

INTERIM REPORT

April - June 2023



OXEMARINE



OXE Marine AB (publ)

Interim Report April - June 2023

Second Quarter 2023

- Consolidated Net turnover amounted to SEK 46.3 m (SEK 45.7 m).
- Consolidated Gross Profit amounted to SEK 0.1 m (SEK 9.7 m) with a gross margin of 0% (21%).
- Consolidated EBITDA amounted to SEK -27.8 m (SEK -8.9 m).
- The consolidated result for the quarter amounted to SEK -43.9 m (SEK -20.6 m).
- Consolidated EPS and Diluted EPS amounted to SEK -0.14 (SEK -0.08).

January - June 2023

- Consolidated Net turnover amounted to SEK 79.1 m (SEK 77.1 m).
- Consolidated Gross Profit amounted to SEK 8.3 m (SEK 18.7 m) with a gross margin of 10% (24%).
- Consolidated EBITDA amounted to SEK -45.2 m (SEK -21.8 m).
- The consolidated result for the quarter amounted to SEK -71.5 m (SEK -44.1 m).
- Consolidated EPS and Diluted EPS amounted to SEK -0.23 (SEK -0.18).

Significant events during the second quarter

- OXE Marine receives orders worth SEK12M (USD1.1M) from United States Defense Logistics Agency.
- OXE Marine expands in South America by appointing new distributors in Brazil and Colombia.
- OXE Marine appointed Paul Frick as new CEO.
- OXE Marine introduced the OXE configurator, that allows the customers to customize their OXE Diesel Outboard.

Significant events during the first half of the year

- OXE Marine receives orders worth SEK12M (USD1.1M) from United States Defense Logistics Agency.
- OXE Marine presented a new concept outboard OXE hybrid 450, the world's first diesel electric hybrid outboard.
- OXE Marine's water jet engine was nominated for innovation of the year at the Miami international boat show.
- OXE Marine expands in South America by appointing new distributors in Brazil and Colombia.
- OXE Marine expand their footprint in Asia by appointing Creation Co., Ltd as dealers for Japan.
- OXE Marine appointed Paul Frick as new CEO.
- OXE Marine introduced the OXE configurator, that allows the customers to customize their OXE Diesel Outboard.

Significant events after the reporting period

- OXE Marine expands in North America by appointing new distributor in Mexico.

Key Figures	2023		2022		2023		2022	
	Consolidated				OXE Marine AB			
	Apr - June	Jan - June	Apr - June	Jan - June	Apr - June	Jan - June	Apr - June	Jan - June
Net turnover, KSEK	46 247	79 093	45 732	77 136	45 298	77 000	43 896	69 475
Propulsion	36 171	55 167	38 523	64 562	36 144	56 153	38 197	59 267
Parts & Accessories	10 076	23 926	7 209	12 574	9 154	20 847	5 699	10 208
Gross Margin %	0%	10%	21%	24%	-23%	-2%	30%	27%
EBITDA, KSEK	-27 833	-45 165	-8 900	-21 776	-35 286	-42 324	-7 894	-24 966
Net loss for the period, KSEK	-43 979	-71 450	-20 586	-44 099	-50 450	-66 487	-16 663	-42 337
Earnings per share basic, SEK	-0.14	-0.23	-0.08	-0.18	-0.17	-0.22	-0.08	-0.20
Earnings per share diluted* SEK	-0.14	-0.23	-0.08	-0.18	-0.17	-0.22	-0.08	-0.20

* Refer to section Definitions of Key Business Ratios, Diluted Earnings Per Share.

Foundations for growth

“There is a lot to be proud of in the second quarter, the highest sales recorded in a quarter in the history of OXE Marine and receiving orders from the United States Defense Logistics Agency. Despite achieving these milestones, we have our sights on the journey ahead where our focus is on expanding and solidifying our service and support network, with one objective - to better serve and support our customer base and the end user.”

The orders received from the United States Defense Logistics Agency is something we are very proud of and is a positive reference case to many other governmental and commercial users around the globe. The conversation has changed from “what is OXE” to “why OXE” with many customers opting to make the switch to OXE to take advantage of the significant fuel savings and safety and environmental benefits. We continue to see the interest in diesel outboards grow, with growing acceptance and understanding of the OXE concept as a viable alternative to gasoline outboards or diesel inboards. We have several distributors who have been loyal to OXE and have been patiently growing their markets over the past few years, who are now starting to see more consistent demand for the product and general acceptance for diesel outboards.

Total sales amounted to SEK 46.3 m (SEK 45.7 m) on a consolidated basis. This represents the highest revenue in a quarter since inception. Comparatively this is an increase of 1% relative to the same quarter of the previous year and an increase of 41% to Q1 2023. Year to date total sales amounted to SEK 79.1 m (SEK 77.1 m) an increase of 3% relative to the prior year.

Parts & Accessories contributed 22% (16%) of total revenue in the second quarter with SEK 10.0 m (SEK 7.2 m) in sales. The rapid growth is attributable to the growing population of OXE outboards in the market and the continued focus on this revenue segment. There were no industrial sales this quarter meaning that P&A sales were in line with Q1 2023.

During the quarter Management carried out an assessment of inventory to ensure inventory is held at fair value and to account for older engine model numbers and older part revision numbers. These adjustments impacted gross margin by SEK 13.9m with gross margin amounting to 0% for the quarter. Before making these adjustments, gross margin would have amounted to 30% indicating an improvement in

the underlying profitability. Price increases came into effect in Q2, as well as a more favourable product mix and positive effects due to the weakening of the Swedish crown which supports the underlying profitability.

To continuously manage the various product upgrades and versions on the market of both the OXE200 and OXE300 family of engines, we launched a refurbishment (“refurb”) program during the quarter where we systematically remanufacture older engine models that have not been used or used engines requiring upgrades to be sold back into the market. These refurb engines will be sold back into the market at a lower price and with limited warranty and are ideal for demo applications or as spare engines.

