THE PARENT COMPANY

Profit carried forward	1,481
Share premium reserve	144,336
Profit for the year	1,312
Total following funds are at the disposal of the parent company	147,130

THE BOARD OF DIRECTORS PROPOSES

The following amount to be carried forward on new account	147,130
---	---------



## Certifications & signatures

Income statements and balance sheets will be submitted to the Annual General Meeting on May 12, 2022 for resolution.

The undersigned confirm that the consolidated financial statements and Annual Report have been drawn up in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general advice BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3), respectively, and with generally accepted accounting practice, and provide a fair and accurate view of the Group's

and the Parent Company's operations, position and results. The Report of the Board of Directors for the Group and the Parent Company provides a fair and accurate view of the development of the Group's and the company's operations, position and results, and describes significant risks and uncertainties faced by the Parent Company and the companies in the Group.

Gothenburg, April 8, 2022

**Christian Thiel**  
CHAIRMAN OF THE BOARD

**Anders Ströby**  
MEMBER OF THE BOARD

**Mikael Bluhme**  
MEMBER OF THE BOARD

**Per Augustsson**  
MEMBER OF THE BOARD

**Anders Fogelberg**  
CEO

Our audit report was submitted in Gothenburg, April 8, 2022  
PricewaterhouseCoopers AB

**Johan Palmgren**  
AUTHORIZED PUBLIC ACCOUNTANT

# Auditor's report

To the General Meeting of FlexQube AB (publ), CIN 556905-3944

## Report on the Annual Report and consolidated financial statements

### Statements

We have carried out an audit of the annual accounts and consolidated accounts of FlexQube AB (publ) for the year 2021. The company's Annual Report and consolidated financial statements are included in pages 37-64 of this document.

In our opinion, the Annual Report and consolidated financial statements have been drawn up in accordance with the Annual Accounts Act and give, in all important respects, a true overview of the parent company's and the Group's financial position as of December 31, 2021 and of their financial results and cash flow for the year in accordance with the Annual Accounts Act. The Report of the Board of Directors is consistent with other parts of the Annual Report and consolidated financial statements.

We therefore recommend that the Annual General Meeting adopt the income statement and balance sheet of the Parent Company and the Group.

### Basis for statements

We have carried out the audit in accordance with the International Standards on Auditing (ISA) and with generally accepted auditing practice in Sweden. Our responsibilities with respect to these standards are described in greater detail in the section "Auditor's responsibility". We are independent of the Parent Company and the Group, as required by generally accepted auditing standards in Sweden, and have in other respects fulfilled our professional ethical responsibilities in accordance with these requirements.

We consider that the audit evidence we have obtained is sufficient and appropriate as a basis for our statements.

### Information other than the Annual Report and consolidated financial statements

This document also includes information other than the Annual Report and consolidated financial statements; this information can be found on pages 1-36, 68-99 and 108-117.

The Board and the CEO are responsible for this additional information.

Our statement concerning the Annual Report and consolidated financial statements does not cover this information, and we make no statement confirming this additional information.

In conjunction with our audit of the Annual Report and consolidated financial statements, it is our responsibility to read the information identified above and to consider whether the information is, to a substantial extent, incompatible with the Annual Report and consolidated financial statements. In this review, we also consider the knowledge we have otherwise obtained during the audit and assess whether the information appears, in other respects, to contain substantial inaccuracies.

If, on the basis of the work carried out concerning this information, we conclude that the additional information contains a substantial inaccuracy, we are obliged to report this. We have nothing to report in this respect.

### Responsibility of the Board and CEO

It is the Board and CEO who are responsible for ensuring that the Annual Report and consolidated financial statements are drawn up and that they give a true overview in accordance with the Annual



Accounts Act. The Board and CEO are also responsible for the internal checks they judge to be necessary in order to draw up an annual report and consolidated financial statements which do not contain any significant inaccuracies, whether these result from irregularity or error.

In drawing up the Annual Report and consolidated financial statements, the Board and CEO are responsible for assessing the company's and the Group's ability to continue operations. They report, when appropriate, on conditions that may affect the ability to continue operations and to use the assumption of continued operation. However, the assumption of continued operation is not applied if the Board and the CEO intend to liquidate the company, to cease operations, or have no realistic alternative to doing either of these.

### Auditor's responsibility

Our goals are to achieve a reasonable degree of certainty as to whether the Annual Report and consolidated financial statements as a whole do not contain any significant inaccuracies, whether due to irregularities or errors, and to submit an audit report containing our statements. Reasonable certainty is a high degree of certainty, but is not a guarantee that an audit carried out in accordance with ISA and good auditing practice in Sweden will always detect a significant inaccuracy if one exists. Inaccuracies may arise as a result of irregularities or errors, and are deemed to be significant if they, individually or collectively, can reasonably be expected to affect the financial decisions that users make on the basis of the Annual Report and consolidated financial statements.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts can be found on the Auditor's Inspectorate's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is a part of the audit report.

## Report on other requirements in accordance with laws and other ordinances

### Statements

In addition to our audit of the annual accounts and consolidated accounts, we have also carried out an audit of the management of FlexQube AB (publ) by the Board of Directors and the CEO for 2021 and of the proposed appropriation of the company's profit or loss.

We advise the Annual General Meeting to dispose of the profit in accordance with the proposal in the report of the Board of Directors, and to grant the members of the Board and the CEO discharge from liability for the financial year.

### Basis for statements

We have carried out the audit in accordance with generally accepted auditing practice in Sweden. Our responsibilities in this respect are described in greater detail in the section "Auditor's responsibility". We are independent of the Parent Company and the Group, as required by generally accepted auditing standards in Sweden, and have in other respects fulfilled our professional ethical responsibilities in accordance with these requirements.

We consider that the audit evidence we have obtained is sufficient and appropriate as a basis for our statements.

### Responsibility of the Board and CEO

It is the Board that is responsible for the proposal for appropriation of the company's profit or loss. In the case of a proposed dividend this includes, among other things, an assessment of whether the dividend is justifiable in view of the requirements that the company's and the Group's type of business, scope and risks impose on the size of the parent company's and the Group's equity, consolidation requirements, liquidity and position in other respects.

The Board is responsible for the company's organization and the administration of the company's affairs. This includes, among other things, a continuous assessment of the company's and the Group's financial situation, and ensuring that the company's organization is designed so that accounting, fund management and the company's other financial

affairs are monitored in a satisfactory manner. The CEO must take care of the day-to-day administration in accordance with the Board's guidelines and instructions and, inter alia, take the necessary measures to ensure that the company's accounting is carried out in accordance with the law and that the funds are managed in a satisfactory manner.

### Auditor's responsibility

Our goal regarding the audit of the administration, and thus our statement concerning discharge from liability, is to obtain audit evidence in order to be able to assess, with a reasonable degree of certainty, whether any board member or the CEO has in any material respect:

- taken any action or been guilty of any negligence that may cause liability to the company;
- acted in any other way in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our goal regarding the audit of the proposal for appropriation of the company's profit or loss, and thus our statement concerning this, is to assess with a reasonable degree of certainty whether the proposal is compatible with the Companies Act.

A reasonable degree of certainty is a high degree of certainty, but no guarantee that an audit carried out in accordance with generally accepted auditing standards in Sweden will always detect measures or omissions that may result in liability to the company, or that a proposal for disposals of the company's profit or loss is not compatible with the Companies Act.

A further description of our responsibility for the audit of the administration may be found on the website of the Swedish Inspectorate of Auditors: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is a part of the audit report.

Gothenburg, April 8, 2022  
PricewaterhouseCoopers AB

**Johan Palmgren**  
AUTHORIZED PUBLIC ACCOUNTANT

# SUSTAINABILITY

## Highlights 2021

- We embarked on our sustainability journey
- We have started to incorporate sustainability into our everyday business and strategy moving forward
- We have identified goals that we are committed to improving
- We have started to measure the achievements
- We are establishing sustainability standards for choosing suppliers and service providers

## Next steps

- Continue to gather data
- Set improvement goals
- Define roadmap for achieving goals
- Train the organization to have a sustainable mindset

# Sustainable Development Goals

This is our first sustainability report. Our core product stems from a sustainable mind-set and has always been part of our product development.

At FlexQube, we believe our products take energy reduction and optimization of lean processing to the next level. Therefore, it is natural for FlexQube to take the next step in contributing to a sustainable world by exploring the UN Sustainable Development Goals (SDG). A first mapping has been executed together with Almi (business development partner) to analyze relevant areas for FlexQube operations. Out of the United Nations 17 goals for sustainable development, we've identified six goals where we can contribute to a change. These SDGs appear in color, and we will continue to implement them in strategy and policy during 2022 to create our first FlexQube Sustainability Strategy. We consider others to be important as well but not where we can make the biggest impact.

• Goal 13  
Take urgent action to combat climate change and its impacts

• Goal 12  
Ensure sustainable consumption and production patterns

• Goal 9  
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

• Goal 8  
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

• Goal 5  
Achieve gender equality and empower all women and girls

• Goal 3  
Ensure healthy lives and promote well-being for all at all ages



# Our sustainability approach

Sustainability is broad and complex. We have adopted the Environmental, Social & Governance (ESG) criteria as a subset of sustainability metrics connected to financial performance. FlexQube's 2021 ESG Report covers performance for calendar year 2021. The information and data included in this report are based on the best available information and data at publication and are subject to change. In some cases, information and data are estimated.

The following six UN Sustainable Development Goals are embedded in FlexQube's sustainability strategy. Of course all SDG's are related to each other and one positive impact can have a negative impact on another. Our aim is to do business in a sustainable manner, across our entire business model.

## OUR GOALS

### Environmental Sustainability

- Invest in developing ergonomic, innovative, and sustainable material handling for manufacturers and warehouses and reduce lifecycle impacts.
- Establish a responsible supply chain and evaluate key suppliers against our Supplier Assessment.
- Reduce our CO2 emissions.
- Map our energy consumption across our operations.
- Reduce our waste to landfills from our manufacturing locations.



### Social Sustainability

- Help our customers achieve better safety on their shop floor.
- Facilitate personal growth and knowledge transfer through education, workshops, and seminars.
- Strive towards gender equality within the organization.
- Achieve a diverse workforce that represents the communities in which we live and work.
- Enhance our approach to collect feedback from all employees regarding the work environment and improvements.



### Governance/Economic Sustainability

- Promote sustainability through education, partnerships, and our code of conduct.
- Our products contribute to our customers financial sustainability



# Environmental Sustainability

Climate change is real, and we see the opportunity for sustainable material handling and innovations. We are committed to improving our impact on the environment at all levels, and we see great potential in developing our business model in a circular direction. Our modular concept gives great opportunity for this and we continue to explore the possibilities.

