



Interim Report

January – September 2021

EKOBOT AB (publ)

Ekobot's vision is to provide the agricultural sector with a long-term sustainable alternative for reducing or completely phasing out chemical spraying in crops for human consumption.

EKOBOT AB (PUBL)

Ekobot AB (publ), based in Västerås, Sweden, conducts operations based on the business concept of developing, manufacturing and selling autonomous agricultural robots that enable efficient precision farming where weed management takes place entirely without, or with minimal use of, herbicides. The company's vision is to provide the agricultural sector with a long-term sustainable alternative for reducing or completely phasing out chemical spraying in crops for human consumption. The company is listed on Nasdaq First North Growth Market. For more information, refer to Ekobot's website at www.ekobot.se. Augment Partners AB, Phone: +46 8 604 2255, email: info@augment.se is the company's Certified Adviser.

Financial information

July – September 2021

Figures in parentheses refer to the corresponding period for the previous year.

- Net sales during the period totaled SEK 0 thousand (0).
- Net earnings for the period totaled SEK -1,540 thousand (-911).
- Earnings per share before dilution totaled SEK -0.65 (-6.30).
- Total assets at the end of the period totaled SEK 24,536 thousand (10,015).
- Cash and cash equivalents at the end of the period totaled SEK 12,747 thousand (3,744).

January – September 2021

Figures in parentheses refer to the corresponding period for the previous year.

- Net sales during the period totaled SEK 0 thousand (0).
- Net earnings for the period totaled SEK -5,559 thousand (-2,058).
- Earnings per share before dilution totaled SEK -2.63 (-16.79).
- Total assets at the end of the period totaled SEK 24,536 thousand (10,015).
- Cash and cash equivalents at the end of the period totaled SEK 12,747 thousand (3,744).



Significant events

January – September 2021

- ALMI Corporate partner Mälardalen AB showed confidence in the company and granted a SEK 2.6 million loan.
- On March 15, the company was introduced on the Nasdaq First North Growth Market and also carried out a new share issue that will bring in SEK 20.5 million to the company before issue expenses.
- The company was a finalist in the Agtech Challenge innovation contest and was granted market development support by the Swedish Board of Agriculture.
- The company receives EU support and forms part of a collaborative project with Europe's leading agricultural technology university, Wageningen University Research.
- Erik Jonuks (formally deputy CEO) took over as CEO on April 15 when Ulf Nordbeck announced his decision to step down from his post. Ulf will maintain his commitment to the company as a shareholder and board member.
- Tomas Täuber was appointed new Technical Manager, also on April 15. Tomas is an experienced leader with a solid technical background.
- At the end of May, the company and Scanfil in Åtvidaberg begun a collaboration aimed at initiating an industrialization process for their robotic platform, Ekobot Gen III.
- The company and Telia have begun a collaboration to create a powerful solution for efficient precision farming. The solution is based on connection to Telia's 5G network.
- In June, the company submitted a patent application to the European Patent and Registration Office for a cutting, linear weed control system.
- Victoria Woyland was elected to the Board on June 30. Victoria is a great asset to Ekobot's board, as she has a broad background in areas such as aftermarket, business development, IT and digital service development.
- In September, the company took its first important step toward exporting to the European market by conducting a number of highly successful field tests in the Netherlands.

Significant events after the end of the period

- On October 7, in fierce competition with Sweden's top agricultural innovations, the company won first prize in the Hushållningssällskapet (Rural Economy and Agricultural Societies) innovation contest, Agtech Challenge 2021.
- On November 1, the company publishes together with Wageningen university and research, promising test results from field tests. The test results shows a very fast and promising development of the robot system's efficiency.



A word from the CEO

After several years of intensive work that focused on technological development, the third quarter of 2021 was a period during which we began extensive market-oriented work. The company carried out a number of successful field tests in commercial vegetable farms. The company has also developed strategically important partnerships in the Netherlands.