The number one challenge we have ahead of us is to build our service and support network as quickly as the demand for the product increases, so that we can deliver on our commitment to offering a reliable solution to demanding users. We have stepped up the intensity in dealer education and training, developing digital tools for knowledge sharing, as well as growing our technical team in all corners of the world, with one objective – to better serve and support our customer base and the end users.

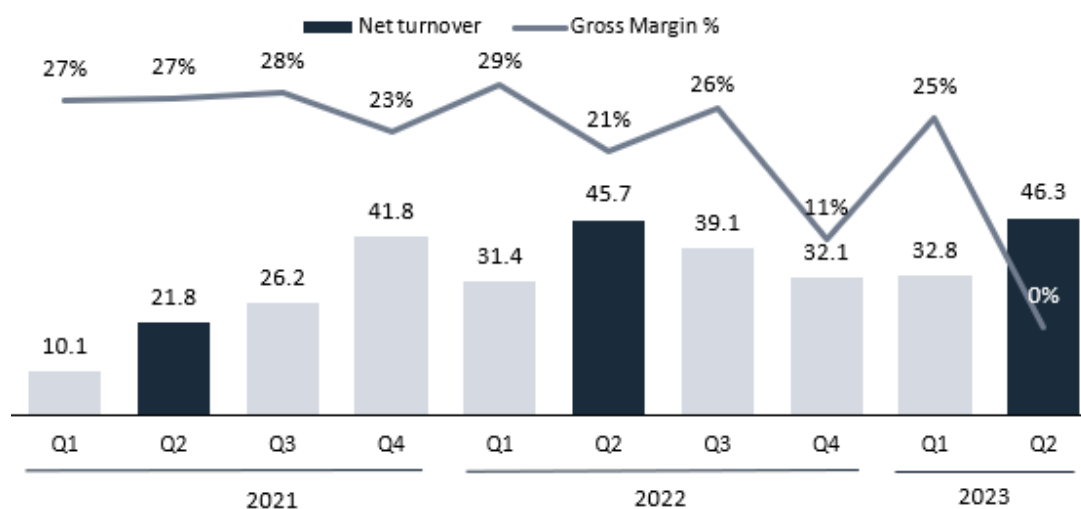
While our focus is undoubtedly on the current product range, we keep an eye on the future by continuing to develop both the water jet and hybrid concept through effective partnerships. There are several water jet applications now on the water in beta testing. The results are very promising, with no to little power loss on the beta testing which is carried out on vessels that have been powered by propellers and switched to jets. In addition to these initiatives, OXE continues to carry out product development projects including our ability to offer a greater variety of steering and control systems to our end users and will benefit all OXE product ranges.

On a personal note, I am very pleased to be appointed the CEO of OXE Marine, one of the most exciting companies in the marine sector. I would like to thank my colleagues for the support received in the first two months. I am again reminded of how many talented people we have and how much has already been achieved in our organisation of only 44 people. We enter Q3 with the mindset of making constant improvements that will make a difference to our customers and end users.

Paul Frick, CEO

Sales (SEKm) and Gross Margin Development (%)

Total sales amounted to SEK 46.3 m on a consolidated basis. This quarter represents the highest revenue in a quarter since inception. Comparatively this is an increase of 1% relative to the same quarter of the previous year and an increase of 41% to the previous quarter, quarter one.

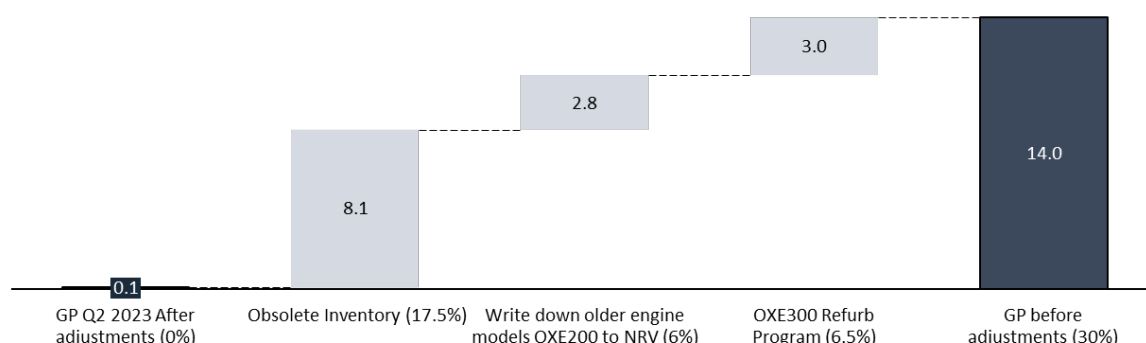


Note: Results from 2022 and 2023 are consolidated, 2021 relate to OXE Marine AB only.