## OUR GOALS

### Environmental Sustainability

- Invest in developing ergonomic, innovative, and sustainable material handling for manufacturers and warehouses and reduce lifecycle impacts.
- Establish a responsible supply chain and evaluate key suppliers against our Supplier Assessment.
- Reduce our CO2 emissions.
- Map our energy consumption across our operations.
- Reduce our waste to landfills from our manufacturing locations.



### Social Sustainability

- Help our customers achieve better safety on their shop floor.
- Facilitate personal growth and knowledge transfer through education, workshops, and seminars.
- Strive towards gender equality within the organization.
- Achieve a diverse workforce that represents the communities in which we live and work.
- Enhance our approach to collect feedback from all employees regarding the work environment and improvements.



### Governance/Economic Sustainability

- Promote sustainability through education, partnerships, and our code of conduct.
- Our products contribute to our customers financial sustainability.



ENVIRONMENTAL SUSTAINABILITY

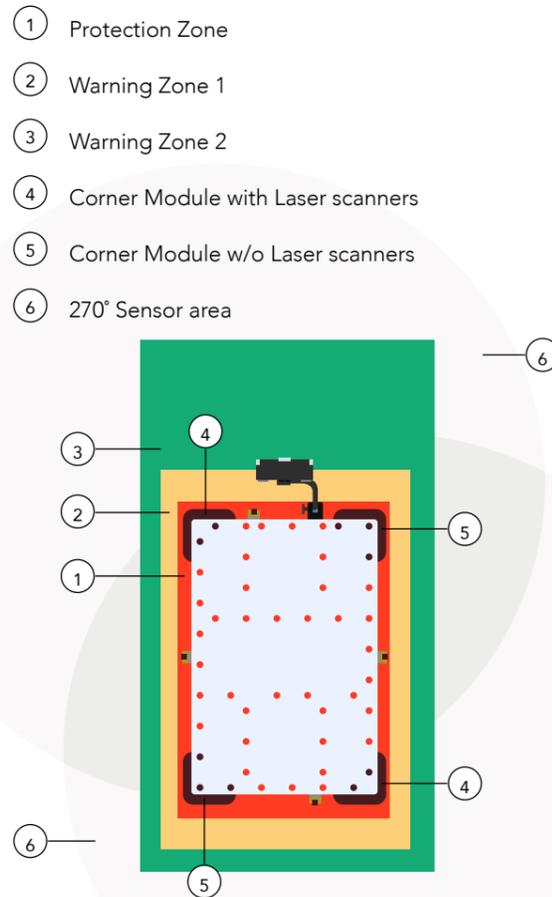
# Industry, innovation & infrastructure

Building an innovative industrial sector is pivotal to ensuring that products are offered to consumers with sustainability in mind. Many of FlexQube's customers are large international companies with world-class products and manufacturing and operate globally. The requirements for their suppliers in terms of sustainability are growing and is a role FlexQube is happy to take on.

While we are only at the beginning of our journey towards creating a sustainability strategy, we are keeping focused on building sustainable industrial products. We strive to do this through fostering innovation, which helps FlexQube to continue to create industry leading industrial robots & material handling solutions that provide our customers a sustainable alternative they can be proud of.

Our team of mechanical and mechatronics engineers are focused on one of our key strategic directions: Become a Recognized Robotics Company, in support of addressing current megatrends of mass customization. We design with the product life-cycle in mind and we continue to make improvements to improve quality and efficiency. We invest in new technology to create a quicker and more safe product for our customers.

In our design process, safety is an important aspect. We are dedicated to designing safe solutions for our customers. Therefore our industrial robots are certified according to the Machinery Directive 2006/42/EC and follow standards: ISO 3691-4 and ANSI B56-5.



**1000+**  
New Cart Designs



**35+**  
Active and pending  
patents worldwide



ENVIRONMENTAL SUSTAINABILITY

## Responsible consumption & production

Our contribution to UN Sustainable Development Goals, Responsible Consumption & Production, and Climate Action is through the FlexQube core business itself.

We challenge material handling carts' lifetime cycle by helping manufacturers repair, rebuild or change their fleet as their processes and materials change. Instead of buying entirely new carts when materials or new approaches are being introduced, our concept allows for rebuilding existing ones and extending the product's lifetime. This will enable manufacturers (FlexQube customers) to consume more responsibly and sustainably way of handling their materials.

Upcycling is one of the keys to reducing climate emissions. For every cart that can be repaired or rebuilt, CO2 is reduced. Since our patented concept is based on standardized building blocks, we are able to reuse old parts instead of manufacturing new ones. By establishing a recycling program for our existing customers, many of the basic building blocks can be refurbished and repainted before being used by other customers or projects.

### Suppliers

We have identified new business goals that we will continuously implement across our organization

moving forward. One of those business goals is to innovate and scale operations. This year, we have had a substantial increase in sales. In Europe, sales increased by over 200%, which caused a challenging situation in our operations. Moving into 2022 and beyond, we are committed to strengthening our relationships with suppliers who share similar values as us in terms of safety and environmental responsibility. Finding new suppliers to meet the volume increase we have seen this year and what can be expected over the coming years is essential. Therefore, we are in the progress of developing supplier and partnership policies. These criteria will be crucial when evaluating new partnerships and will help us ensure a more sustainable supply chain.

We are currently in the process of mapping existing suppliers and will continuously assess them in order to evaluate if we are on the same path and plan to introduce a Code of Conduct for our Suppliers.

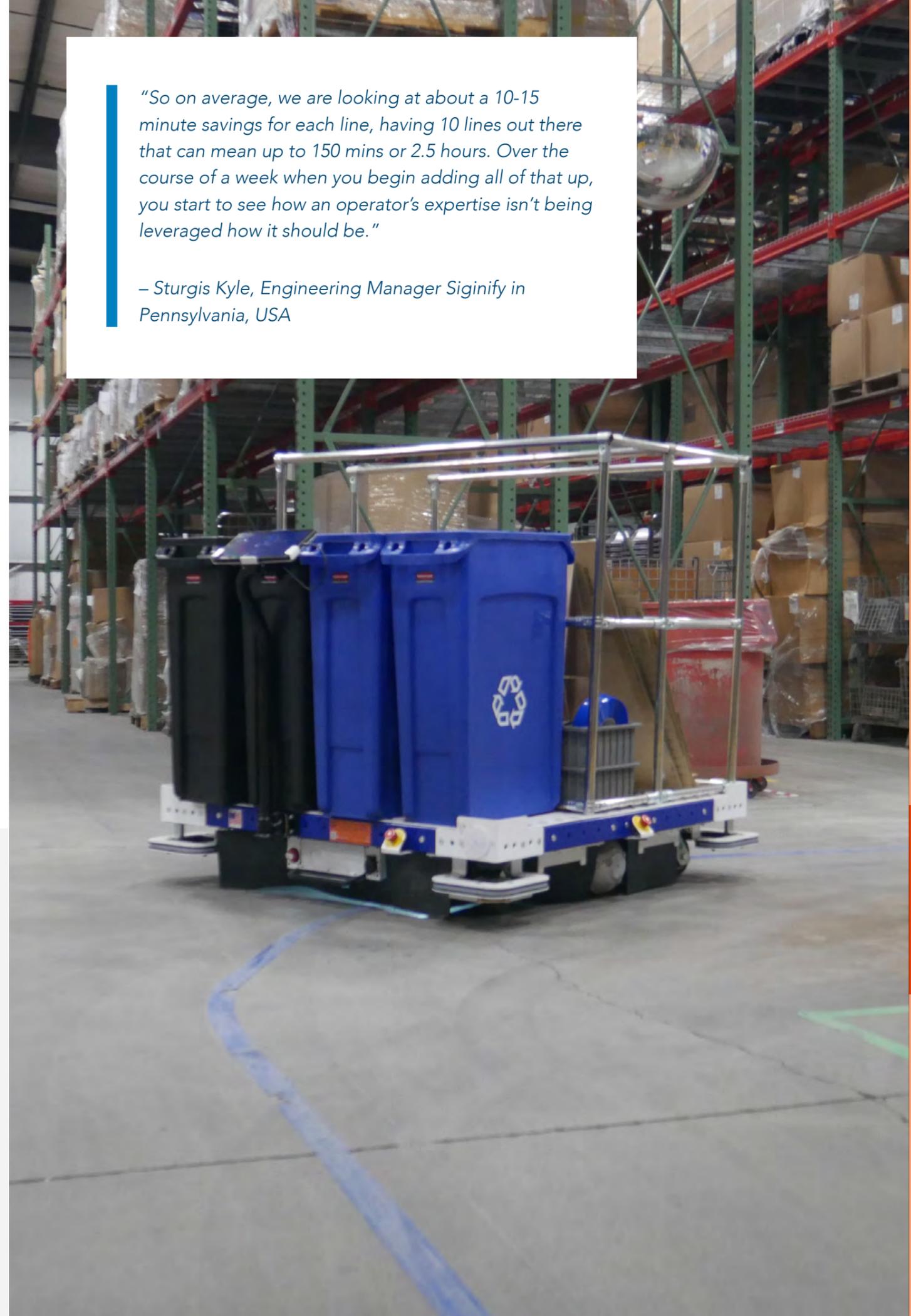
### The purpose of our Supplier Assessment, is to score:

- ✓ **Quality and Delivery Performance**
- ✓ **Environmental aspects**
- ✓ **Health and Safety**
- ✓ **Human Rights**
- ✓ **Evaluation method**
- ✓ **Business Ethics**



*“So on average, we are looking at about a 10-15 minute savings for each line, having 10 lines out there that can mean up to 150 mins or 2.5 hours. Over the course of a week when you begin adding all of that up, you start to see how an operator’s expertise isn’t being leveraged how it should be.”*

*– Sturgis Kyle, Engineering Manager Signify in Pennsylvania, USA*



ENVIRONMENTAL SUSTAINABILITY

# Climate action

We are in the early stages of developing our sustainability strategy and getting a more in-depth understanding of our impact on the environment. A lot can and needs to be done before we can get the full picture. We are committed to continuing with the mapping that we started in 2021 to discover all the areas where we can improve. We will create our first sustainability strategy and determine focus areas within the organization from this mapping.

## Materials

We are committed to the responsible sourcing of all raw materials used to manufacture our basic building blocks. As we continue to develop our sustainability policy, it will be an essential factor when selecting new suppliers.

In Sweden, the steel industry accounts for 10% of carbon dioxide emissions. To manufacture one ton of crude steel from ore requires approximately 4,600 kWh. Research and testing continues in the field to develop technology that can make the steel industry fossil-free and we follow the development carefully.