As CEO, I can look back with pride on a Q3 in which we performed commendably successful field trials and important customer demonstrations in Sweden and the Netherlands. The second quarter's extensive improvement efforts concerning the company's technology bore fruit during the third quarter.

The 2021 field season began with successful field demonstrations together with Telia and Axis Communications. The demonstrations were followed up with successful field tests in commercial crops at Almhaga Farm in Skåne. Almhaga Farm is Sweden's biggest producer of onions and a very important partner and potential customer for Ekobot.

The results of the field tests at Almhaga Farm were verified and compiled by Sweden's biggest field trial organization, Hushållningssällskapet. The results of the tests were most satisfactory and have given the company increased confidence for 2022. Field tests in commercial crops at Almahaga Farm will be significantly expanded in 2022 as a result of the good results and successful field tests in 2021.

During the third quarter, important marketing activities and field tests were also carried out in the Dutch market. Successful field tests and customer demonstrations were conducted together with WUR (Wageningen University and Research), the company's strategic partner in the Netherlands. The results of



the tests in the Netherlands clearly show that Ekobot's technology is now market ready. The results of the field tests were evaluated by WUR, Europe's leading agricultural research institute and an important strategic partner for the company. The Netherlands will one of Ekobot's most important market over the next three years, and the field tests and customer demonstrations carried out during the third quarter constitute an important first step in an upcoming export deal to the Dutch market.

Our meeting with Dutch customers provided the company with a new understanding of market conditions and agricultural technology requirements on the Dutch market. The company plans to extend field testing for the 2022 growing season together with its partner WUR. Pilot installations in Dutch commercial vegetable farms are also planned for 2022.

I note that during the third quarter we achieved very good results in our public relations efforts. As evidence of this, Ekobot won first prize in the Hushållningssällskapet Agtech Challenge innovation contest held on October 7, in fierce competition with Sweden's foremost agricultural innovations. The competition, which was organized in collaboration with e.g. the Lantmännen cooperative and the Vreta Kluster business park, was decided by a well-grounded jury whose members work in everything from milk production to politics.

The jury's justification: The competition entry can create high values, it occupies innovative high ground and has development potential. By combining robotics and AI, the entry enables cultivation for the aware consumer and is a worthy winner in the Agtech Challenge.

The support granted to us by public donors is an important confirmation that our development work has the right focus. During the third quarter, we completed part one of a two-year project in Sweden with the support of the Swedish Energy agency. The project's overall goal has been to demonstrate the potential for energy savings in agriculture. Advanced energy measurements were carried out in field tests to demonstrate the energy savings Ekobot's robotic system is able to contribute in the agricultural sector. The results of the project were very promising and clearly demonstrated the ability of Ekobot's product to significantly reduce energy consumption in the agricultural sector. A full set of project results will be published in around one year.

I would like to end by thanking my colleagues, all of whom contribute to the company's dynamic development every day. I would also like to take this opportunity to thank our owners. Without you, none of us would be able to realize the company's vision and mission.

I would also like to use this moment to address my colleagues in the industry, and all the leaders and founders of companies working in the field robotics segment. Together, we can have a positive impact on the agricultural industry and help develop sustainable agriculture able to produce healthy food for a rapidly growing population.



Västerås, November 17, 2021

Erik Jonuks,
CEO Ekobot AB (publ)

Ekobot's operations

Vision and technology

Ekobot conducts operations based on the business concept of developing, manufacturing and selling agricultural robots that enable efficient precision farming where weed management takes place entirely without, or with minimal use of, herbicides. Ekobot's vision is to provide the agricultural sector with a long-term sustainable alternative for reducing or completely phasing out chemical spraying in crops for human consumption.