Gross Margin: Items impacting comparability

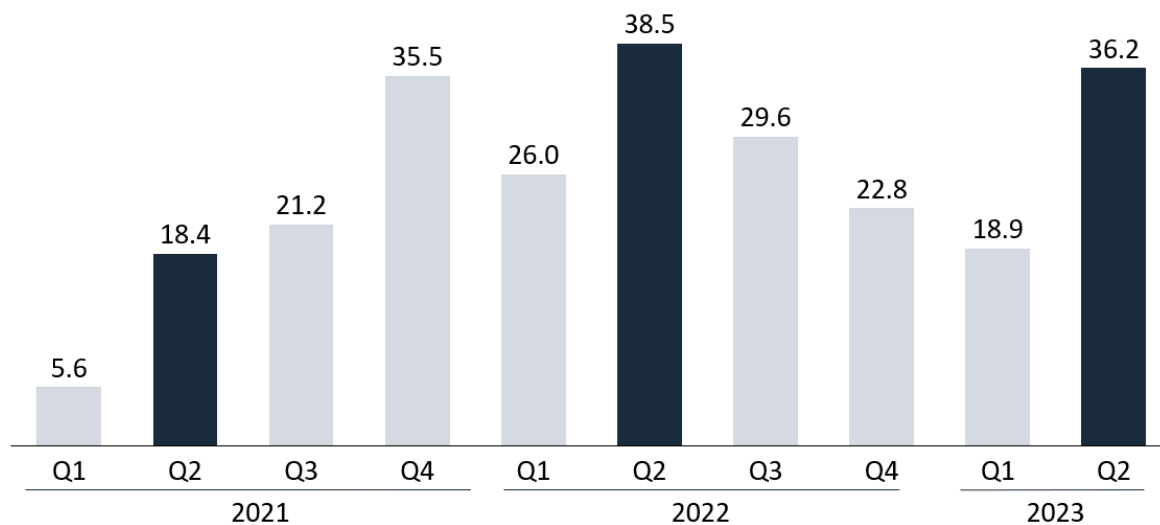
The gross margin for the second quarter amounted to 0% after one-off adjustments. The gross margin before one-off adjustments would have amounted to 30%. One-off adjustments relate to Management's assessment of the current value of inventory to ensure inventory is accounted for at fair value at date. The following adjustments have been made and are summarized below.

- Scraping of obsolete inventory that cannot be sold or parts that cannot be utilized in latest engine models.
- Writing down older OXE200 engine models to net realizable value representing the current realizable sales price less costs to sell.
- OXE300's entering refurbishment program requiring upgrades, written down to net realizable value based on condition, model number and hours of operation.



Sales Propulsion (SEKm)

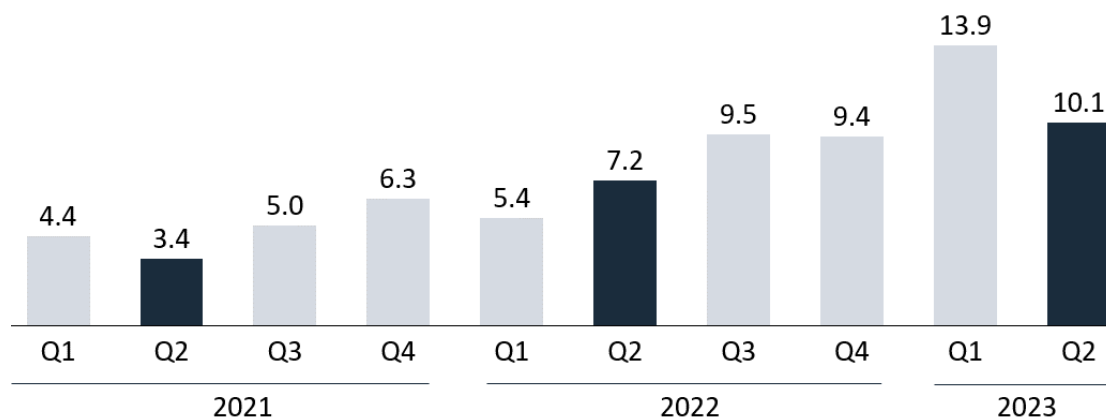
Propulsion sales amounted to SEK 36.2m on a consolidated basis, a decrease of 6% compared to the same quarter of the previous year and an increase of 90% when compared to Q1 2023.



Note: Results from 2022 and 2023 are consolidated, 2021 relate to OXE Marine AB only.

Sales Parts & Accessories (SEKm)

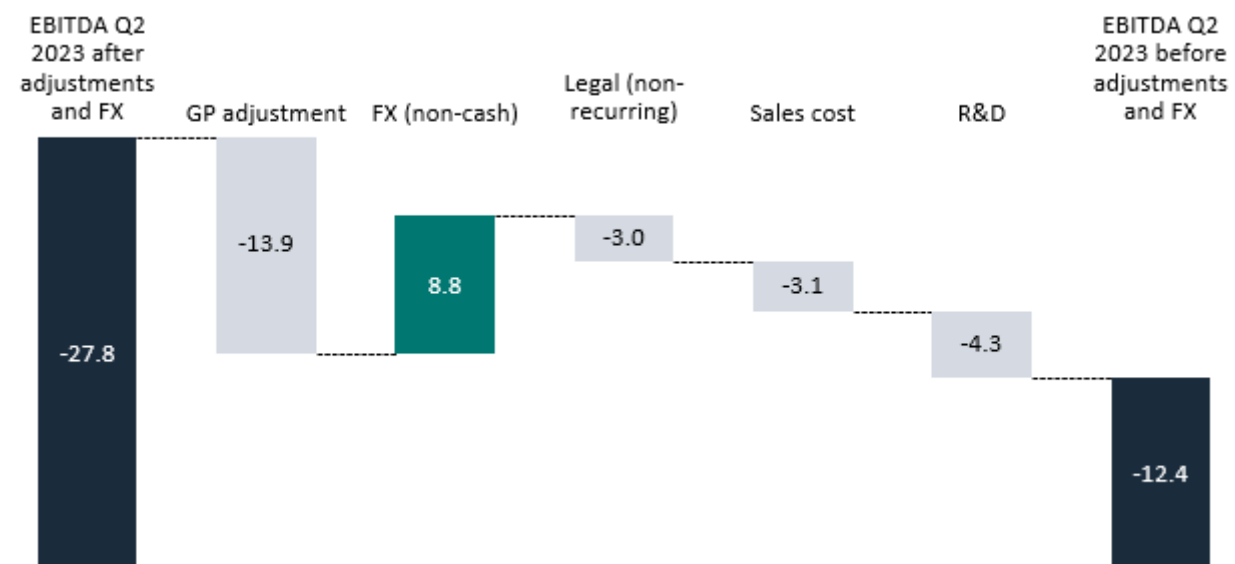
Parts & Accessories sales amounted to SEK 10.1 m on a consolidated basis, an increase of 39% compared to the same quarter of the previous year and down 27% from the first quarter of this year. Included in P&A sales for quarter 1 was SEK 3.8m in industrial sales during the quarter which have been included in this segment. Excluding the industrial sales, P&A would have amounted to SEK 10.1 m, this would show a comparative level of around SEK 10 m quarter on quarter. Our P&A department is seeing consistent growth quarter on quarter.



