



Q2
2023

Interim Report Q2 2023
Maven Wireless



About Maven Wireless

Maven Wireless provides groundbreaking solutions in wireless coverage all over the world. We offer end to end digital solutions with outstanding performance. Our products are used in tunnels, on ships, metros, stadiums, buildings, in critical communications concerning public safety and more. We are passionate about making society and our customers end-users' life better, easier and safer by securing 100% wireless coverage.

For more information: www.mavenwireless.com

Continued expansion with US order and a new record quarter

Second quarter
1 April – 30 June 2023

- Net sales amounted to SEK 65,437 thousand (21,536)
- EBITDA amounted to SEK 11,044 thousand (-918)
- Operating profit amounted to SEK 9,705 thousand (-2,083)
- Order intake amounted to SEK 34,507 thousand (20,412)
- Orders from 15 customers, of which 2 new customers during the period
- Cash flow from current operations amounted to SEK 4,113 thousand (6,039)
- Earnings per share 0.19 (-0.04)
- Life Cycle Assessment -68% kg CO2e during operation

The period
1 January – 30 June 2023

- Net sales amounted to SEK 106,507 thousand (34,279)
- EBITDA amounted to SEK 14,918 thousand (-5,092)
- Operating profit amounted to SEK 12,295 thousand (-7,371)
- Order intake amounted to SEK 69,924 thousand (49,395)
- Orders from 26 customers, including 7 new customers during the period
- Cash flow from current operations amounted to SEK -2,939 thousand (-2,177)
- Earnings per share 0.23 (-0.15)
- Life Cycle Assessment -68% kg CO2e during operation

Group Financial Summary

KSEK	Apr-Jun		Jan-Jun		Jan-Dec
	2023	2022	2023	2022	2022
Net Sales	65 437	21 536	106 507	34 279	101 446
Sales Growth %	204%	62%	211%	40%	126%
Gross profit	22 900	7 317	37 874	10 927	31 861
Gross profit margin %	35%	34%	31%	34%	31%
EBITDA	11 030	-918	14 904	-5 092	-53
EBITDA-margin %	17%	-4%	14%	-15%	0%
Operating profit (EBIT)	9 691	-2 083	12 281	-7 371	-5 037
Operating margin %	15%	-10%	12%	-22%	-5%
Profit for the period	9 677	-2 233	12 128	-7 639	-5 731
Capitalised development costs	4 079	3 327	8 208	6 391	14 327
Net cash from operating activities	4 113	6 039	-2 939	-2 177	2 582
Number of employees	30	26	30	26	27
Earnings per share after dilution	0,19	-0,04	0,23	-0,15	-0,11
Number of shares before dilution	51 866 809	50 657 700	51 866 809	50 657 700	51 866 809
Number of shares after dilution	52 041 809	50 817 700	52 041 809	50 817 700	52 041 809

CEO's statement

The group's net sales of SEK 65 million during the quarter are significantly higher than sales in previous quarters. The turnover growth is 204% compared to the same period last year. Cumulative turnover for the first half of 2023 is SEK 107 million, which is already higher than the full year 2022 (101). Furthermore, we deliver an improved operating profit of approximately SEK 10 million, which gives an operating margin of 15%.

The availability of IC components has improved and lead times continue to get shorter. With lower spot material costs and to some extent adjusted product prices, we reach a gross margin of 35%, which is higher than the same period last year (34%). We deliver some old orders with old prices during the quarter, which holds back the improvement in the gross margin somewhat.

With shorter lead times on components and improved logistics, we offer a shorter lead time of 12–20 weeks on our standard products, which is clearly lower than during the same period last year. For our framework agreements, this means that our customers do not need to place orders for their projects with as much time in advance, which is why order intake for the framework agreements has decreased during the period when the production for the framework agreements for the year has already been placed. Order intake was SEK 35 million during the quarter, which results in an order book at the end of the period of SEK 173 million.

Cash flow from current operations before changes in working capital amounted to 11 million during the second quarter. During the period, the cash flow has been negatively affected by overdue accounts receivable of approximately 20 million, the majority of which has been settled after the end of the period. But there is also a negative impact on the cash flow of working capital tied up in strategic inventory related to production in Note's Pärnu factory and upcoming production at Kitron in Jönköping.

The group's expansion continues within existing regions where, in addition to existing framework agreements, we win new customers and projects in more countries. During the month of April, we won a new framework agreement with ONE Nordic and at the same time received an order for a major infrastructure project in Sweden worth approximately SEK 9 million. Furthermore, the group has secured 6 different deals for Microsoft's data centers where we have simultaneously established a distribution agreement with Anixter for continued data center deals.