Today, weed management is a major, costly problem for Ekobot's end customer, the farmer. Demand for robotic weed control will increase significantly over the next five years. With its exceptional solution for identifying weeds via a system that uses vision technology and artificial intelligence, the company's robot can cut weeds at ground level, reducing the risk of new root shoots, thus removing the need for the crop to compete with weeds for nutrients, water and light. The system can be adapted for use in areas of varying sizes, e.g. by managing multiple rows of crops simultaneously. Ekobot makes very efficient use of existing areas.

It also creates value for its customers through the data collected via the robot platform. It allows the customer to get e.g. information about crop status. The data itself will also serve as a future potential revenue stream. The Ekobot product enables data feedback to a common database, where the information is gathered and passed on to all linked devices in conjunction with updates. Using an AI solution, Ekobot offers a product that is under constant development and which, in the company's opinion, provides good abilities to uniquely streamline and predict different production needs.

Business model

Ekobot brings the latest technology such as computer vision, artificial intelligence (AI) and the internet of things (IoT) to the agricultural sector to clear weeds in vegetable crops with very high precision while collecting data on crop status. What's more, it does so sustainably by using self-generated energy for electric operation. This concept fits in very well with the transition now underway in agriculture, where efficient, sustainable solutions are in demand to supplement the big, heavy-duty diesel tractors in use today.

Ekobot's business model builds on a combination of technology, product and services. The Ekobot solution is based on an autonomous, lightweight field robot that automates weed control on agricultural land. Ekobot products and services can help farmers grow crops more efficiently and sustainably. Because the Ekobot robot platform is light in relation to existing technology, it results in considerably less damage to soil structure.

Ekobot's value proposition to customers can be summed up as follows:

- **Green technology and sustainability**
Ekobot robots are driven by electric in-wheel motors that are easily charged via solar panels or grid connection. Customers can benefit by selecting an autonomous, off-grid charging solution, as the robot system will not need external charging via a grid connection, thus rendering it 100% CO2 neutral.
- **Data collection provides decision support and better return on investment**
Ekobot uses high-precision GPS technology, light detection and ranging (LIDAR), camera systems and AI to recognize plants and weeds, which aids greater operating stability and precision.

Because Ekobot technology makes sure crops do not need to compete with weeds for nutrients and sunlight, growth and yields are optimized.

The Ekobot robot platform is equipped with camera systems and sensors that collect the data needed to bring about tomorrow's precision farming. It will take decision support for the farmer to a whole new level. In addition to mechanical weed control, the robot is able to measure and analyse everything from the soil to crop well-being by means of advanced sensors such as multi-spectral cameras, earth and moisture probes and air sensors.

The farmer receives a detailed crop status report based on analyses from the robot for use in making decisions on inputs such as fertilizer, irrigation and harvesting, taking decision support to a whole new level. Naturally, the overall aim is to reduce the amount of input materials while increasing yield in a long-term, sustainable way.

- **Rapid payback time**

The Ekobot autonomous robot system allows the grower to eliminate or reduce labor costs. Ekobot helps eliminate, or greatly reduce, the need for time-consuming manual weed removal.

Farmers today find it increasingly difficult to attract and accommodate agricultural labor. The demand for organic farming and the increasing restrictions on the use of chemicals for conventional farming pose a major challenge for farmers, as they are forced to rely on mechanized weed control methods.

For high-grade crops such as sugar beet, onions, herbs and vegetables, weed control is often done manually, which is very costly for the farmer, as well as difficult and tedious for the farmhand. Farmers have to invest in automation to remain competitive and feed the world, and do so in environmentally friendly and sustainable ways.

Thus Ekobot's above-mentioned value proposition enables the sustainable, eco-friendly, long-term, profitable production of healthy food.



Data science and robotics in agriculture

Today, farmers are constantly forced to make important decisions based on a large number of complex variables. Producing a variety of crops requires extensive, long-term planning. Such planning usually concerns irrigation, fertilizers, crop rotation, pesticides, time of harvest and when, where and to whom the harvest must be delivered. Despite highly reliable technology, agriculture remains an arbitrary science. Managing the many complex variables in order to maximize the crop and thus profit, is a major challenge for the farmer.