Note: Results from 2022 and 2023 are consolidated, 2021 relate to OXE Marine AB only.

EBITDA items impacting comparability.

EBITDA amounted to SEK -27.8 m on a consolidated basis in Q2 2023 compared to SEK -17.3 m in Q1 2023. The increase is related to a several non-recurring costs. In Q2 2023 there were adjustments to the Gross Profit of SEK -13.9 m (explained above), a SEK 8.8 m non-cash foreign exchange revaluation of working capital balances, SEK -3.0 m related to non-recurring legal costs for settlement of disputes and one-off sales costs of SEK -3.1 m. Additional R&D items were expensed during the quarter amounting to SEK -4.3m and were not capitalised as it relates to either the OXE300 or OXE200 product platforms were R&D costs are no longer capitalised as the products are on the market.



Shareholders

OXE Marine's top ten shareholders as at 30 June 2023 are as follows:

Top 10	Holding	%
PSP Stockholm AB	61 719 962	20.3
Theodor Jeansson Jr.	36 396 851	11.9
Per Lindberg	30 668 887	10.1
Christian von Koenigsegg	29 162 805	9.6
Arne Andersson	21 951 805	7.2
Jonas Wikström	10 350 000	3.4
Avanza Pension	7 387 892	2.4
Futur Pension	7 363 249	2.4
Carl Rosvall	7 000 000	2.3
Tiliaflore Holding AB	5 941 990	2.0

Source: Monitor.

Consolidated Financials

Interim Report - Basis of Preparation

The interim report is prepared in accordance with the Swedish Annual Accounts Act and BFNAR 2012:1 (K3). The accounting and valuation principles applied are the same as those used in the most recent annual report. The interim report has not been reviewed by the company's auditor.

The interim report should be read together with the 2022 Annual Report. The preparation of the interim report requires the use of accounting estimates and requires management to exercise judgment. For more information refer to the 2022 Annual Report.

The Swedish kronor is the reporting currency, and all figures are presented in KSEK if not stated otherwise.

Estimates and judgments

Preparation of financial statements and application of accounting policies, are often based on assessments, estimates and assumptions that are reasonable at the time when the assessment is made. Estimates are based on historical experience and various other factors that are considered to be reasonable under the circumstances. The results of these are used to assess the carrying values of assets and liabilities, which are not otherwise apparent from other sources. The actual outcome may differ from these estimates. Estimates and assumptions are reviewed regularly.

Risks and uncertainties

The Risk and uncertainties of OXE Marine's business is explained in detail within the 'Risks and Uncertainties' section of the 2022 Annual Report, available on OXE Marine's website. The main risks facing OXE Marine are production risk, changes in exchange rates, rising inflation, rising interest rates, technical development risk and financial risk relating to liquidity due to working capital requirements in the growth phase of the business. The conflict between Russia and Ukraine does not impact the Company's supply chain in the short term. Current macro-economic events including a rising interest rate and inflationary environment is closely monitored. Management will continue to monitor the situation closely.

Financial review

Second quarter 2023

Consolidated Net Turnover amounted to SEK 46.3 m (SEK 45.7 m). Sales from Propulsion amounted to SEK 36.2 m (SEK 38.5 m) and sales from Parts & Accessories amounted to SEK 10.1 m (SEK 7.2 m).

Gross profit amounted to SEK 0.1 m (SEK 9.7 m) during the quarter, with a gross margin of 0% (21). The margin was impacted by several one-off adjustments explained above. Excluding these one-off adjustments, the gross margin would have amounted to 30%.

The following adjustments have been made and are summarized below.

- Scraping of obsolete inventory that cannot be sold or parts that cannot be utilized in latest engine models.
- Writing down older OXE200 engine models to net realizable value representing the current realizable sales price less costs to sell.
- OXE300's entering refurbishment program requiring upgrades, written down to net realizable value.

Operating expenses amounted to SEK -36.8 m (SEK -23.7 m) excluding forex adjustments and depreciation and amortisation. Operating expenses have increased mainly due to an increase in R&D expenditure, one-off legal costs and one-off sales costs.

The US organization consists of 17 people and the Swedish organization, 27, as at 30 June 2023. Headcount has been reduced from 56 as at June 2022 to 44 people as at June 2023. This represents a 27% decrease in headcount with most cost savings only to be recognized in quarter three. The Company continues to be run as a slim organization and with a cost-conscious mindset.

EBITDA amounted to SEK -27.8 m (SEK -8.9 m). Increased operating expenses and lower gross margin accounted for the decrease in EBITDA. The result for the second quarter 2023 amounted to SEK -43.9 m (SEK -20.6 m).

See illustrations "*EBITDA movements after adjustments and FX*" explaining the impact.

Year to date, June 2023

Consolidated Net Turnover amounted to SEK 79.1 m (SEK 77.1 m). Sales from Propulsion amounted to SEK
INTERIM REPORT, Q2 2023 OXE MARINE AB (PUBL)

55.2 m (SEK 64.6 m) and sales from Parts & Accessories amounted to SEK 23.9 m (SEK 12.6 m).

Gross profit amounted to SEK 8.3 m (SEK 18.7 m) during the quarter, with a gross margin of 10% (24%). The Company increased its provision for warranties, which had a one-time impact in quarter one and write downs mentioned above in quarter two narrative. Excluding these adjustments, the gross margin would have amounted to 28%.