Our core material is high-grade steel. This ensures robust and durable solutions, guaranteeing high-quality products that will last. In addition, we are engaged in using raw materials with a long product lifecycle, and that can be recycled or reused at the end of their lifecycle. We have carefully selected a steel supplier located close to our HQ in Sweden, and that is ISO 14001 certified.

## Custom Designs

We see many sustainable improvements throughout our organization, one of them being that we will continue to improve our products' environmental impact by designing better and more eco-friendly products.

Over the years, we have designed more than 5 000 carts for customers worldwide. We always try to keep sustainability top of mind when designing new

solutions. For example, only use necessary parts, and be more strategic when adding screws and bolts without compromising safety and durability. By designing carts with sustainability in mind, we will also create better conditions for our supply chain.

## Emissions/Transportation

Global warming caused by increased concentration of greenhouse gases has opened many debates and discussions over the last three decades. Under the Paris climate agreement all governments agreed to a long-term goal of keeping the increase of global average temperature to well below 2°C above preindustrial era levels. Currently, freight transport is responsible for 7% of CO2 emissions worldwide.

We are committed to reduce our carbon emissions both in absolute terms and in relation to sales, throughout our entire value chain. We have identified what we call Scope 1: inbound transports for production, Scope 2: outbound transports to customers and Scope 3: during the use of sold products, then only related to our eQarts powered by lithium-ion batteries. We have begun a dialogue with our carriers to understand our impact, to increase the use of CO2 efficient transport modes and to reduce unnecessary transports. Load sharing is another potential way to decrease impact but is in some cases more difficult to get acceptance with customers.

But one thing is clear, the FlexQube modular concept makes it possible to send carts as "flat packages" and be assembled on site. This means less empty space is

transported and fewer trucks are required for transportation. "Flat packages" have been sent from FlexQube's plant in South Carolina to both Mexico and the west coast of USA. In 2021 we signed a considerable framework agreement with the Norwegian company Oda Norway AS, a leading company for online sales of groceries. Our patented concept, where everything is bolted together, means that the equipment to the new facilities can be delivered unassembled and then assembled onsite at the customer. This reduces the need for transportation by 70%, resulting in a greatly reduced environmental impact.

We are still new on our journey and are mapping where we have an impact and with how much in order to produce a roadmap entailing how to decrease our carbon emissions. Of all transports, our business is responsible for, we have succeeded in carrying out a CO2 calculation for:

Inbound: 0% Europe  
Outbound 70% Europe

In this segment, transportation contributed greenhouse gas emissions of 0.3 tons per order or 3.56 tonnes per MSEK.



 **23.64 Wh**  
Energy per square meter in our Swedish facility

 **22 tonnes**  
Recycled waste at our assembly site in Sweden

## Electricity

In 2021, we used 23.64 energy (Wh) per square meter in our Swedish facility. In total, 58,844 kWh in the period measured April-December, as this is the information we have available at our new site in Sweden. Again, we are collecting data to measure this more accurately, covering both sites and for previous years in order to set KPIs and monitor development.

## Water

We use very little water in our operations but our aim is to have a better method in place to measure how much water our operations use. In addition, we will be actively looking to reduce the amount of water needed to produce our standard building blocks by evaluating current technologies, suppliers, and possibilities for improvement.

## Waste

Most of the waste in our facilities and offices is being segregated and recycled or reused. However, we still constantly seek more ways to improve our waste management.

To reduce the environmental impact of our products, we are exploring the possibility of starting a recycling program for our customers. In addition, the project would create the opportunity to refurbish the used building blocks. This reduces demand for new materials while also creating a more sustainable product.

During the year, a total of 22 tonnes waste was generated at our assembly site in Sweden and sent for handling by our waste disposal contractor for recycling. 2% of which was hazardous waste. We are in the midst of collecting data to measure this more accurately, covering both sites and for previous years in order to set KPIs and monitor development.

 **2%**  
Of which was hazardous waste

# Social Sustainability

Our employees are the key to our success, and we believe that diversity, equality, and inclusion drive real progress. We are a team of innovative, dedicated professionals united by our mission; to make our customers world leaders in intralogistics.

## OUR GOALS

### Environmental Sustainability

- Invest in developing ergonomic, innovative, and sustainable material handling for manufacturers and warehouses and reduce lifecycle impacts.
- Establish a responsible supply chain and evaluate key suppliers against our Supplier Assessment.
- Reduce our CO2 emissions.
- Map our energy consumption across our operations.
- Reduce our waste to landfills from our manufacturing locations.



### Social Sustainability

- Help our customers achieve better safety on their shop floor.
- Facilitate personal growth and knowledge transfer through education, workshops, and seminars.
- Strive towards gender equality within the organization.
- Achieve a diverse workforce that represents the communities in which we live and work.
- Enhance our approach to collect feedback from all employees regarding the work environment and improvements.



### Governance/Economic Sustainability

- Promote sustainability through education, partnerships, and our code of conduct.
- Our products contribute to our customers financial sustainability.



SOCIAL SUSTAINABILITY

# Good health and well-being

Many of the movements in a warehouse or factory are to lift and transport heavy material from one point to another. If this is not done with the right equipment and from an ergonomic point of view it will cause injury to staff. By using custom material handling carts, specially developed with the operators, process and the material in mind, more staff can be spared from these types of injuries. Small changes in the design of the carts, such as choosing a more ergonomic towbar or a handle that eliminates the need to bend down can have a significant impact on the work environment and reduce the number of injuries.



**26**  
Learnifier courses



**3.5 h**  
Per employee training in Learnifier

## Health and Safety

We promote mental health and well-being. We believe a good work environment is essential to the well-being of each and every person as an individual and as a team. We prevent and treat substance abuse if it were to arise. We provide health coverage for employees.

Sickness absence was 12% during the year, largely affected by the COVID-19 situation, in order to prevent further outbreaks in our production.

We work continuously to ensure a safe work environment. We plan to set routines for carrying out regular safety audits and performing fire drills. We do have in plan to become certified according to ISO 45001. We currently document the number of injuries that occur on-site and have less than 10 minor reported injuries, none of which required absence from work.



**<10**  
Minor Accidents

an on-boarding program covering the FlexQube offering, our values, our customers and our sustainability work. Each manager has Performance & Development (P&D) discussions at least 4 times per year with each employee. The purpose of this is to set targets for the year, assess competencies and identify training needs.

We use a tool called Learnifier, in which all employees have participated in skills development during the year, on average 92% of all employees have participated in 3,5 (3,2) training hours per employee.

Knowledge development, as well as personal development, has always been valued at FlexQube. We encourage employees to share their knowledge and learn from each other. To help facilitate more efficient and effective use of our internal knowledge, we will invest more in our team's continuous development by offering courses, workshops, seminars, and conferences. At FlexQube, our greatest asset is our employees, and we see great worth in investing in our personnel and taking advantage of the knowledge within the company. Our core values are of utmost importance and were essential in setting our new strategic direction for 2022–2026.



SOCIAL SUSTAINABILITY

# Gender equality

Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous and sustainable world. Our aim to achieve this is through equal opportunities for women, as well as through a diverse and inclusive culture.

We believe diversity, equality and inclusion drive real progress. We also believe this reflects on profitability and bottom-line.

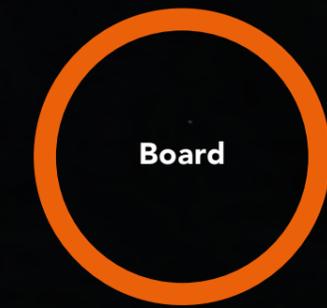
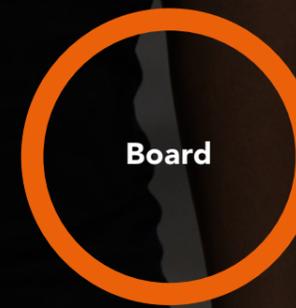
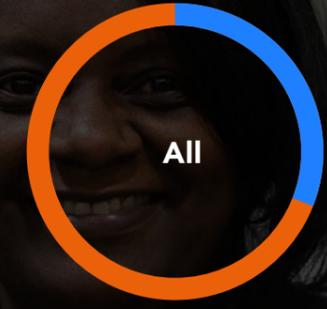
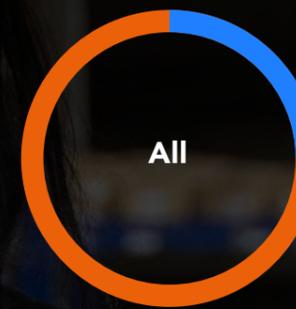
At the end of 2021, we were 48 full-time employees, four of which are in Mexico. The average number of employees during the year amounted to 39, of which 9 were women. We are represented in 5 different countries. In addition, we have about 20-30 consultants helping on occasion. The tables show employees as of December 31, 2021.

Staff turnover increased in 2021, which we interpret as a side effect of the moves done in the year. We conduct exit talks with everyone who quits to capture any shortcomings in our leadership as well ensure that we know what was done well and what we could improve.



2021

2020



## 2021



Sweden	46%
USA	42%
Mexico	8%
UK	2%
Germany	2%

### Staff turnover

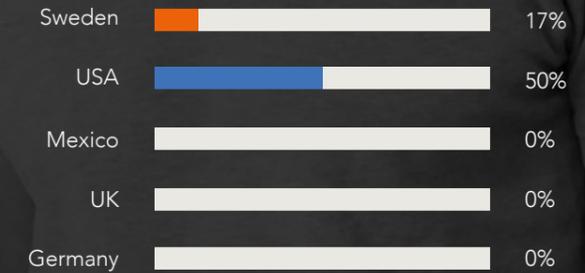


## 2020



Sweden	47%
USA	36%
Mexico	11%
UK	3%
Germany	3%

### Staff turnover



### Employee engagement

Every month we evaluate the well-being within the organization through our eNPS survey (Employee Net Promoter Score). This survey, which is sent to all employees, asks for feedback on how they feel about the company and if they have any ideas to improve FlexQube. Our employees are the key to our success and making sure that they are well is a priority.

One of the main challenges with our eNPS is to get everyone in the organization to respond to the survey. On average, 37% of the employees answer the survey, making it difficult to get an accurate temperature of the whole organization. However, we take the feedback we get serious and have already started actions to improve the work environment. Since it's been a challenging year for our employees due to a high increase in demand, we understand that the

right conditions to make the best possible work has been lacking. By responding quickly to the feedback and taking action, we were able to end the year with a more positive result indicating a strong trust in management and an optimistic view for the future.

### Non-discrimination

At FlexQube, we take bullying seriously. All cases must be promptly followed up by the responsible manager with support by HR, under full confidentiality. Routines for reporting incidents are in place and we have no known cases that remain subject to action. We are still new at this and have just started to measure and monitor this.