The approaching major technology shift with field robotics and data collection has the potential to make it considerably easier for the farmer to make complex decisions based on many variables. Also, large volumes of different kinds of data can be used in forecasting models to predict production, which is of great assistance to farmers at the marketing stage.

High resolution data from fields can also help provide consumers with food with high traceability. High-resolution data collection can help in the production of food with well-documented nutritional content, which in turn helps build confidence between producers and consumers.

Opportunities for computer-based solutions

High field data availability is essential for the farmer's ability to conduct precision farming, where complex decisions are made easier by advanced decision support based on AI. Precision farming revolves around sustainability and using precisely the right amount of resources at precisely the right time. In precision farming systems supported by robotics, crop requirements for minerals, fertilizers and water can be assessed and managed individually.

Challenges in implementing computer-based solutions

One of the biggest challenges to solve before field robotics and computer science can be implemented in agriculture, is how the transition from existing technology in a heavily mechanized industry should take place.

Understandably, farmers are reluctant to change their farming practices and it is very costly for them if things go wrong. Switching to digitized robotic technology in agriculture also requires the farmer to invest in new technology to replace older, proven technology.

While the business potential of high-resolution field data is enormous, it also presents a challenge. Problems such as the secure collection, storage and distribution of data continue to be under scrutiny.

Incentives for investment – enablers for a major technology shift

There is a major ongoing effort in European agricultural politics to make sure the common agricultural policy can continue to provide strong support for European agriculture, making prosperous rural areas and the production of high-quality food possible.

A number of incentives have been introduced to enable farmers to invest in new technology. This is, and will continue to be, an important factor in the major technology shift facing European agriculture where digitization of the industry will take place supported by autonomous field robot systems similar to Ekobot.

Comments to the report

Financial overview

SEK thousand	July-Sep 2021	July-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Net sales	0	0	0	0	0
Operating loss	-1,470	-872	-5,356	-1,939	-3,370
Earnings for the period	-1,540	-911	-5,559	-2,058	-3,964
Earnings per share before dilution, SEK	-0.65	-6.30	-2.63	-16.79	-10.27
Total assets	24,536	10,015	24,536	10,015	8,916
Cash and cash equivalents	12,747	3,744	12,747	3,744	1,274
Equity/assets ratio (%)	68.6	65.2	68.6	65.2	51.6
Average number of shares before dilution	2,374,670	144,467	2,116,337	122,578	385,793
Average number of shares after maximum dilution	2,937,170	144,467	2,549,670	122,578	385,793
Average number of employees	5	4	6	3	4

See definitions below.

Revenue and earnings

The company had no net sales during the period January to September (0). Other income during the period January to September totaled SEK 134 thousand and relates to a contribution of SEK 133 thousand received during the third quarter. The corresponding amount for the third quarter of 2020 was SEK 52 thousand and SEK 78 thousand for the period January to September of the same year. Government support for increased sick pay costs totaled SEK 34 thousand in the first half of 2021, which reduced capitalized expenditures for development work.

The operating loss for the third quarter of 2021 totaled SEK -1,470 thousand (-872), and SEK -5,356 thousand (-1,939) for the period January to September. Sales and administration expenses for the third quarter totaled SEK -1,450 thousand (-472), while the corresponding figure for the first nine months was SEK -4,996 thousand (-1,255). Sales and administration expenses increased during the year mainly due to the stock market listing in March, but also due to increased marketing costs. Moving forward, these costs will remain greater than the corresponding period for the previous year, as the focus on marketing communications is increasing.

As of balance sheet date September 30, 2021, the number of employees was five (four).

Covid-19 continues, despite the removal of restrictions. The company always takes the measures necessary to protect its employees and limit any negative impact on its operations. The company regards the biggest risk as being long hardware delivery times.