The US organization consists of 17 people and the Swedish organization, 27, as at 30 June 2023. The Company continues to be run on slim organization and with a cost-conscious mindset. The impact of the reduction in headcount is expected to be realised in quarter three 2023.

EBITDA amounted to SEK -45.2 m (SEK -21.8 m). Increased operating expenses and lower gross margin accounted for the decrease in EBITDA. The result for the period January to June 2023 amounted to SEK -71.5 m (SEK -44.1 m).

Assets

As at 30 June 2023, total assets amounted to SEK 357.5 m (SEK 402.8 m), a decrease of SEK -45.3 m relative to end of 2022. OXE Marine's fixed assets at the closing date were SEK 171.1 m (SEK 186.2 m), out of which capitalised R&D amounted to SEK 126.6 m (SEK 136.9 m) and patents and intangible assets relating to last year's acquisition amounted to SEK 35.2 m (SEK 37.3 m). Capitalised R&D expenses are currently being amortized since the OXE300 project ended and serial production commenced. New R&D projects include the new OXE450 Hybrid (SEK 1.2 m capitalised so far) that was announced at the Miami Boat Show in February.

Inventory amounted to SEK 122.3 m (SEK 138.9 m) at the end of the quarter, a decrease of SEK 16.6 m relative to December 2022.

Accounts Receivable amounted to SEK 31.8 m (SEK 21.0 m). OXE Marine works with the Swedish Export Agency 'Exportkreditnämnden' ("EKN"). EKN promotes Swedish export by issuing state guarantees which protects OXE from bad debts up to a certain percentage and in specific geographies. The Accounts Receivable balance is displayed net of provisions for doubtful debts amounting to SEK 1.9 m as at 30 June 2023.

OXE Marine had cash on hand of SEK 16.1m (SEK 46.3 m) at the end of the quarter. The Company has a working capital facility of USD 5.5m (SEK 59.7m) via its wholly owned US subsidiary, OXE Marine Inc. During the quarter OXE Marine Inc. made a drawdown of USD 0.8 m (SEK 8.7 m) on the working capital facility that was fully repaid before the end of quarter. The facility is on demand, open-ended and subject to a monthly borrowing basis, guaranteed by Powersports Plus LLC. Interest rate on the facility will be SOFR plus 2.65%. The full facility is available for drawdown as at 30 June 2023 subject to the borrowing base available.

Equity and liabilities

Total equity amounted to SEK 25.4 m (SEK 103.3 m). Even though OXE Marine continues to incur losses, it continues to maintain its equity base through equity funding from its shareholders.

Long-term liabilities amounted to SEK 239.1 m (SEK 229.8 m). This balance relates entirely to non-current liabilities in OXE Marine AB and consists of financing from the European Investment Bank ("EIB") and corporate bonds. Effective 15 August 2022, interest on corporate bonds is 7 % per annum with 2% cash, paid out quarterly and 5% accumulated. Interest is capitalised quarterly and added to the bonds' nominal amount. Both the first and second tranches from the EIB, collectively making up EUR 8 m are interest free. The EIB has received in total 28,091,521 warrants in OXE which, on the date hereof, which entitles the EIB to subscribe for 41,629,337 shares in OXE, at a subscription price corresponding to the quota value of OXE's shares. The warrants may be exercised at any time until 31 December 2039.

Current liabilities amounted to SEK 80.4 m (SEK 57.9 m) at the end of the quarter, an increase of SEK 22.5 m relative to Q1 2023. Accounts payable amounted to

SEK 41.9 m (SEK 29.8 m), an increase of SEK 12.1 m relative to end of December 2022.

Cash Flow

Second quarter 2023

On a consolidated basis cash flow from operating activities amounted to SEK -8.9 m (SEK -21.1 m) of which SEK -23.5 m (SEK -19.9 m) related to cashflow from operating activities before changes in working capital. The change in cashflow due to changes in working capital amounted to SEK 14.5 m (SEK -1.2 m) and the largest movement related to positive changes in inventories amounting to SEK 11.8 m.

Year to date, June 2023

On a consolidated basis cash flow from operating activities amounted to SEK -30.1 m (SEK -30.7 m) of which SEK -43.3 m (SEK -21.6 m) related to cashflow from operating activities before changes in working capital. The change in cashflow due to changes in working capital amounted to SEK 13.3 m (SEK -9.1 m) and the largest movement related to positive changes in trade payables amounting to SEK 12.2 m.

Taxation

The Company has unutilized carry forward tax losses in Sweden amounting to SEK 494.5 m as of 2022. The tax effect has not been recognized as a deferred tax asset in the balance sheet. The Company is currently reporting losses and therefore there is uncertainty around the ability to utilize these tax losses. Furthermore, the ability to utilize these tax losses in the future are influenced by changes in Company shareholding.

Financial calendar

- Q3 2023 Interim Report – 27 October 2023 07:00 CET

All times indicated above are CEST/CET

Consolidated Financial Statements for the Period to 30 June 2023

Consolidated Income Statement

<i>(amounts in KSEK)</i>	2023	2022	2023	2022	2022
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Net Turnover	46 247	45 732	79 093	77 136	148 416
Propulsion	36 171	38 523	55 167	64 562	116 978
Parts & Accessories	10 076	7 209	23 926	12 574	31 438
Goods for resale	-46 125	-36 079	-70 822	-58 455	-116 242
Gross Profit	122	9 653	8 271	18 681	32 174
External costs (including R&D expenditure)	-23 600	-10 553	-37 476	-20 833	-52 101
Capitalised R&D expenditure	572	0	601	0	625
Personnel costs	-13 744	-13 131	-25 862	-25 962	-50 451
Depreciation and Amortisation	-7 390	-6 556	-14 765	-12 772	-30 250
Other operating income (costs)	8 817	5 131	9 301	6 337	8 831
Total operating costs	-35 345	-25 109	-68 201	-53 230	-123 346
Operating Loss	-35 223	-15 456	-59 930	-34 549	-91 172
Interest expenses and similar profit/loss items	-9 039	-5 130	-11 914	-9 550	-19 960
Loss after financial items	-44 262	-20 586	-71 844	-44 099	-111 132
Taxation	283	0	394	0	1 236
Net loss for the period	-43 979	-20 586	-71 450	-44 099	-109 896