### Developing our core values

At FlexQube, our greatest asset is our employees. Our core values are of utmost importance and were essential in setting our new strategic direction for 2022–2026.



INDUSTRY LEADERS



TRUST



COURAGE



CUSTOMER FOCUSED

# Governance/ Economic Sustainability

For over a decade, we have been helping our customers create a more sustainable and safe work environment. We are committed to reducing our footprint and making investments that will positively impact society.

## OUR GOALS

### Environmental Sustainability

- Invest in developing ergonomic, innovative, and sustainable material handling for manufacturers and warehouses and reduce lifecycle impacts.
- Establish a responsible supply chain and evaluate key suppliers against our Supplier Assessment.
- Reduce our CO2 emissions.
- Map our energy consumption across our operations.
- Reduce our waste to landfills from our manufacturing locations.



### Social Sustainability

- Help our customers achieve better safety on their shop floor.
- Facilitate personal growth and knowledge transfer through education, workshops, and seminars.
- Strive towards gender equality within the organization.
- Achieve a diverse workforce that represents the communities in which we live and work.
- Enhance our approach to collect feedback from all employees regarding the work environment and improvements.



### Governance/Economic Sustainability

- Promote sustainability through education, partnerships, and our code of conduct.
- Our products contribute to our customers financial sustainability.



GOVERNANCE & ECONOMIC SUSTAINABILITY

# Decent work and economic growth

## Management

In 2021, FlexQube has integrated sustainability into the business model and strategic direction 2022–2026. Our strategy has four directions: Become a recognized robotics company, Accelerate sales, Innovate and scale operations, and Profitability and Cash Flow Optimization. Environmental, social and governance sustainability is a natural part of these directions. In the scope of Innovate and scale operations we have the sub-group Go Green and Scale.

Our sustainability strategy oversees our business model and value chain. Sustainability is part of all employees' daily work where caring for our employees is a key success factor to achieving sustainability.

Our innovative products contribute to spreading technology that moves society



# Our stakeholders

	<b>Employees</b>	We encourage feedback from our employees through regular company meetings, employee surveys, and development conversations. We've also established practices for employees to raise more sensitive issues, seek guidance, and report misconduct.
	<b>Customers</b>	We seek customer feedback through continuous dialogue, product training, distributor meetings and follow-ups, and various customer surveys with the aim to improve our products and processes.
	<b>Suppliers</b>	We work closely with our suppliers to improve our performance and create a more sustainable value chain.
	<b>Investors</b>	We believe in open and straightforward communication with our investors. We are open about our financial performance, governance, and strategies.
	<b>Government</b>	Our government relations initiatives aim to educate and inform officials on a range of public policy issues important to our business.
	<b>Communities</b>	We try to impact the local communities where our facilities are located positively.

## Human Rights

FlexQube is committed to good citizenship and promoting better working conditions for all. We also encourage our business partners and communities to respect human rights.

In 2021, our team in Mexico, gave back to their community with a donation of cement and time to help restore the roads, which had been in need of repairs.

Our code of conduct reflects our commitment to respecting human rights. Through these documents and in our supplier evaluations, we outline zero tolerance for all forms of modern slavery and child labor.

## Respect data privacy

We respect the privacy of people from whom we collect personal information and we have taken measures in 2021 to properly protect our data.

## Our HR-strategy

Our HR strategy is built on three cultural pillars: development, opportunities, and our employees.

- **Development**  
Technology is constantly evolving. We have a close dialogue with the educational system and attract talented resources by inviting students to write theses with us. Students learn about our industry-leading products and gain practical experience creating innovative solutions by working with more experienced employees and leaders. When they are later hired, learning becomes an important point to enable employees to help our customers. We make sure that all employees get a chance to develop within their passions by choosing the areas they want to pursue. We help everyone within the company broaden their life experiences through international industry events, internal workshops, and various training platforms.

- **Possibility**  
FlexQube aims to become a world leader in material handling and intralogistics and already has over 850 customers in 35 different countries. The possibilities stretch all over the world, and we have offices in Europe, the United States, and Mexico. We are experiencing rapid growth, so there are endless possibilities for what our employees could do to work with the passion they have. We believe in equal pay for equal work. Our annual salary review assesses whether differences between salary levels exist. We have three career stages: contribute independently, contribute through others and contribute strategically. Within each level, we can monitor and ensure that no injustice occurs.
- **Our employees**  
Because we are a passionate and committed team, we spend a lot of time working together, but we also make sure to have fun! We celebrate success and milestones as a team and enjoy socializing, both during office hours and outside the office.

## Anti-corruption

Our Code of Conduct defines the frames for our business ethics and our expectations on our employees, partners and suppliers. It outlines how we act and do business.

We have zero tolerance of any type of corruption and have internal control measures in place to prevent and identify. Our commitment to anti-corruption includes: employee training, detailed reporting and investigations, preventing corrupt payments and maintain accurate books and records. We do not have any instances of corruption among employees or suppliers but we do plan on implementing whistleblower reporting service.





Christian Thiel  
Chairman of the Board

## LETTER FROM THE CHAIRMAN

# Robotics company with strong growth and a solid organization, ready for the journey ahead

Despite a year in which Covid-19 continued to limit us, our order intake grew by a fantastic 100% to over 155 MSEK. Since we listed on Nasdaq First North in 2017, we have had an annual average growth in our order intake of approximately 45%. With rapid growth, a company goes through a number of different transformation phases, where each phase has its challenge. As the company grows, the complexity of each phase increases and the challenges that present themselves place higher demands on how the business maneuvers them. Over the past two years, FlexQube has undergone rapid transformation from being a mechanical intralogistics company to becoming a tech company in robotics for intralogistics. The process has placed new demands on the growing organization, which is more ready than ever for the journey ahead.

## Offensive order and sales development

Despite a continued turbulent world, FlexQube, thanks to its strong concept, fast-adapting organization and solid sales work, had a fantastic order and sales development in 2021. Our automated concept eQart was established in the midst of the pandemic in 2020 as the company's key project. During the year, the investments in 2020 and 2021 bore fruit, which was reflected in steadily increasing sales volumes and promising future prospects in light of the increasing project inflow for eQart. The progress with eQart and the breakthrough orders from high-tech and world-leading companies such as Amazon, strengthen our position as a robotics company in intralogistics more with each passing day. We are treading new ground, but with confident and determined steps. In parallel with continuing to drive the company's digital development, our own sales work will be allocated even more to existing strategic and world-leading customers, which for example refers to accounts such as Amazon, Siemens and Oda. The long-term nature of building closer relationships with accounts of a strategic nature means, in addition to the obvious possibility of continuous sales volumes and lower sales costs, a favorable opportunity for FlexQube to gain knowledge of current and future market trends for how companies of this dignity optimize intralogistics.

In line with the goal of continuing to expand, FlexQube intends to create more contact areas for customers in markets with great potential by expanding our distribution channels. The company intends to pursue and further develop the stated distributor strategy, whereby we are already beginning to achieve a strong presence in several important markets - but still have a lot to gain from a high-quality distributor structure. Through efficient traction, we open the door further for a solid sales development with increased market share.

## Flexibility and digitalization drive our business

It is satisfying to look back at FlexQube's journey and feel proud of the milestones the company has reached so far, but it does not beat how exciting it is to look forward to the journey ahead. The past year has meant the definitive turning point for FlexQube's transformation from a mechanical intralogistics company to becoming a tech company in robotics for intralogistics. The digitization of our flexible concept contributes to a more scalable

and complete product portfolio adapted for increasing complexity among our customers. The overall concept that FlexQube offers, adaptable and tailored to the customer's independent industry or market, lacks comparable competition. In parallel with FlexQube establishing itself both wider and deeper, a stronger, more well-known brand is being built, through which we communicate our values to further strengthen our position as a player with a flexible customer offering.

After having grown as we have and insourced inventory handling, assembly and distribution in both North America and Europe, we now have a job ahead of us to tune in each process like a well-oiled clockwork to be able to handle even larger volumes, but at a smaller cost per unit sold. We run our business with an exceptional concept consisting of standardized building blocks, both mechanical and digital, which enables us to scale our business much easier and cheaper than our competitors. All our development is characterized by the same spirit, everything must be conceptually compatible to be allowed to develop. In a market where product properties such as flexibility are already in high demand, we are convinced that the winner of the future is the one who can offer the best flexibility, both to customers but also internally in terms of development and operations.

## Development in a growing organization

In organizational development, challenges and issues to take a stand on can quickly change character. Adapting the organization to changing conditions is a constant from day one, but what has crystallized during the year is that FlexQube is moving towards a shift to become a comparatively significantly larger company, which obviously requires increased strategic control to equip the company for a tomorrow where we must constantly be prepared for the fact that the business is bigger than the day before. Tactical as well as strategic matters are of a different kind today, which places demands on a sharpened interaction internally, both vertically and horizontally. The work of building the company's culture into the walls has never been more important than now, and the importance of value-creating routines is clearer than ever. A way point is to shape all employees to effectively steer towards the same overall goal, as the future development of the company is largely affected by how well the organization can maintain and strengthen this focus.

## The strength of a dynamic collaboration between management and the board

A dynamic interaction between the board management where proactivity is fundamental. Where the board's task is to make decisions of a strategic nature about what the company should do in the future and then support but let the management control how it should be done operationally. All shall be held responsible for ensuring that at all times in the company's journey there is an appropriate strategy for meeting requirements, expectations and goals. This creates the greatest possible value development for the company. The right role should be exercised in the right forum where the board is responsible for working through its CEO, not circumventing - and vice versa.

The starting point in the joint work is dialogues about how the business can be taken forward from a strategic perspective. Expected issues are handled in an organized and routine manner, as the board's time and bandwidth should primarily be set aside to tackle the unexpected issues that arise, rather than spending most of the time on control and short-term follow-up. This ambition is supported by frequent meetings where decision-making is in focus, based on well-founded information provided by the company's management.

Within FlexQube, active board work is applied where it is ensured that the members, in addition to proven experience and competence, also have the necessary business acumen and degree of innovation required to run the business. The close collaboration we strive for means that there must be a clear future direction and perseverance in both management and the board. For me as chairman of the board, my assignment is primarily about getting the combined power from the board and management for the greatest possible value development.

## The future is ours

We are, to say the least, in an interesting market where we have so far only scratched the surface in terms of market size. This in combination with several parameters strengthens our confidence even more; for example, most of our customers are only at the beginning of their electrification journey where huge investments in production and logistics flows will be made, we see companies building their supply chain closer to their home markets as an effect of the efforts the pandemic has created, and interest in automation is huge but still extremely underdeveloped. In our market, there are currently also more transactions than ever as more and more investors and automation companies understand the massive need for automation in internal logistics.