Earnings per share before dilution totaled SEK -2.63 (-16.79) for the period January to September 2021.

Financial position

At the end of the period, shareholder equity totaled SEK 16,826 thousand (6,532) and the equity/assets ratio was 68.6 percent (65.2).

Cash and cash equivalents at the end of the period totaled SEK 12,747 thousand (3,744). The share issue in conjunction with the listing on March 15 yielded SEK 20.5 million before issue expenses. Financing for the next 12 months has not yet been resolved, but in view of the company's positive development, including successful field tests, the Board takes a positive view on the prospects for financing the company's development. The Board considers that the necessary financing will be secured.

At an extraordinary general meeting on November 30, 2020, Ekobot resolved to adopt an incentive program for the Board and certain company employees. The incentive program consisted of a targeted issue of a maximum of 100,000 warrants. The subscription price per warrant is SEK 0.296 and is based on the market value of the warrant. As a result of these warrants, Ekobot's share capital may increase by a maximum of SEK 35,000. See "Equity-related Compensation Programs" below.

In conjunction with the listing on March 15, 465,000 units were issued, each consisting of two shares and one option. All units were subscribed to; the number of shares increased accordingly by 930,000 and the number of options by 465,000. If all warrants in the TO1 series are exercised for the subscription of shares during the period April 19 – May 3, 2022, an additional 465,000 new shares will be issued and the company's share capital will therefore increase by SEK 162,750. If the warrants in the TO1 series are exercised in full, the company may receive an additional maximum of SEK 20.5 million and a minimum of SEK 10.2 million before issue expenses. There will be a maximum dilution effect of 24 percent on the closing date.

Cash flow and investments

Cash flow from operating activities including changes in working capital for the third quarter of 2021 totaled SEK -2,285 (-890). The corresponding cash flow for the period January to September totaled SEK -4,976 thousand (-2,045).

Cash flow from investing activities totaled SEK -1,577 (-855) during the third quarter. The company continued its intensive development activities during the third quarter, and they are growing steadily. The corresponding cash flow from investing activities for the period January to September totaled SEK -3,854 thousand (-2,689). In all, capitalized development costs during the third quarter increased by SEK 1,551 thousand (855). Altogether, capitalized development costs during the first nine months of 2021 increased by SEK 3,571 thousand (2,586). Investment in the patent portfolio for the corresponding period totaled SEK 138 thousand (76). Capital expenditures in tangible assets consist mainly of equipment, tools and computers.

Cash flow from financing activities totaled SEK -43 thousand (-45) during the third quarter of 2021, and for the period January to September, the corresponding amount is SEK 20,303 thousand (6,284). The biggest item is the new share issue that was carried out in conjunction with the listing on Nasdaq first North Growth Market in March, 2021. The issue raised SEK 20.5 million before issue expenses. A new share issue was carried out during the second quarter of 2020, which generated SEK 4.9 million after issue expenses.

Accounting and valuation principles

The report has been prepared following the same accounting principles as the company's most recent annual accounts, i.e. in accordance with the Annual Accounts Act and the General Council of the Swedish Accounting Standards Board BFNAR 2012:1 Annual Reports and Consolidated Accounts (K3).

Estimations and assessments

When interim reports are drawn up, the Board of Directors and the CEO must, in accordance with the accounting and valuation principles applied, make certain estimations, assessments and assumptions that affect the recognition and valuation of assets, provisions, liabilities, income and expenses. The outcome may deviate from these estimations and assessments and only very rarely corresponds to the estimated amount.

The estimations and assessments made in the interim report, including the assessment of the main causes of uncertainty, are the same as those applied in the last annual report.

Key figures and definitions

Earnings per share: earnings for the period divided by the average number of shares during the period.

Equity/assets ratio: equity and where applicable untaxed reserves (less deferred tax) in relation to total assets.