Consolidated Balance Sheet

<i>(amounts in KSEK)</i>	30 Jun 23	30 Jun 22	31 Dec 22
ASSETS			
Fixed Assets			
Intangible assets			
Capitalised expenditure for development and similar work	126 570	148 486	136 936
Concessions, patents, licenses, trademarks etc.	35 172	32 974	37 343
Total intangible assets	161 742	181 460	174 279
Tangible assets			
Improvement expenditure on leaseholds	1 266	1 442	1 348
Equipment, tools and installations	7 541	10 691	9 992
Total tangible assets	8 807	12 133	11 340
Financial assets			
Deferred tax assets	532	-	536
Total financial assets	532	0	536
Total fixed assets	171 081	193 593	186 155
Currents assets			
Inventory etc			
Inventory	122 282	160 100	138 997
Advance payments to suppliers	11 402	3 501	6 404
Total inventory etc	133 684	163 601	145 401
Current receivables			
Accounts receivables	31 771	23 031	21 036
Other receivables	2 973	1 989	1 538
Prepaid expenses and accrued income	1 861	3 470	2 319
Total current receivables	36 605	28 490	24 893
Cash on hand and in bank	16 081	18 730	46 307
Total current assets	186 370	210 821	216 601
TOTAL ASSETS	357 451	404 414	402 756

Consolidated Balance Sheet

<i>(amounts in KSEK)</i>	30 Jun 23	30 Jun 22	31 Dec 22
EQUITY AND LIABILITIES			
Equity			
Share capital	9 117	7 645	9 117
Other capital contributions	702 507	648 358	604 293
Loss brought forward incl loss for the period	-686 254	-554 631	-510 120
TOTAL EQUITY	25 370	101 372	103 290
Provisions			
Deferred tax liability	6 900	-	7 300
Other provisions	5 754	4 840	4 517
Total provisions	12 654	4 840	11 817
Long-term liabilities			
Corporate bonds	144 720	135 542	140 730
Liabilities to finance institutions	94 334	85 441	89 026
Total long-term liabilities	239 054	220 983	229 756
Current liabilities			
Liabilities to finance institutions	0	19 329	0
Advance payments from customers	13 867	10 329	9 855
Accounts payable	41 986	36 252	29 763
Current tax liabilities	747	691	1 443
Other liabilities	2 958	2 320	1 671
Accrued expenses and deferred income	20 815	8 298	15 161
Total current liabilities	80 373	77 219	57 893
EQUITY AND LIABILITIES	357 451	404 414	402 756

Consolidated Statement of Cash Flows

	2023	2022	2023	2022	2022
(amounts in KSEK)	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Operating Activities					
Results before financial items	-35 223	-15 456	-59 930	-34 549	-91 172
Adjustments for items not included in cash flow*	12 471	6 440	17 985	12 944	27 390
Interest paid	-696	0	-1 397	0	-1 554
Cash flow from operating activities before changes in working capital	-23 448	-9 016	-43 342	-21 605	-65 336
Cash flow from changes in working capital					
Change in Inventories	11 821	17 586	7 491	15 436	36 539
Change in accounts receivable	-9 241	-2 096	-10 735	-4 850	-2 855
Change in other current receivables	-4 149	-1 257	-5 975	4 545	3 244
Change in Trade payables	6 297	-10 444	12 223	-8 973	-15 462
Change in other current liabilities	9 743	-5 663	10 257	-15 223	-8 733
Cash flow from operating activities	-8 977	-10 890	-30 081	-30 670	-52 603
Investing Activities					
Acquisitions: cash acquired	-	-	-	11 282	11 282
Investments in property, plant and equipment	-95	-726	-479	-1 815	-2 602
Divestments in property, plant and equipment	-	-	290	-	85
Investments in intangible fixed assets	-572	-	-601	-	-625
Cash flow from Investing activities	-667	-726	-790	9 467	8 140
Financing activities					
Proceeds from new share issue	-	-	-	-	68 845
Option premium	-	-	-	56	56
Proceeds from loans	-	15 329	-	15 329	15 529
Repayment of loans	-	-	-	-	-19 528
Cash flow from financing activities	0	15 329	0	15 385	64 902
Cash flow for the period	-9 644	3 713	-30 871	-5 818	20 439
Cash and bank balances at the beginning of the period	25 105	14 135	46 307	23 451	23 451
Exchange rate difference in cash and bank balances	620	882	645	1 097	2 417
Cash and bank balances at the end of the period	16 081	18 730	16 081	18 730	46 307

*Adjustments not included in the cashflow for the current period includes adjustments of depreciation of SEK 7.4 m, write down of inventories of SEK 13.9 m and non-cash forex adjustments of SEK -8.8 m.