Every day, we as a company want to be a little better than we were yesterday so as not to miss out on developing opportunities. The company is governed with consistently great faith in the future, where both optimism and conviction about what we can deliver is very strong. Our basic concept differentiates us from others in the market and enables us to solve needs that no one else can handle, not least with our robots. This picture was really strengthened in 2021, has continued during the beginning of 2022 and we are convinced that with continued hard work it will continue for a long time to come. We welcome the future with open arms and rolled up sleeves, ready to create maximum value development for our shareholders.

Gothenburg, April 8, 2022

**Christian Thiel**

CHAIRMAN OF THE BOARD, FLEXQUBE AB (PUBL)



# Corporate Governance Report

FlexQube AB (publ) is a public Swedish company whose shares are listed on Nasdaq First North Stockholm. The company is a global supplier of flexible and robust industrial carts in the field of material handling. Standardized interfaces and modular building blocks allow for a unique, efficient, scalable design process where customers have access to unique solutions.

FlexQube's corporate governance describes how the owners, through the General Meeting, and the Board of Directors govern the company and ensure that the CEO and the company management create value and manage the risks in the business.

## Shareholders

The FlexQube Group comprises five companies. The Group's Parent Company is the Swedish public share company FlexQube AB (publ), whose shares are listed on Nasdaq First North Stockholm.

FlexQube's share capital is represented by common shares. Each share entitles the holder to one vote. All shares carry equal rights to a share of the company's assets and profits. The number of shares is 8,233,333. As of December 31, 2021, the number of shareholders was approximately 1,800.

For more information about the ownership structure, trading and price trend, see pages 34-36 of the Annual Report. The major shareholders in FlexQube exercise an active ownership role. The Board and Group management control a total of 57.9% of the capital and votes in the company. The Articles of Association do not contain any reservations about the restriction of voting rights.

## Corporate governance

The basis for the governance of FlexQube is the Swedish Companies Act, the Articles of Association, Nasdaq First North's regulations, internal rules and regulations, and other applicable Swedish and foreign laws and regulations.

## Articles of Association

According to the Articles of Association, the company's name is FlexQube AB (publ) and the company is public. The Board has its registered office in Gothenburg municipality, Västra Götaland County, Sweden. The company shall, directly or indirectly, develop, manufacture and market material racks and locking and coupling devices for the manufacturing and construction industry and the retail trade. The company shall also perform consultancy services in production and product development with a focus on mechanical engineering, as well as conduct related operations.

## General meeting

The right of the shareholders to make decisions concerning FlexQube's affairs is exercised through the highest decision-making body, the annual general meeting or an extraordinary general meeting. For example, the general meeting makes decisions concerning amendments to the Articles of Association, election of the Board of Directors and auditors, adoption of the income statement and balance sheet, discharge from liability for the Board of Directors and the CEO, and the appropriation of profit or loss.

In accordance with FlexQube AB's Articles of Association, notice of the general meeting shall be made through advertisement in the Post- och Inrikes Tidningar official journal and on the Company's website. The fact that notice has been given shall at the same time be advertised in Dagens Industri.

### Right to attend the general meeting

In order to attend the general meeting, shareholders must register themselves with FlexQube no later than

the day stated in the notice of the meeting. This day may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve, and may not fall earlier than the fifth weekday before the meeting.

### Initiatives from shareholders

Shareholders who wish to have a matter dealt with at the general meeting must submit a written request to the Company's Board of Directors. Such a request must normally be received by the Board no later than four weeks before the general meeting.

### Annual General Meeting 2021

FlexQube's Annual General Meeting was held on April 29, 2021 through postvote. A total of 78.9% of the total number of shares and votes were present. The accounts for 2020 were approved, and the Board members and CEO were discharged from liability. Decisions were also taken concerning the election of board members, Chairman of the Board and auditors, and fees to the Board and auditors.

### Annual General Meeting 2022

The Annual General Meeting will be held on May 12 in accordance with a special procedure with postal voting without physical participation. For information concerning the Annual General Meeting, see page 117.

### Nomination Committee

The FlexQube general meeting currently has no nomination committee.

## Board of Directors

The Board of Directors, after the general meeting, is FlexQube's highest decision-making body. It is the Board of Directors that is responsible for the company's organization and the administration of the company's affairs, for example by setting goals and strategy, ensuring procedures and systems for monitoring the goals set, continuously assessing FlexQube's financial situation and evaluating the operational management. It is also the responsibility of the Board to ensure that correct information is given to the company's stakeholders, that the company complies with laws and regulations and that the company develops and implements internal policies and ethical guidelines. The

Board also appoints FlexQube's CEO and determines the CEO's salary and other remuneration on the basis of relevant guidelines.

### Composition of the Board of Directors

The Board members elected by the Annual General Meeting are elected annually by the Annual General Meeting for the period until the next Annual General Meeting has been held. In accordance with the Articles of Association, the Board of Directors shall consist of at least three and no more than six ordinary members elected by the Annual General Meeting, without deputies. In 2021, the Board of Directors consisted of four members elected for one year by the Annual General Meeting.

The company's Board of Directors currently consists of the following ordinary members elected by the Annual General Meeting: Christian Thiel, Chairman of the Board, Per Augustsson, Mikael Bluhme and Anders Ströby. CEO Anders Fogelberg is not a member of the Board, but takes part in all meetings as a rapporteur. The members of the Board are presented in more detail on pages 109-110.

### Chairman of the Board

The Chairman of the Board has the task of ensuring that the work of the Board is carried out efficiently and that the Board fulfills its obligations. In particular, the Chairman shall organize and lead the work of the Board in order to create the best possible conditions for the Board's work.

It is the task of the Chairman to ensure that a new Board member undergoes the necessary induction and other training that the Chairman and member together judge appropriate, to ensure that the Board continuously updates and deepens its knowledge of the company, to ensure that the Board receives adequate information and decision support for its work, to determine proposals for the agenda for the Board's meetings after consultation with the CEO, to verify that the Board's decisions are implemented, and to ensure that the work of the Board is evaluated annually.

The Chairman of the Board is responsible for contacts with the owners concerning ownership matters and communicating views from the owners to the Board. The Chairman does not take part in the operational work of the company; nor is the Chairman a member of the Group management.

**The work of the Board**

The Board of Directors follow written rules of procedure that are reviewed annually and adopted at the constituent Board meeting. The rules of procedure regulate, inter alia, the working methods of the Board, its tasks, the decision-making procedure in the company, the procedure for the Board's meetings, the Chairman's duties and an appropriate division of work between the Board and the CEO. Instructions concerning financial reporting and instructions to the CEO are also established in conjunction with the constituent Board meeting.

The work of the Board is also conducted on the basis of an annual meeting plan that satisfies the Board's need for information. The meeting plan should be drawn up so that the meetings coincide with the presentation of quarterly reports, financial statements and the end-of-year report. Requests for confirmation addressed to the Board are handled by the Board as a whole. In addition to the Board meetings, the Chairman of the Board and the CEO have an ongoing dialog concerning the management of FlexQube.

The Board meets in accordance with a predetermined meeting plan, and should hold at least five ordinary Board meetings between each Annual General Meeting. In addition to these meetings, extra meetings may be arranged to deal with matters that cannot be postponed until one of the ordinary meetings. During the financial year 2021, the Board held 19 minuted meetings, including a constituent meeting. In addition, the Board of Directors and management have held a number of working meetings for updating taking into account the challenging situation. Below is a list of

the members with their shareholdings, attendance at meetings and their independence to owners and the company respectively.

**Committees**

The Board has appointed an audit committee and a remuneration committee.

**Audit committee**

The Board of Directors constitutes the audit committee, with Christian Thiel as Chairman. The principal tasks of the audit committee are to monitor FlexQube's financial reporting, monitor the effectiveness of the company's internal monitoring, internal auditing and risk management with respect to financial reporting, and to make recommendations and proposals for ensuring the reliability of the reporting. The audit committee shall, in collaboration with FlexQube's auditor, ensure audit planning, follow-up and audit status in advance of the annual report and consolidated accounts, and the conclusions of the Swedish Inspectorate of Auditor's quality control.

In addition, the audit committee shall oversee the auditor's impartiality and independence and, in particular, if necessary, give approval in advance for the auditor to provide the company with services other than audit services.

**Remuneration committee**

The Remuneration Committee consists of Anders Ströby (Chairman), Christian Thiel and Mikael Bluhme. The CEO acts as rapporteur in matters that do not concern the CEO's terms and conditions. The task of the remuneration committee is to review and give the Board recommendations concerning the principles for terms and conditions and remuneration to the company's senior executives. The remuneration committee shall assess the work of the CEO annually. Matters concerning the CEO's terms and conditions of employment, remuneration and benefits are prepared by the remuneration committee and decided on by the Board.

Name	Number of shares (Tst)	Attendance at board meetings	Independence from owners or company
Christian Thiel	1 945	19/19	No
Per Augustsson	1 458	19/19	No
Anders Ströby	70	18/19	Yes
Mikael Bluhme	21	19/19	No/Yes

**Board's annual planning**

The Board's work follows a structure with fixed and recurrent tasks, primarily as in the following plan.