Significant risks and uncertainties

The company develops robots with new, trailblazing technology and there will always be regulatory, market and financial risks in its operations. The business risks consist primarily of the new, pioneering technology on which the development is based. Also, there is always risk involved in moving from the development phase to the commercialization phase. Market risk mainly consists of currency risks. This risk is very low at present, as most transactions are in Swedish kronor. The credit risk for cash and cash equivalents is considered negligible, since counterparties to the company's bank balances are reputable banks with high ratings by external analysts. Financing risk concerns the ability to finance development up to commercialization and full launch. The company handles this by preparing new share issues in good time. Liquidity risk concerns the company's ability to fulfill its obligations. The company manages this risk by constantly monitoring cash flow to reduce liquidity risk and ensure its ability to pay.

Covid-19 continues, despite the removal of restrictions. The company has taken the measures necessary to protect its employees and limit any negative impact on its operations. The company monitors the situation very closely and follows the Public Health Agency's advice and restrictions. The biggest risk currently identified concerns long hardware delivery times due to a global component shortage. Further measures will be taken as necessary.

Cross reference with alternative KPIs

SEK thousand

	9/30/2021	9/30/2020	12/31/2020
<i>Equity/assets ratio (%)</i> :			
Total equity at the end of the period	16,826	6,532	4,602
Total assets at the end of the period	24,536	10,015	8,916
Equity/assets ratio (%):	68.6%	65.2%	51.6%

Financial calendar

Ekobot AB provides regular financial information according to the following plan:

Year-end report for the period January–December 2021	March 1, 2022
Annual Report 2021	April 12, 2022
Annual General Meeting	May 12, 2022
Interim for the period January–March 2022	May 6, 2022
Interim report for the period January–June 2022	August 26, 2022
Interim report for the period January–September 2022	November 17, 2022

The company's financial year runs from January 1 – December 31.

Nomination committee

Ekobot's nomination committee for the 2022 Annual General Meeting (AGM) was appointed in accordance with the principles adopted by the AGM of May 12, 2021 and comprises: Anders Blomberg, appointed by Unibap AB(publ) as Chairman, Ulf Nordbeck, own holding, Tord Cederlund, own holding and as co-opted, Thomas Lindgren, Chairman of the Board.

The share, share capital & ownership ratio

The Share

Ekobot AB (publ) has been traded on Nasdaq First North Growth Market under the name Ekobot since March 15, 2021. The number of shares as of 06/30/2021 totaled 2,374,670. The quota value per share is SEK 0.35. The number of shares at full dilution of outstanding warrants was 2,937,170.

Owners as of September 30, 2021

The ten largest shareholders as of September 30, 2021.

Shareholder	Number of shares	Capital and votes
Nordbeck, Ulf	502,170	21.15%
Coeli Wealth Management AB (Unibap)	167,000	7.03%
Cederlund, Tord	117,248	4.94%
Linus Larson Holding i Uppsala AB	74,600	3.14%
Nordnet Pensionsförsäkring	70,589	2.97%
Otterheim, Carl Johan	65,000	2.74%
Sällsam Aktiebolag	50,050	2.11%
Fabriken i Sparreholm AB	50,000	2.11%
Pension company, Avanza Pension	49,592	2.09%
Krumins, Ulf Victor	35,000	1.47%
The 10 largest owners	1,181,249	49.74%
Others	1,193,421	50.26%
TOTAL	2,374,670	100.00%

Equity-related compensation programs

At an extraordinary general meeting on November 30, 2020, Ekobot resolved to adopt incentive programs for the Board and certain company employees. The incentive program consisted of a targeted issue of a maximum of 100,000 warrants. The subscription price per warrant is SEK 0.296 and is based on the market value of the warrant. As a result of these warrants, Ekobot's share capital may increase by a maximum of SEK 35,000.