"107 million in sales during January to June are higher than the sales for the entire 2022"

ORDER INTAKE, M SEK

35

REVENUE, M SEK

65

The expansion in North America continues where our American subsidiary received the first order for a casino in Nevada worth approximately SEK 6.8 million. The North American market represents approximately one third of the world market, which means that the group's addressable market in 2022 is SEK 11 billion in North America alone.

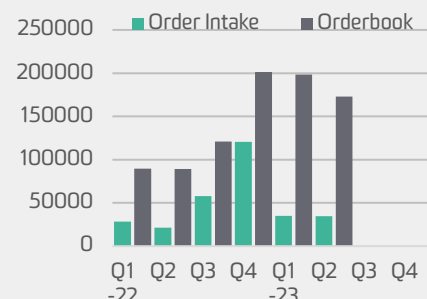
Sustainability and cyber security continue to be important areas with increasing focus from both our partners and end customers. Our energy-efficient and maintenance-free solutions are attractive both from an energy and cost perspective, but also from a sustainability perspective. We also offer secure systems that meet the requirements for cyber security in the future where end customers can be confident in meeting future local laws on cyber security based around the EU directive NIS-2.

Finally, I am happy that the group is continuing its global expansion also in the North American market. In addition, the expansion in existing markets continues at a high pace according to the plan where we continue to digitize society with our climate-smart and safe products with high bandwidth both for 5G and for other critical communications.

Kista, August 15, 2023

Fredrik Ekström
Group CEO

ORDER INTAKE, KSEK



ORDERBOOK, MSEK

173

Significant events during the second quarter

Maven Wireless receives breakthrough order in USA worth SEK 6,8 million

An American neutral host company will use Maven Wireless groundbreaking DAS to build mobile coverage in a casino in the state of Nevada, USA. The order value is approximately SEK 6,8 million. The order is received into Maven Wireless Inc., which is a subsidiary to the Maven Wireless group.

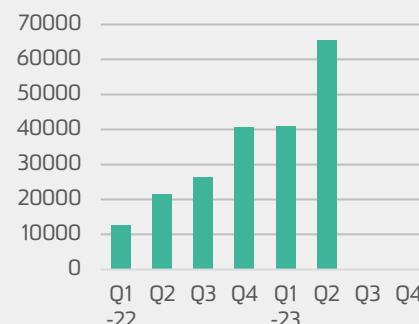
Maven Wireless signs production agreement with Kitron

Maven Wireless Sweden AB (publ) has entered into a production agreement with Kitron Aktiebolag a leading Scandinavian Electronics Manufacturing Services (EMS) company. Kitron has operations in Norway, Sweden, Denmark, Lithuania, Germany, Poland, the Czech Republic, India, China, and the United States. The manufacturing partnership will initially be supported at Kitron's factory in Jönköping Sweden.

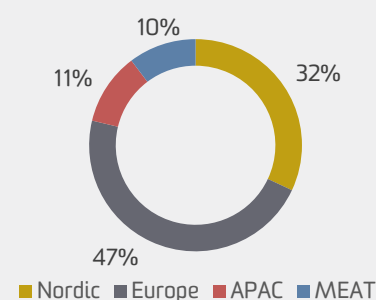
Maven Wireless signs framework agreement with ONE Nordic and receives first order of SEK 9 million

Maven Wireless signs a framework agreement with ONE Nordic regarding both DAS systems and repeater products for mobile telephony as well as blue light radio systems and associated services. At the same time, a first order is received for mobile phone coverage for an infrastructure project in Sweden amounting to approximately SEK 9 million. The agreement is valid until further notice, with opportunities for the parties to revise prices if costs change by more than 5%. There are no volume guarantees in the agreement, which can, however, be used for future projects for all ONE Nordic group companies.

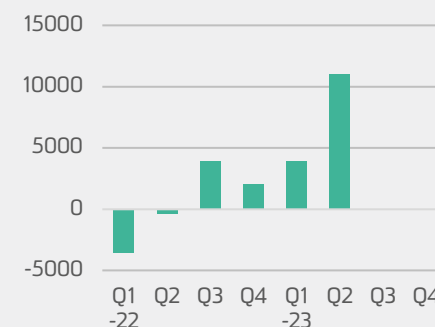
NET SALES



SALES PER REGION



EBITDA



RESULT DURING Q2, MSEK

10

Maven Wireless supplies products to Microsoft data centres

Maven Wireless has had its products approved to establish secure communication in Microsoft's data centres with the first rollout in Europe. The approval includes the company's digital DAS system for TETRA communication where a standardised solution will be used globally. Establishment of the systems takes place starting in Europe, where the company has already received orders for data centres in Ireland, Italy, Spain, and Holland. The sales value per data centre for the company is between SEK 0.5 and 1 million. Rollout of the corresponding solution is also planned for both Asia and the USA. Microsoft has over 200 data centres spread across the world.