Consolidated Statement of Changes in Equity

	2023	2022
(amount in KSEK)	1 Jan - 30 Jun	1 Jan - 30 Jun
Opening balance equity (1 Jan)	103 290	46 651
Loss for the period	-71 450	-44 099
New share issue less transaction costs	0	98 765
Option premium	0	56
Forex exchange revaluation reserve	-6 470	-1
Closing balance equity	25 370	101 372

Parent Company Financial Statements

<i>(amounts in KSEK)</i>	2023	2022	2023	2022	2022
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Net Turnover*	45 298	43 896	77 000	69 475	133 123
Propulsion	36 144	38 197	56 153	59 267	107 065
Parts & Accessories	9 154	5 699	20 847	10 208	26 058
Goods for resale	-55 493	-30 526	-78 246	-50 829	-102 702
Gross Profit	-10 195	13 370	-1 246	18 646	30 421
External costs (including R&D expenditure)	-20 204	-7 139	-28 071	-16 527	-35 356
Capitalised R&D expenditure	572	0	601	0	625
Personnel costs	-9 498	-9 138	-17 213	-20 138	-36 365
Depreciation and Amortisation	-6 179	-6 272	-12 325	-12 488	-26 160
Other operating income (costs)	4 039	-4 987	3 605	-6 947	-2 532
Total operating costs	-31 270	-27 536	-53 403	-56 100	-99 788
Operating Loss	-41 465	-14 166	-54 649	-37 454	-69 367
Interest expenses and similar profit/loss items	-8 985	-2 497	-11 838	-4 883	-19 303
Loss after financial items	-50 450	-16 663	-66 487	-42 337	-88 670
Taxation	0	0	0	0	0
Net loss for the period	-50 450	-16 663	-66 487	-42 337	-88 670

* Net Turnover includes intercompany sales to subsidiaries amounting to SEK 13.9 m during Q2 2023, SEK 15.2 m during Q2 2022, SEK 28.8 m during Jan-Jun 2023, SEK 18.6 m during Jan-Jun 2022 and SEK 34.3 m for 2022.

Parent Company Balance Sheet

<i>(amounts in KSEK)</i>	30 Jun 23	30 Jun 22	31 Dec 22
ASSETS			
Fixed Assets			
Intangible assets			
Capitalised expenditure for development and similar work	126 570	148 487	136 936
Concessions, patents, licenses, trademarks etc.	1 678	2 141	1 908
Total intangible assets	128 248	150 628	138 844
Tangible assets			
Improvement expenditure on leaseholds	91	334	172
Equipment, tools and installations	4 069	6 207	5 022
Total Tangible assets	4 160	6 541	5 194
Financial assets			
Shares in group companies	100 001	100 001	100 001
Total financial assets	100 001	100 001	100 001
Total fixed assets	232 409	257 170	244 039
Currents assets			
Inventory etc			
Inventory	95 359	109 575	101 566
Advance payments to suppliers	11 402	3 501	6 404
Total inventory etc	106 761	113 076	107 970
Current receivables			
Accounts receivables	26 731	19 990	17 646
Receivables from group companies	16 077	0	4 432
Other receivables	2 973	1 989	1 538
Prepaid expenses and accrued income	1 290	2 413	1 546
Total current receivables	47 071	24 392	25 162
Cash on hand and in bank	11 592	11 312	46 269
Total current assets	165 424	148 780	179 401
TOTAL ASSETS	397 833	405 950	423 440

Parent Company Balance Sheet

<i>(amounts in KSEK)</i>	30 Jun 23	30 Jun 22	31 Dec 22
EQUITY AND LIABILITIES			
Restricted equity			
Share capital	9 117	7 644	9 117
Development fund	95 795	111 494	103 612
Total restricted equity	104 912	119 138	112 729
Non-restricted equity			
Share Premium	604 237	536 866	604 237
Retained loss	-583 502	-510 532	-502 649
Loss for the period	-66 487	-42 337	-88 670
Total non-restricted equity	-45 752	-16 003	12 918
TOTAL EQUITY	59 160	103 135	125 647
Provisions			
Other provisions	5 754	4 840	4 517
Total provisions	5 754	4 840	4 517
Long-term liabilities			
Corporate bonds	144 720	135 542	140 730
Liabilities to finance institutions	94 334	85 441	89 026
Total non-current liabilities	239 054	220 983	229 756
Current liabilities			
Liabilities to finance institutions	0	4 000	0
Advance payments from customers	8 930	21 064	9 554
Accounts payable	32 420	41 358	22 001
Liabilities to group companies	20 483	0	18 819
Current tax liabilities	747	691	1 443
Other liabilities	2 261	1 655	1 131
Accrued expenses and deferred income	29 024	8 224	10 572
Total current liabilities	93 865	76 992	63 520
TOTAL EQUITY AND LIABILITIES	397 833	405 950	423 440

Parent company Statement of Cash Flows

<i>(amounts in KSEK)</i>	2023	2022	2023	2022	2022
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Operating Activities					
Results before financial items	-41 465	-14 166	-54 649	-37 454	-69 367
Adjustments for items not included in cash flow	4 671	9 482	11 946	18 034	23 187
Interest paid	-696	0	-1 397	0	-905
Cash flow from operating activities before changes in working capital	-37 490	-4 684	-44 100	-19 420	-47 085
Cash flow from changes in working capital					
Change in Inventories	13 466	15 640	6 207	3 997	12 006
Change in accounts receivable	-8 892	-1 636	-9 085	-5 229	-2 885
Change in other current receivables	-6 528	-654	-17 822	2 089	-3 928
Change in Trade payables	5 890	-3 600	10 419	9 869	-9 488
Change in other current liabilities	25 545	1 581	19 926	-1 418	8 466
Cash flow from operating activities	-8 009	6 647	-34 455	-10 112	-42 914
Investing Activities					
Investments in property, plant and equipment	-95	-2	-95	-1 092	-1 092
Divestments in property, plant and equipment		0		-	126
Investments in intangible fixed assets	-572	0	-601	-1 235	-625
Cash flow from Investing activities	-667	-2	-696	-2 327	-1 591
Financing activities					
Proceeds from new share issue	-	-	-	-	68 845
Option premium	-	-	-	56	56
Repayment of loans	-	-	-	-	-4 000
Cash flow from financing activities	0	0	0	56	64 901
Cash flow for the period	-8 676	6 645	-35 151	-12 383	20 396
Cash and bank balances at the beginning of the period	19 853	4 478	46 269	23 451	23 451
Exchange rate difference in cash and bank balances	415	189	474	244	2 422
Cash and bank balances at the end of the period	11 592	11 312	11 592	11 312	46 269