The right to subscribe for warrants was given to three Board members who subscribed for 40,000 warrants, and employees in the company who subscribed for a total of 57,500 warrants. Thus the total number of warrants subscribed for under the option program was 97,500. The warrants may be exercised during the period November 1, 2023 to December 1, 2023. Each warrant entitles the holder to subscribe for one (1) new share in the company at a subscription price of SEK 30 per share. For further information about the program, please visit the company's website at www.ekobot.se.

In conjunction with the listing on March 15, 465,000 units were issued, each consisting of two shares and one option. All units were subscribed to; the number of shares increased accordingly by 930,000 and the number of options by 465,000. If all warrants in the T01 series are exercised for the subscription of shares during the period April 19 – May 3, 2022, an additional 465,000 new shares will be issued and the company's share capital will therefore increase by SEK 162,750. If the warrants in the T01 series are exercised in full, the company may receive an additional maximum of SEK 20.5 million and a minimum of SEK 10.2 million before issue expenses. There will be a maximum dilution effect of 24 percent on the closing date.

The Board's Assurance

The Board of Directors and the CEO hereby assure that the interim report provides a true and fair overview of the company's operations, position and performance and describes the significant risks and uncertainties that the company faces.

Västerås, November 17, 2021

Thomas Lindgren
Chairman of the Board

Mattias Jansson
Board member

Sina Vosough
Board member

Ulf Nordbeck
Board member

Victoria Woyland
Board member

Erik Jonuks
CEO

This interim report has been subject to review by the company's auditors.

For further information, please visit www.ekobot.se or contact:

Erik Jonuks, CEO

email: erik.jonuks@ekobot.se

Augment is the Company's Certified Advisor.

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Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying balance sheet of EKOBOT AB (publ) as of September 30, 2021 and the related statements of income, changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with årsredovisningslagen (1995:1554). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Material Uncertainty Related to Going Concern

We would like to draw attention to the comments on the interim report, which, under the heading Financial position, state that the company will need additional capital to finance the company's development. This indicates that there is a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the entity as at September 30, 2021, and of its financial performance and its cash flows for the nine-month period then ended in accordance with årsredovisningslagen (1995:1554).

Uppsala, November 2021

Grant Thornton Sweden AB
(Digitally signed)
Michael Palm
Authorized Public Accountant

Income statement

Amount in SEK thousand	July-Sep 2021	July-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Net sales	0	0	0	0	0
Operating expenses					
Selling and administrative expenses	-1,450	-472	-4,996	-1,255	-2,556
Research and development costs	-154	-452	-491	-761	-1,280
Other operating income	134	52	134	78	467
Other operating expenses	-0	0	-3	-1	-1
	-1,470	-872	-5,356	-1,939	-3,370
Operating loss	-1,470	-872	-5,356	-1,939	-3,370
Loss from financial items					
Interest expenses and similar loss items	-70	-39	-203	-119	-156
Earnings after financial items	-1,540	-911	-5,559	-2,058	-3,526
Loss before income tax					
Tax on current year earnings	-0	-0	-0	-0	-438
Earnings for the period	-1,540	-911	-5,559	-2,058	-3,964
Earnings per share before dilution, SEK	-0.65	-6.30	-2.63	-16.79	-10.27
Earnings per share after dilution, SEK	-0.65	-6.30	-2.63	-16.79	-10.27
Average number of shares before dilution	2,374,670	144,467	2,116,337	122,578	385,793
Average number of shares after dilution	2,937,170	144,467	2,549,670	122,578	385,793