Maven Wireless validates additional 8 European patents

Including the new validated patents, Maven Wireless possesses 67 patents worldwide and has additionally 12 patent applications pending. These patents protect Maven Wireless digital DAS products and the way how the products transport data over the fibre network. They also support and protects Maven Wireless' business throughout the European market.

Maven Wireless granted a fourth patent in South Korea

Including the new granted patent, Maven Wireless possesses 68 patents worldwide and has additionally 11 patent applications pending. The new patent in South Korea covers a method performed by a digital DAS for routing aggregated carriers received by at least one digital master unit of the DAS to at least one digital remote unit of the DAS.

Significant events after the end of the period

Further cash flow improvements

After the end of the period, the cash flow for the group has improved by the fact that most of the outstanding unpaid accounts receivable have been settled. Of the SEK 20,026 thousand outstanding unpaid accounts receivable at the end of the period, SEK 3,122 thousand remain as of July 31, 2023.

Maven Wireless expands into Australia

Maven Wireless expands the sales and marketing organisation with a new technical sales professional based in Sydney. The group has already sold products in this market and has now the ambition to take a bigger portion of the local market in Australia and New Zealand. Maven Wireless addressable market in Australia, New Zealand and Singapore is roughly 100 MUSD 2023 and it grows by 6% CAGR (from Market&Markets 2022).

Maven Wireless granted a fifth patent in South Korea

Including the new granted patent, Maven Wireless possesses 69 patents worldwide and has additionally 10 patent applications pending. This new patent protects Maven Wireless digital DAS products and the way how the products transport data over the fibre network. This patent supports and protects Maven Wireless' business especially in the APAC region.

Trade shows and marketing events

During the second quarter, the company participated in the following trade shows and events.

- ◇ ConnectX, New Orleans, US (May 8–10)
- ◇ Middle East Rail, Abu Dhabi, UAE (May 15–16)
- ◇ CCW, Helsinki, Finland (May 23 - 25)
- ◇ Objektfunk Forum, Fulda, Germany (May 23–24)
- ◇ Small Cells forum, London, UK (May 23–24)
- ◇ 3rd InnoMetro, India (May 24–25)
- ◇ 2nd Global FRMCS Conference, ADNE in Abu Dhabi, UAE (May 15–16)
- ◇ CommunicAsia, Singapore (June 7–9)

Finally, the company has also carried out some additional events with a focus on Investor Relations

- ◇ The group's annual general meeting was held on April 27th, all decision points at the meeting were approved. Anders Olin was also elected to the board as a new member.
- ◇ Presentation of Q1 report with Skills Corporate Finance on April 27th.
- ◇ Participation in Erik Penser's company day at Haymarket Stockholm May 25th.
- ◇ During the quarter, a number of company presentations were carried out with financial institutions and funds.

Sustainability

Maven Wireless offers the industry's most durable products and solutions for indoor and tunnel coverage. A cornerstone of this is an effective implementation of power amplifiers together with unique signal processing where energy consumption is reduced to 67% less than competing solutions.

Because the energy consumption is low, Maven Wireless can offer maintenance-free products without cooling fans, which means that our customers do not need to maintain service programs where remote units are cleaned and serviced sometimes as often as several times a year.

Maven Wireless solutions are also smaller and weigh so little that the number of installers can be halved for the same installation work. Smaller products also mean less transport to and from the factory. It also means reduced consumption of finite metals such as aluminium.

The company has carried out LCA (Life Cycle Assessment - CO₂e) which shows how superior Maven Wireless solutions are from a sustainability perspective. In comparison with the company's two biggest competitors, the following was found:

96%

Up to 96% less CO₂ from production

58-64%

Between 58-64% less CO₂ from radio units over a 20 year cycle

50-73 %

Between 50-73% less CO₂ from the central units during a 20 year cycle

Energy consumption

-67%

Maven Wireless has not only revolutionized the wireless industry, we've done it with 67% less energy consumption.

It's not only sustainable, it's groundbreaking.

Financial Reports

Consolidated Group Income Statement

KSEK	Apr-Jun		Jan-Jun		Jan-Dec
	2023	2022	2023	2022	2022
Revenue					
Net Sales	65 437	21 536	106 507	34 279	101 446
Cost of revenue	-42 537	-14 219	-68 633	-23 352	-69 585
Gross Margin TB	22 900	7 317	37 874	10 927	31 861
Gross Margin (%)	35%	34%	36%	32%	31%
Own work capitalized	4 079	3 327	8 208	6 391	14 327
Other income	851	791	1 423	1 518	3 128
Personal costs	-10 465	-7 826	-19 058	-14 764	-29 941
Expenses	-6 335	-4 528	-13 543	-9 164	-19 429
Operating Income or loss (EBITDA)	11 030	-918	14 904	-5 092	-53
Sum of depreciation/amortization	-1 339	-1 165	-2 623	-2 279	-4 984
Earnings before interest and tax (EBIT)	9 691	-2 083	12 281	-7 371	-5 037
Financial costs/revenue	-14	-150	-153	-268	-693
Profit/loss before tax	9 677	-2 233	12 128	-7 639	-5 731
Number of shares before dilution	51 866 809	50 657 700	51 866 809	50 657 700	51 866 809
Number of shares after dilution	52 041 809	50 817 700	52 041 809	50 817 700	52 041 809