**FEBRUARY**

- Board**
- Year-end report
  - Annual Report
  - Proposed dividend
  - Preparations for Annual General Meeting
  - Corporate Governance Report
  - Board evaluation

- Audit committee**
- Audit status Annual Report
  - Evaluation auditors

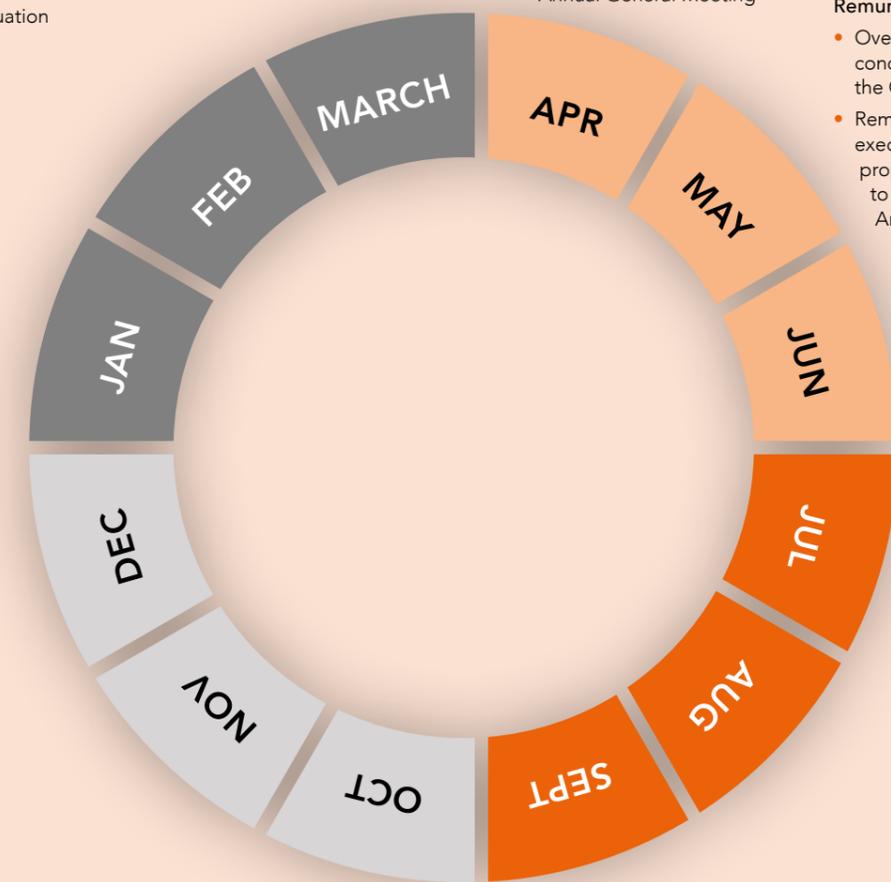
**APRIL/MAY**

- Board**
- Quarterly report first quarter
  - Audit plan
  - Evaluation of incentive program and need for new programs to be presented at the Annual General Meeting

- Constituent Board meeting**
- Board's and committees' rules of procedure, CEO's instructions
  - Members for audit or remuneration committee

- Remuneration committee**
- Overall salary and conditions policy for the Group
  - Remuneration to senior executives, including proposals for guidelines to be decided on at the Annual General Meeting

- Audit committee**
- Audit plan



**DECEMBER**

- Board**
- Budget and business targets
  - Corporate governance
  - Follow-up and evaluation of Board's work

- Remuneration committee**
- Evaluation of CEO's work and management group, and planning for future needs

**SEPTEMBER-NOVEMBER**

- Board**
- Quarterly report third quarter
  - Strategic development, evaluation, strategic focus and targets

- Audit committee**
- Audit planning annual accounts
  - Evaluation of internal monitoring and risk assessment

**AUGUST**

- Board**
- Quarterly report second quarter

## Chief Executive Officer and Management

The CEO is, in his/her role, subordinate to the Board, and has the principal task of managing FlexQube's day-to-day administration and daily operations. The Board's rules of procedure and the instructions for the CEO state which matters the Board of Directors of FlexQube shall decide on, and which decisions fall to the CEO.

The CEO also produces reports and necessary supporting documentation in advance of Board meetings, and acts as rapporteur of the material at Board meetings. In addition to the CEO, FlexQube has seven senior executives, see pages 111-115.

## Other information concerning the Board and Management

The members Mikael Bluhme and Anders Ströby are independent in relation to FlexQube and the company's management. Anders Ströby is also independent in relation to the principal owners. Anders Fogelberg, CEO, Christian Thiel, The Chairman of the Board and Per Augustsson, CTO, hold more than 10 % of the capital and votes in FlexQube AB, and are thus considered to be dependent in relation to major shareholders and the company.

None of the Board members or members of the Group management has any family relationship with any other Board member or member of the Group management in FlexQube. None of the Board members or members of the Group management has, during the past five years

- been convicted in a case related to fraud,
- been a representative of any company that has been declared bankrupt or liquidated, with the exception of what is stated in the compilation of ongoing and previous assignments of each person under the heading "Board" on pages 108-110, or

- been forbidden by a court to act as a board member or senior executive or in any other way pursue business activities, and none of the Board members or members of the Group management has been subject to official charges or sanctions by authorities authorized by law or regulation.

Nor are there any conflicts of interest through which the private interests of Board members or members of the Group management would be in conflict with the company's interests.

### Related party transactions

No company in the Group has entered into an agreement that entitles Board members or members of the management group to benefits after their assignment has been completed. Persons in the management group are entitled to salary during the notice period.

## Internal monitoring

The Board's responsibility for internal monitoring is regulated in the Swedish Companies Act and the Annual Accounts Act, which include requirements that information concerning the most important elements of FlexQube's internal monitoring and risk management systems in connection with financial reporting be included each year in the corporate governance report. The Board shall, inter alia, ensure that FlexQube has good internal monitoring and formalized procedures to ensure that established principles for financial reporting and internal monitoring are complied with, and that there are appropriate systems for monitoring and checking the company's operations and the risks associated with FlexQube and its operations.

The purpose of the internal monitoring is to ensure to a reasonable extent that the Group's operational strategies and goals are followed up and that the owners' investment is protected. The internal monitoring shall also ensure to a reasonable extent

that the external financial reporting is reliable and drawn up in accordance with generally accepted accounting principles, that applicable laws and regulations are complied with and that requirements for listed companies are complied with.

### Monitoring environment

The Board has the overall responsibility for the internal monitoring of financial reporting. In order to create and maintain a functional monitoring environment, the Board has adopted a number of policies and governing documents that regulate financial reporting. These consist primarily of the Board's rules of procedure, the CEO's instructions and the instructions for financial reporting. The Board has also adopted a special certification scheme and a risk and finance policy.

The Board continuously follows the company's financial position and the effectiveness of the company's internal monitoring and risk management, and keeps itself informed of the audit of the annual accounts and consolidated accounts. The Board also reviews and monitors the auditor's impartiality and independence. The Board also receives reports from FlexQube's auditor.

### Risk assessment

The Board receives additional information concerning risk management, internal monitoring and financial reporting from the auditor via the audit committee or at Board meetings with the auditor present.

### Monitoring activities

Monitoring activities limit risks identified and ensure accurate and reliable financial reporting. The Board is responsible for the internal monitoring and follow-up of the company management. This takes place by means of both internal and external monitoring activities and by means of review and follow-up of the company's governing documents. An important part of FlexQube's monitoring activities are standardized reporting procedures and clear documented rules of procedure and divisions of responsibility.

### Governance and follow-up

Continuous follow-up of earnings outcomes takes place at a number of levels in the Group, both at company level and at Group level. Follow-up takes place in

relation to budget and forecasts. Reporting takes place to the CEO and Board.

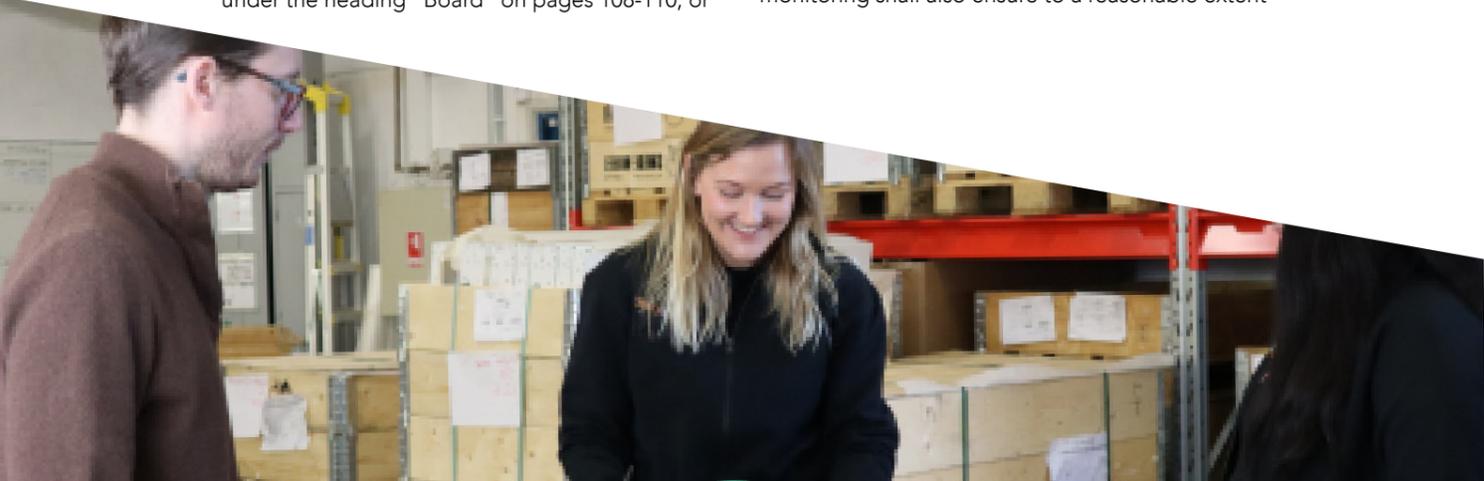
According to the Board's instructions to the audit committee, the committee must hold at least one meeting per year in which the company's auditors participate without the presence of FlexQube employees. The auditors must report on the focus and scope of the audit, the auditors' observations made during the audit and their observations concerning the internal monitoring. The audit committee's meetings are minuted and the minutes are provided to the Board.

### Need for internal auditing

The effectiveness of internal auditing is largely dependent on the company's organizational structure and the size of the organization. FlexQube has a relatively small organization, with finance and other administration managed from the company's office in Gothenburg. Follow-up of results and balance sheet is done on a monthly basis by the various functions in the company and by the company management and Board. As a result, a special unit for internal auditing is not considered to be necessary.

### Information and communication

The company has information and communication paths that are intended to promote the accuracy of financial reporting and to enable reporting and feedback from the operations to the Board and management, for example by making governing documents in the form of internal policies, guidelines and instructions concerning financial reporting available and known to relevant employees. The company has also drawn up policies and instructions with the purpose of informing employees and other interested parties in FlexQube of the laws that apply to the company's information disclosure and the specific requirements for persons who are active in a listed company in situations such as the management of insider information. In connection with this, FlexQube has drawn up procedures for handling and limiting the dissemination of information that has not yet been published, so-called deferred publication. The Board has adopted a communication policy and insider policy that regulates the Group's disclosure of information.



**Follow-up**

Compliance and effectiveness of the internal monitoring are followed up continuously. The CEO ensures that the Board receives on-going reporting on the development of the company's operations, including the development of FlexQube's earnings and position, and information about important events.

**Remuneration to the Board and Senior Executives****Remuneration to the Board**

The Annual General Meeting, on April 29, 2021, resolved that fees to the Board of Directors would amount to a total of 495 TSEK, of which 225 TSEK to the Chairman of the Board and 135 TSEK to each member who is not employed by the company.

**Remuneration to senior executives**

In 2021, the total gross cost to the CEO and group management, including base salary, pension payment and car and health insurance benefit, amounted to 4.8 MSEK, of which 1.3 MSEK was remuneration to the CEO.