Balance sheet

Amount in SEK thousand	9/30/2021	9/30/2020	12/31/2020
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development work	9,478	4,362	5,907
Patents	191	124	117
	9,669	4,486	6,024
<i>Fixed assets</i>			
Equipment and tools	194	42	40
	194	42	40
<i>Financial assets</i>			
Deferred tax assets	0	438	0
	0	438	0
Total assets	9,863	4,966	6,064
Current assets			
<i>Current receivables</i>			
Accounts receivable	242	63	0
Other current receivables	619	223	364
Prepaid expenses and accrued income	1065	1,019	1,214
	1,926	1,305	1,578
<i>Cash and cash equivalents</i>			
	12,747	3,744	1,274
Total current assets	14,673	5,049	2,852
TOTAL ASSETS	24,536	10,015	8,916
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	831	144	506
Development expenditure fund	9,478	4,362	5,907
<i>Non-restricted equity</i>			
Share premium reserve	26,951	9,519	9,493
Loss brought forward	-14,875	-5,435	-7,340
Earnings for the period	-5,559	-2,058	-3,964
Total equity	16,826	6,532	4,602
Non-current liabilities			
Liabilities to credit institutions	5,055	2,483	2,189
Total non-current liabilities	5,055	2,483	2,189
Current liabilities			
Liabilities to credit institutions	82	178	428
Trade accounts payable	788	259	939
Tax liabilities	49	30	48
Other current liabilities	175	189	130
Accrued expenses and deferred income	1,561	344	580
Total current liabilities	2,655	1,000	2,125
Total liabilities	7,710	3,483	4,314
TOTAL EQUITY AND LIABILITIES	24,536	10,015	8,916

Change in equity

Amount in SEK thousand	Share capital	Fund for development expenditures	Share premium reserve	Accumulated loss	Loss for the period and the year	Total equity
Opening balance as of 1/1/2020	105	1,776	4,675	-2,051	-772	3,733
Allocation of earnings				-772	772	0
New share issue	40		5,358			5,398
Issue expenses			-540			-540
Bonus issue	361	-		-361		0
Active development expenditures for the period		4,131		-4,131		0
Repayment of shareholder contributions				-25		-25
Loss for the year					-3,964	-3,964
Closing balance as of 12/31/2020	506	5,907	9,493	-7,340	-3,964	4,602
Opening balance as of 1/1/2021	506	5,907	9,493	-7,340	-3,964	4,602
Allocation of earnings				-3,964	3,964	0
New share issue	325		20,135			20,460
Issue expenses			-2,706			-2,706
Warrants			29			29
Active development expenditures for the period		3,571		-3,571		0
Earnings for the period					-5,559	-5,559
Closing balance as of 09/30/2021	831	9,478	26,951	-14,875	-5,559	16,826

Statement of cash flows

Amount in SEK thousand	July-Sep 2021	July-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Operating activities					
Operating loss	-1,470	-872	-5,356	-1,939	-3,370
Adjustments for items not included in cash flow:					
Depreciation	22	10	54	23	33
Interest paid	-70	-39	-203	-119	-156
Cash flow from operating activities before change in working capital	-1,518	-901	-5,505	-2,035	-3,493
Change in working capital					
Change in operating receivables	-54	-68	-349	623	350
Change in operating liabilities	-713	79	878	-633	243
Net flow from operating activities	-2,285	-890	-4,976	-2,045	-2,900
Investing activities					
Acquisition of intangible fixed assets	-1,551	-855	-3,674	-2,662	-4,207
Acquisition of equipment and tools	-26	-0	-180	-27	-27
Cash flow from investing activities	-1,577	-855	-3,854	-2,689	-4,234
Financing activities					
New share issue incl. transaction expenses	-25	0	17,754	4,858	4,858
Warrants	0	0	29	0	0
Repayment of contingent shareholder	0	0	0	0	-25
Amortization of loan	-18	-45	-80	-74	-119
New loans	0	0	2,600	1,500	1,500
Cash flow from financing activities	-43	-45	20,303	6,284	6,214
Cash flow for the period	-3,905	-1,790	11,473	1,550	-920
Cash and cash equivalents at the beginning of the period	16,652	5,534	1,274	2,194	2,194
Cash and cash equivalents at the end of the period	12,747	3,744	12,747	3,744	1,274

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