Consolidated Balance Sheet

KSEK	2023-06-30	2022-06-30	2022-12-31
Assets			
Intangible assets	69 051	57 351	63 013
Property, equipment and installations	1 674	1 674	1 793
Other assets	291	349	323
Total non-current assets	71 016	59 374	65 129
Inventories	14 523	7 598	9 798
Account receivables	55 465	17 088	32 131
Other receivables	0	1 499	314
Prepaid expenses and accrued income	2 425	942	2 121
Cash and bank	2 067	3 200	14 411
Total current assets	74 479	30 327	58 775
Total assets	145 496	89 700	123 904
Share capital	1 297	1 268	1 297
Provision to the development fund	65 013	53 490	59 227
Other capital contributed	133 186	117 408	133 186
Retained earnings including profit/loss for the period	-108 010	-111 329	-114 706
Total Equity	91 486	60 837	79 004
Total long-term liabilities and provisions	2 743	5 951	3 638
Total current liabilities	51 266	22 913	41 262
Total Equity and liabilities	145 496	89 700	123 904

Consolidated Statement of Changes in Equity

KSEK	Share Capital	Not registered share	Development fund	Additional paid-in capital	Retained earnings	Total equity
Opening balance 2023-01-01	1 297	0	59 227	133 186	-114 706	79 004
Profit/loss for the period	0	0	0	0	12 128	12 128
Share-based incentive programs	0	0	0	0	314	314
Conversion difference	0	0	0	0	40	40
Provision for the development fund	0	0	5 786	0	-5 786	0
Closing balance 2023-06-30	1 297	0	65 013	133 186	-108 010	91 486

KSEK	Share Capital	Not registered share	Development fund	Additional paid-in capital	Retained earnings	Total equity
Opening balance 2022-01-01	1 266	0	49 213	117 408	-99 309	68 578
Profit/loss for the period	0	0	0	0	-7 639	-7 639
New share issue	1	0	0	0	0	1
Conversion difference	0	0	0	0	-103	-103
Provision for the development fund	0	0	4 278	0	-4 278	0
Closing balance 2022-06-30	1 267	0	53 491	117 408	-111 329	60 837

Consolidated Cash Flow

	Apr-Jun		Jan-Jun		Jan-Dec
Cash flow report (KSEK)	2 023	2 022	2 023	2 022	2 022
Operating activities					
Operating revenue	9 691	-2 083	12 281	-7 371	-5 037
Adjustment for non-cash items	1 319	1 076	2 359	1 425	3 645
Interest paid	-14	-150	-153	-268	-693
Income tax	73	65	-69	-88	10
Cash flow from operating activities before change in working capital	11 069	-1 092	14 417	-6 302	-2 075
Cash flow from changes in working capital					
Increase(-)/decrease(+) in inventories	-1 699	311	-5 244	603	-1 624
Increase(-)/decrease(+) in operating receivables	-15 047	1 842	-21 755	-5 426	-20 995
Increase(-)/decrease(+) in operating liabilities	9 789	4 978	9 643	8 948	27 276
Cash flow from operating activities	4 113	6 039	-2 939	-2 177	2 582
Investing activities					
Acquisition of intangible assets	-4 161	-3 457	-8 488	-6 811	-15 018
Acquisition in machinery and equipment	-19	-415	-55	-1 124	-1 403
Acquisition in financial instruments	16	16	32	32	58
Cash flow from investing activities	-4 164	-3 856	-8 510	-7 903	-16 363
Financing activities					
New share issue	0	1	0	1	16 983
Issue expenses	0	0	0	0	-1 175
Loan amortizations	-448	-448	-895	-895	-1 790
Cash flow from financing activities	-448	-447	-895	-894	14 018
Cash flow for the period	-499	1 736	-12 344	-10 974	237
Opening cash	2 566	1 464	14 411	14 174	14 174
Closing cash	2 067	3 200	2 067	3 200	14 411

Investor relations

Financial calendar

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Interim report Q3.....27 October 2023

Year-end report.....23 February 2024

Contacts

Fredrik Ekström, CEO

fredrik.ekstrom@mavenwireless.com

08-760 43 00

Claudia Munoz, CFO

claudia.munoz@mavenwireless.com

08-760 43 00

Other contact details

Torshamnsgatan 39b

164 40 Kista

SWEDEN

Org. nr: 559065-6384