Parent Company Statement of Changes in Equity

<i>(amount in KSEK)</i>	2023	2022
	1 Jan - 30 Jun	1 Jan - 30 Jun
Opening balance equity (1 Jan)	125 647	46 651
Loss for the period	-66 487	-42 337
New share issue less transaction costs	0	98 765
Option premium	0	56
Closing balance equity	59 160	103 135

Key Performance Indicators

<i>(amounts in KSEK)</i>	2023 Consolidated			2022 Consolidated		
	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net turnover	46 247	32 846	32 145	39 135	45 731	31 405
Propulsion	36 171	18 996	22 781	29 635	38 523	26 039
Parts & Accessories	10 076	13 850	9 364	9 500	7 209	5 365
Gross Profit	122	8 149	3 431	10 062	9 653	9 028
Gross Margin %	0%	25%	11%	26%	21%	29%
EBITDA, KSEK	-27 833	-17 332	-31 106	-8 040	-8 900	-12 876
Net loss for the period	-43 979	-27 471	-45 668	-20 131	-20 586	-23 511
Cash on hand	16 081	25 105	46 307	10 749	18 730	14 135
Intangible fixed assets	161 742	167 769	174 279	175 816	181 461	187 044
Total Equity	25 370	72 128	103 290	79 322	101 372	121 959
Total Assets	357 451	381 175	402 756	384 537	404 414	419 882
Equity Asset ratio	7%	19%	26%	21%	25%	29%
Total shares outstanding	304 068 067	304 068 067	304 068 067	254 945 260	254 945 260	254 945 260
Average number of shares	304 068 067	304 068 067	264 022 300	254 945 260	254 945 260	231 322 807
Earnings per share, basic	-0.14	-0.09	-0.17	-0.08	-0.08	-0.10
Diluted earnings per share*	-0.14	-0.09	-0.17	-0.08	-0.08	-0.10
Number of employees	44	48	47	51	56	54

<i>(amounts in KSEK)</i>	2023 Parent Company			2022 Parent Company		
	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net turnover	45 298	31 702	31 775	31 873	43 896	25 579
Propulsion	36 144	20 009	23 325	24 473	38 197	21 070
Parts & Accessories	9 154	11 693	8 450	7 400	5 699	4 509
Gross Profit	-10 195	8 949	3 207	8 568	13 370	5 276
Gross Margin %	-23%	28%	10%	27%	30%	21%
EBITDA, KSEK	-35 286	-7 038	-13 789	-9 111	-5 262	-15 045
Net loss for the period	-50 450	-16 037	-25 724	-20 609	-16 664	-25 673
Cash on hand	11 592	19 853	46 269	8 103	11 312	4 478
Intangible fixed assets	128 248	133 305	138 844	144 983	150 628	156 211
Total Equity	59 160	109 609	125 647	82 525	103 135	119 799
Total Assets	397 833	409 653	423 440	394 592	405 949	418 735
Equity Asset ratio	15%	27%	30%	21%	25%	29%
Total shares outstanding	304 068 067	304 068 067	304 068 067	254 945 260	254 945 260	254 945 260
Average number of shares	304 068 067	304 068 067	264 022 300	254 945 260	254 945 260	231 322 807
Earnings per share, basic	-0.17	-0.05	-0.10	-0.08	-0.07	-0.10
Diluted earnings per share*	-0.17	-0.05	-0.10	-0.08	-0.07	-0.10
Number of employees	27	31	30	33	40	42

* Refer to section Definitions of Key Business Ratios, Diluted Earnings Per Share.

Definition and Key Business Ratios

Net Turnover

Main operating revenues and other revenue net of warranty costs, discounts and credit notes. Net turnover is split into two segments, Propulsion and Parts & Accessories.

Gross Profit / Gross Margin %

Net Turnover less goods for resale. Gross margin (%) is the calculated gross profit expressed as a percentage of total turnover.

EBITDA

Earnings before interest tax, depreciation and amortization and after the capitalization of research and development and patent cost. EBITDA includes other income and losses attributable to foreign exchange revaluation of working capital balances.

Profit/loss after financial items

Profits after financial items and costs, but before taxes. Financial items include interest expense and similar profit and loss items and includes foreign exchange revaluation of foreign debt balances.

Number of employees

Number of employees at the end of the financial period.

Earnings Per Share, Basic ("EPS")

Net Profit/Loss for the period to average number of shares outstanding as at 30 June 2023. The average number of shares during the period 1 Jan – 30 June 2023 amounted to 304 068 067. The total number of shares at the end of the period amounted to 304 068 067.

Diluted Earnings Per Share ("DEPS")

Due to the company being in a loss position, diluted earnings per share is equal to earnings per shares. The total amount of shares and dilutive instruments (outstanding warrants that are in-the-money) as at 30 June 2023 was 345 697 403.

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OXE Marine AB (publ) is obligated to make this information public pursuant to the EU Market Abuse Regulation. The information was provided by the contacts above to be submitted for publication on 28 July 2023, 07:00 CET.

OXE Marine AB (publ) has, after several years of development, constructed the OXE Diesel, the world's first diesel outboard engine in the high-power segment. OXE Diesel has a unique belt driven propulsion system that allows a hydraulic multi-friction gearbox to be mounted. This means that the engine can handle significantly higher loads than a traditional outboard engine. OXE's OXE diesel has a horizontally mounted engine as opposed to a traditional outboard with a vertically mounted engine.

All products developed by OXE are built on the core value of Engineering the Future. The OXE Diesel product line is no exception. Utilizing modern diesel powerheads from the automotive industry, heavy duty gearbox design and patented belt transmission system provides for robust outboards with inboard features and high torque capacity.

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