**Audit**

FlexQube's auditors review the annual accounts and the annual report, as well as the company's ongoing operations and procedures, in order to comment on the accounts and the administration by the Board and the CEO. The auditors must, after each financial year, submit an audit report to the general meeting. The company's auditors report personally to the Board each year their observations from the audit and their assessments of the company's internal monitoring. At the Annual General Meeting on April 29, 2021, Pricewaterhousecoopers AB was elected as accounting firm, with Johan Palmgren as auditor in charge, and that remuneration to the auditor shall be paid in accordance with approved invoices.

For information concerning remuneration to the auditor, see Note 4.

**Auditor's statement concerning the Corporate Governance Report**

To the General Meeting of FlexQube AB (publ),  
CIN 556905-3944

**TASKS AND DIVISION OF RESPONSIBILITY**

It is the Board of Directors that is responsible for the Corporate Governance Report on pages 98-104 and for ensuring that it has been prepared in accordance with the Annual Accounts Act.

**FOCUS AND SCOPE OF THE REVIEW**

Our review has been carried out in accordance with FAR's statement RevU 16 Auditor's review of the corporate governance report. This means that our review of the corporate governance report has a different focus and a considerably narrower scope than the focus and scope of an audit carried out in accordance with the International Standards on Auditing and good auditing standards in Sweden. We consider that this review gives us a sufficient basis for our statements.

**STATEMENT**

A corporate governance report has been drawn up. Information given in accordance with Chapter 6, Section 6, second paragraph, points 2-6 of the Annual Accounts Act and Chapter 7, Section 31, second paragraph of the same Act is consistent with the other parts of the annual accounts and consolidated accounts and complies with the Annual Accounts Act.

Gothenburg, April 8, 2022  
PricewaterhouseCoopers AB

Johan Palmgren  
Authorized Public Accountant

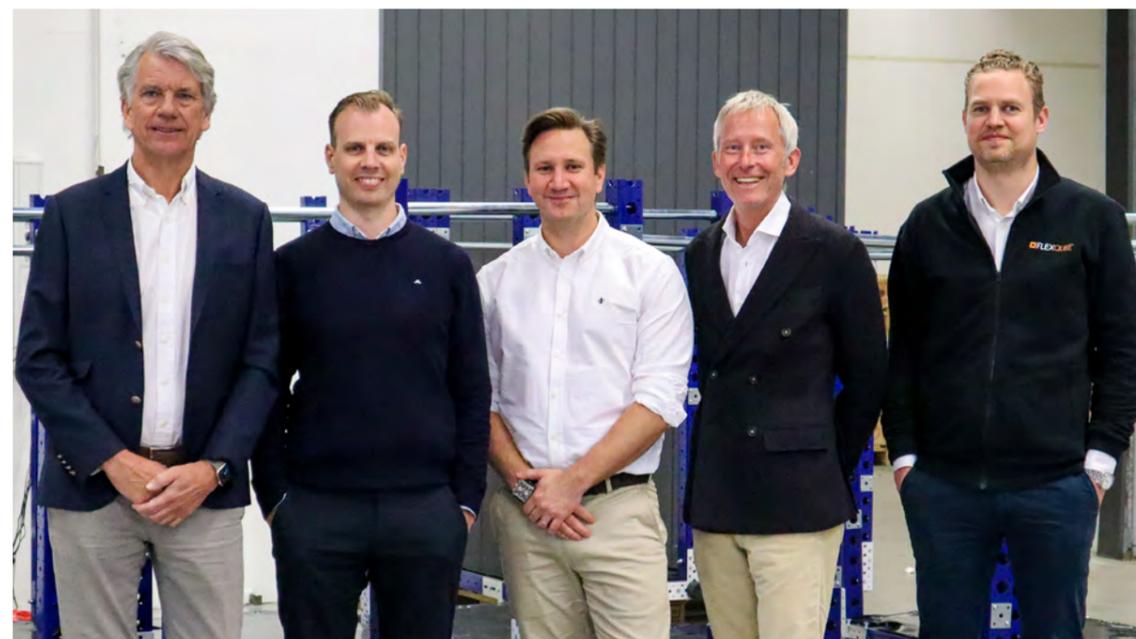


# Board of Directors

In accordance with FlexQube's Articles of Association, the Board of Directors shall consist of at least three and no more than six members, without deputies. FlexQube's Board of Directors currently consists of five members, including the Chairman of the Board, who have been appointed until the end of the 2021 Annual General Meeting. The following is a list of information concerning the independence of each Board member in relation to the company and its management, and to the company's major

shareholders, as well as a presentation of the respective Board member with information including name, year of birth, year of election to the Board, education and experience, ongoing and completed assignments in the past five years and shareholding in the company. Shareholdings in the company include own, direct and indirect holdings and related party holdings. Other or previous assignments in the FlexQube Group are not stated.

Name	Post	Member since	Independence in relation to	
			The company and its management	Major shareholders
Christian Thiel	Chairman of the Board	2012	No	No
Per Augustsson	Member of the Board	2012	No	No
Anders Ströby	Member of the Board	2017	Yes	Yes
Mikael Bluhme	Member of the Board	2020	Yes	No



## Christian Thiel

Co-founder and Board member since 2012, born 1981.

### Education

Master of Laws, LL.M. from the School of Business, University of Gothenburg and Bachelor's degree in Industrial and Financial Economics from the School of Business, University of Gothenburg.

### Ongoing assignments

Chairman of the Board of Svensk Tillgångsutveckling AB, Feldthusen Invest AB, Lithium Capital Investment, and F&T Equity AB.

### Background

Christian founded FlexQube AB (publ) in 2012 (the subsidiary FlexQube Europe AB was founded in 2010) jointly with Per Augustsson and Anders Fogelberg, and has previously worked, inter alia, as CEO of Svensk Tillgångsutveckling, Head of investment at F&T Equity AB and lawyer at Mannheimer Swartling Advokatbyrå, with focus on M&As and commercial law. Christian has several years' experience of starting and running companies in a number of industries.

### Holding in the company

Christian Thiel holds, through company, 1,945,000 shares in the company.

## Per Augustsson

Co-founder and Board member since 2012, born 1981.

### Education

Master of Mechanical Engineering at Chalmers University of Technology.

### Ongoing assignments

Board member of AuguTech AB and FlexQube subsidiary and deputy board member of Mostly AB.

### Background

Per founded FlexQube AB (publ) in 2012 (the subsidiary FlexQube Europe AB was founded in 2010) jointly with Christian Thiel and Anders Fogelberg, and has previously worked, inter alia, at Zenitel and Volvo CE as a project manager with a focus on product development and investments.

### Holding in the company

Per Augustsson holds, through company, 1,458,443 shares in the company.



## Anders Ströby

Board member since 2017, born 1953.

### Education

Master of Mechanical Engineering, Royal Institute of Technology (KTH), economics studies at Stockholm University and studies in Business Management at the Gothenburg Management Institute.

### Ongoing assignments

Board member in Bravik Mgm AB and Senior Advisor in ISEA Sweden KB.

### Background

Anders has extensive experience from a series of different assignments and roles in the Husqvarna Group, including work in the Group management and CEO of the Construction division (assignments as board member and chairman of Husqvarna AB subsidiaries), assignments as senior executive of Electrolux Outdoor Products Ltd, chairman of the board of Hebei Jikai Industrial co, Shijiazhuang (China). Previously, Anders worked, inter alia, as CEO of Jonsered AB.

### Holding in the company

Anders Ströby holds, through company and related parties, 70,000 shares in the company and 22,000 stock options.



## Mikael Bluhme

Board member since 2020, born 1966

### Education

Studied economics at IHM Business School and Executive Foundation Lund.

### Ongoing assignments

Board member of Villman & Co AB and CLAMO AB.

### Background

Mikael Bluhme is a partner in RoosGruppen AB since 2013 and has worked for the last 30 years, with and for, contractors. Mikael has long experience from various entrepreneurial companies where his focus has been on business development, sales, marketing, change and development work, both nationally and internationally.

### Holding in the company

RoosGruppen AB holds 1,231,529 shares in the company and Mikael Bluhme personally holds 21,300 shares and 22,000 stock options.



## Senior executives

FlexQube currently has six senior executives: Anders Fogelberg, Heidi Bader, Mikael Lindbäck, Per Augustsson, Tomas Örtendahl, Luke Goodwin, Michael Gore, Todd Nethery and Daniel Wrennfors. Below is a list of the senior executives' posts and

employment period, year of birth, background, shareholding in the company and ongoing assignments. Other or previous assignments in the FlexQube Group are not stated. Shareholdings in the company include own, direct and indirect holdings and related party holdings.

## Anders Fogelberg

Co-founder and Group CEO since 2013, born 1981.

### Education

Master of Mechanical Engineering from Chalmers University of Technology and Bachelor of Science in Industrial and Financial Economics from the School of Business, Economics and Law at the University of Gothenburg.

### Ongoing assignments

Board member of Birdmountain Invest AB and board member of FlexQube's subsidiary.

### Background

Anders founded FlexQube AB (publ) in 2012 (the subsidiary FlexQube Europe AB was founded in 2010) jointly with Christian Thiel and Per Augustsson and has previously been, inter alia, CEO of F&T Equity AB and worked as a management consultant at Accenture with a focus on Supply Chain Management. Anders has several years' experience of running his own companies.

### Holding in the company

Anders Fogelberg holds, through company, 1,256,483 shares in the company.



## Heidi Bader

Chief Financial Officer since 2021, born 1981.

### Education

Master of Science in Management and a Bachelor's degree in Accounting from the School of Economics at the University of Gothenburg.

### Background

Heidi has most recently worked at DB Schenker and previously with AB Volvo. Heidi has extensive international experience within financial reporting, business control, and business planning. Heidi has a data-driven approach and brings skills in driving change to catalyze company performance.

### Holding in the company

Heidi Bader holds 700 shares in the company.





## Per Augustsson

Co-founder and Group Chief Technology Officer since 2013, born 1981.

### Education

Master of Mechanical Engineering at Chalmers University of Technology.

### Ongoing assignments

Board member of AuguTech AB and FlexQube subsidiary and deputy board member of Mostly AB.

### Background

Per founded FlexQube AB (publ) in 2012 (the subsidiary FlexQube Europe AB was founded in 2010) jointly with Christian Thiel and Anders Fogelberg, and has previously worked, inter alia, at Zenitel and Volvo CE as a project manager with a focus on product development and investments.

### Holding in the company

Per Augustsson holds, through company, 1,458,443 shares in the company.



## Tomas Örtendahl

Chief Operating Officer since 2021, born 1982.

### Education

Master of Science in Mechanical Engineering from Chalmers University of Technology.

### Background

Tomas joined FlexQube in June 2021. Tomas came to FlexQube with previous experience within operations from Companies like Volvo Trucks, GKN Aerospace, and Plasman Group.

### Holding in the company

Tomas Örtendahl holds in the company 1,550 shares and 22,000 stock options.

## Luke Goodwin

Chief Marketing Officer since 2017, born 1988.

### Education

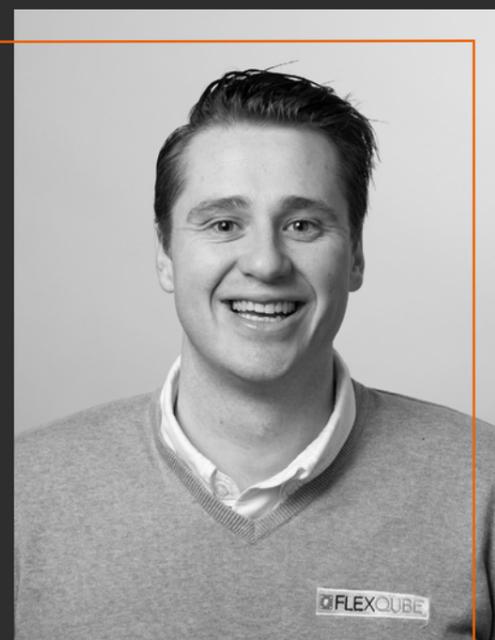
Bachelor of Business with a Major in Marketing from USC, Australia.

### Background

Luke came to FlexQube with previous experience within marketing software and construction industries with a focus on digital marketing, SEO & content creation. He has been with FlexQube for over four years establishing the marketing department.

### Holding in the company

Luke Goodwin holds in the company 586 shares and 12,000 stock options.



## Mikael Lindbäck

Chief Information Officer since 2021, born 1982.

### Education

Masters' Degree in Accounting from the Gothenburg School of Business, Economics and Law at the University of Gothenburg.

### Background

Mikael has many years' experience from various financial positions and previously worked as CFO for Gigant AB and Grunda AB in the B&B TOOLS (publ) Group. After this, Mikael worked as Head of Finance at Centiro Solutions AB before joining FlexQube.

### Holding in the company

Mikael Lindbäck holds 12,646 shares in the company.





## Michael Gore

VP of Sales North America since 2021, born 1962.

### Education

Master of Business Administration from Virginia Commonwealth University – School of Business.

### Background

Michael has most recently worked for KION North America as VP of Sales and has 35 years' experience from different sales roles. He brings skills in sales management and sales of intralogistics products.

### Holding in the company

Michael Gore does not hold any shares in the company.

## Daniel Wrennfors

VP of Sales Europe 2022, born 1970.

### Education

Studies at Chalmers University of Technology.

### Background

Daniel has most recently worked at Toyota Material Handling and has more than 25 years of experience in sales and business development roles. He adds expertise with his experience in the industry and sales.

### Holding in the company

Daniel Wrennfors holds 200 shares in the company.



## Todd Nethery

Site Manager North America since 2021, born 1962.

### Education

Bachelors of Science in Industrial Management from Clemson University, South Carolina.

### Background

Todd has most recently worked at Bodycote as General Manager and has more than 35 year's experience from different roles within operations. He brings skills in operations management and leading people in production environment.

### Holding in the company

Todd Nethery does not hold any shares in the company.



## Other information concerning the Board and senior executives

All Board members and senior executives in FlexQube can be reached at the address of FlexQube's head office, Aminogatan 20, 431 53 Mölndal, Sweden.

No Board member or member of the Group management has any family ties to any other Board members or members of the Group management. There are no conflicts of interest or potential conflicts of interest between the commitments of directors and senior executives to FlexQube and their

private interests and/or other commitments. However, several Board members and senior executives have financial interests in FlexQube as a result of their indirect shareholdings in the company.

None of the above-mentioned Board members or senior executives have entered into agreements with any Group companies regarding benefits after the completion of their assignment.

## Auditor

In accordance with the Articles of Association, FlexQube shall appoint one or two auditors with a maximum of two deputy auditors, or a registered auditing company. The company's auditor is appointed by the Annual General Meeting. The auditor shall review FlexQube's annual report and accounts, as well as the administration by the Board and the CEO. The company's auditor is continuously informed of the company's operations, including through regular meetings with the company management, distributed Board material and minutes. The auditor may submit comments and recommendations to the company's board and management at any time. After each financial year, the auditor shall submit an audit report and a group audit report to the Annual General Meeting.

At the Annual General Meeting on April 29, 2021 PricewaterhouseCoopers AB was elected as the auditing company, with Johan Palmgren as auditor-in-charge. Johan Palmgren is an authorized public accountant and a member of FAR. Remuneration to the auditor is paid in accordance with an approved invoice.

**Photo Credits throughout the report:**  
Corey Masser  
Zack Peeler  
Matilda Odell  
Stock Photos

# Annual General Meeting and financial calendar

FlexQube AB's Annual General Meeting will be held on May 12, 2022.

## Attendance

In order to contain the risk of spreading the coronavirus, the Board of Directors has, in accordance with the Act (2020:198) on Temporary Exemptions to Facilitate the Conduct of General Meetings, decided that the Annual General Meeting shall be conducted without the physical presence of shareholders, representatives or third parties and that shareholders' voting rights can only be exercised in advance by postal voting.

## Registration

Anyone who wishes to participate in the Annual General Meeting by postal vote shall: on the one hand, be listed as a shareholder in the share register prepared by Euroclear Sweden AB regarding the conditions on Thursday, May 5, 2022, and register by casting their postal vote in accordance with instructions in formal notice no later than Wednesday, May 11, 2022.

## Distribution policy

The Annual Report is made available as a PDF at [www.flexqubegroup.com](http://www.flexqubegroup.com) and a printed Annual Report is sent to all those who request one. Orders should be sent to [ir@flexqube.com](mailto:ir@flexqube.com) or by post to FlexQube AB, Aminogatan 20, 431 53 Mölndal, Sweden.

## Financial calendar

Quarterly report 1, 2022	05/11/2022
Annual General Meeting 2022	05/12/2022
Quarterly Report 2, 2022	08/11/2022
Quarterly Report 3, 2022	10/26/2022
Quarterly report 4, 2022	02/22/2023

## Contact information

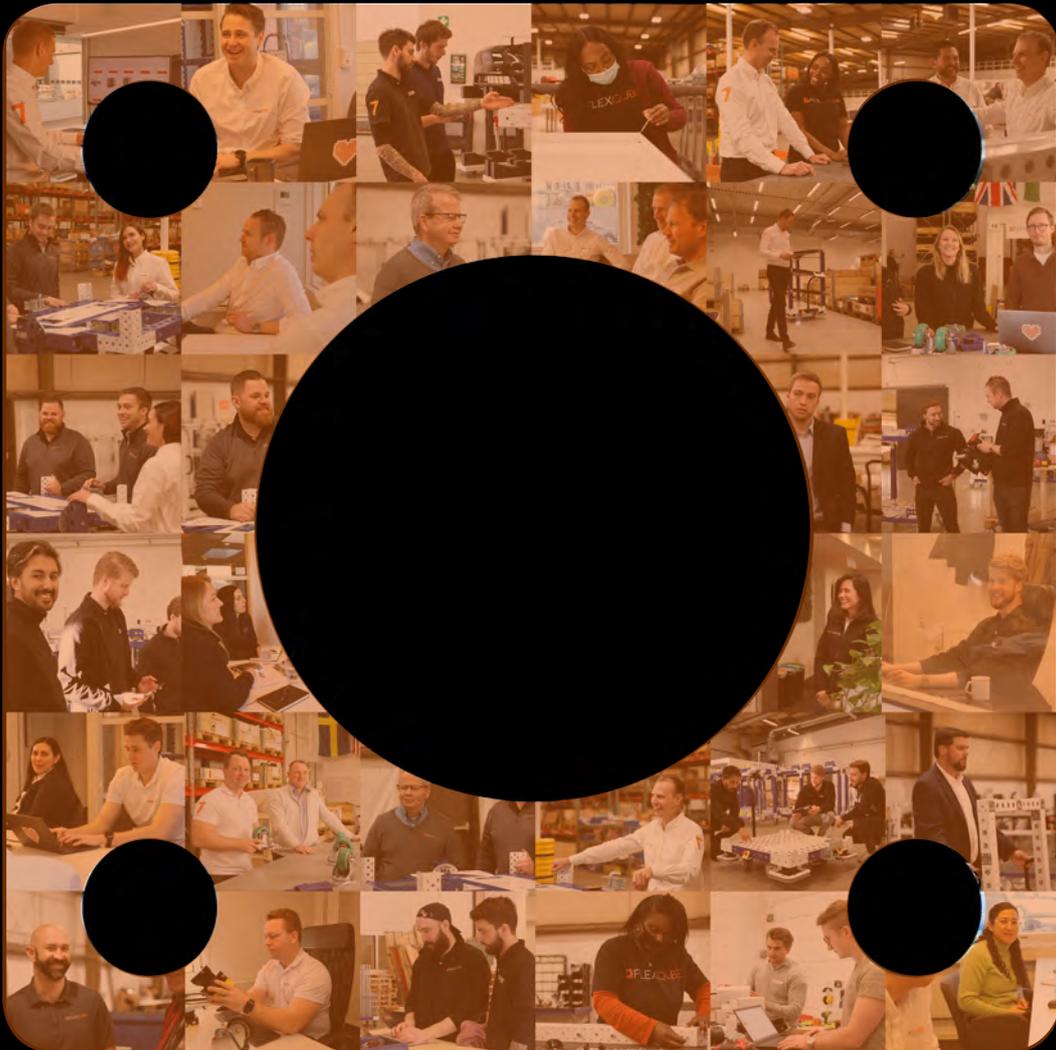
**FlexQube AB (publ)**  
556905-3944  
Aminogatan 20  
431 53 Mölndal, Sweden

**Anders Fogelberg**  
CEO  
Tel +46 702-86 06 74  
[anders.fogelberg@flexqube.com](mailto:anders.fogelberg@flexqube.com)

Investor Relations  
[ir@flexqube.com](mailto:ir@flexqube.com)  
Tel +46 727-11 14 77  
[www.flexqubegroup.com](http://www.flexqubegroup.com)

**Heidi Bader**  
CFO  
Tel +46 708-24 71 77  
[heidi.bader@flexqube.com](mailto:heidi.bader@flexqube.com)

**Certified Advisor**  
FNCA SWEDEN AB  
Tel +46 8-528 00 399  
[info@fnca.se](mailto:info@fnca.se)



 **FLEXQUBE®**



(c) FQ IP AB 2022

Reprinting may only be done with FlexQube's prior written consent. The report was originally written in Swedish and translated into English. In the event of any discrepancies between the two versions, the Swedish version takes precedence.