OXEMARINE

ANNUAL AND CONSOLIDATED REPORT 2023

ANNUAL AND CONSOLIDATED REPORT FOR THE FINANCIAL YEAR:

1 January 2023 – 31 December 2023

The board and managing director of OXE Marine AB hereby issue the following annual report and consolidated report for the financial year 2023-01-01 – 2023-12-31.

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The Board is seated: Ängelholm
Company accounting currency: Swedish kronor (SEK).
All amounts are, unless otherwise stated, reported in SEK thousands (KSEK).

A WORD FROM THE CEO

The focus this year has been to dig where we stand, we have put the customer first. We have gone about this in three main steps, firstly increasing our focus on spare parts distribution, where we dramatically reduced the backlog of spare parts orders at the same time as growing this segment 129% year on year, secondly by increasing our focus on the aftermarket support by recruiting more technical area managers to support the engines in operation and then thirdly to prioritize engineering focus on product development on the existing product range over and above new projects. We believe this approach will ultimately better serve the end customers and grow sales and the engine population on the market.

During the year we received two milestone orders from governmental end users, namely a USD 5.8m order received to supply a US Governmental Agency and an order to supply our customer in the Philippines as a result of an 80-engine order from the Philippines Coast Guard. Both orders demonstrate the ability to perform business in volume as a company and the growing interest and acceptance of the product in the governmental sector to take advantage of the significant fuel savings, safety and environmental benefits that the product has to offer.

Net sales amounted to SEK 189.6 m (SEK 148.4 m), an increase of 28%. We also had record sales of Parts and Accessories, indicating the increasing number of operational OXE engines on the market. Propulsion sales amounted to SEK 117.7 m (SEK 117.0m), an increase of less than 1%. Parts & Accessories sales amounted to SEK 71.9 m (SEK 31.4 m), an increase of 129%.

A lot of focus on the year has been spent on improving our service and support network to be able to cope with the growing demand of our product. This has been done both by increasing our internal team of technical support as well as an increased dealer education and training. As we are a global company with several different sales channels – distributors, retailers, and OEM's (boat builders) as well as various forms of government authorities it is important that knowledge transfer and training is at the core of growing the business, so that the end customers who are mainly professional users receive reliable service and support.

The work on the two main R&D projects, the OXE Jet-tech and the OXE Hybrid have continued during 2023, however our focus has been predominantly on product development of the products we have on the market. There are currently several OXE Jet-Tech units on the water in the beta test phase where we have seen progress, and we continue to see a high demand for the project and have an increased focus in getting the project to the market in 2024. During the year we have received patent approval for OXE unique concept for the OXE Hybrid.

Another project that has been launched during the year is the refurbishment ("refurb") program, where we systematically remanufacture older engine models to be sold back into the market as pre-owned units, with a lower price and limited warranty. These refurb engines are ideal to be used as spare engines or for demo applications.

We have also increased focus on the control accessories we offer, increasing our offerings with the brands we work with and the selection of boat accessories that we offer to support boat builders with a more complete solution.

On the back end of our business we have focused on improving our digital backbone with a new customer portal, technical support ticketing system as well as a new ERP system. Our aim is that this will improve the functionality for the customers as well as increasing the possibility for the Company to further grow.

Management is closely monitoring the upcoming due date on the corporate bonds and the credit facility with EIB that both are due in the beginning of 2025 and maintain a dialogue with the relevant stakeholders. In addition, the Company makes use of the working capital facility in the US as needed to manage US related working capital needs to grow the business.

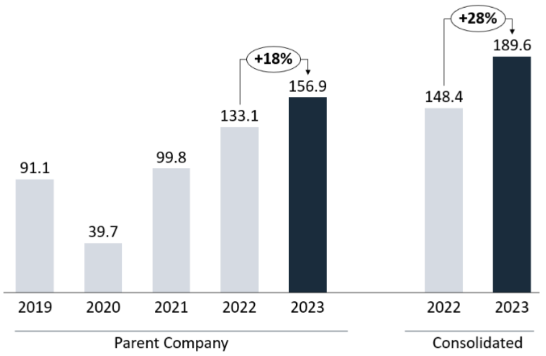
Lastly, I would again like to thank our shareholders who have continued to support the business as well as our dedicated employees who through hard work have taken the business forward this year in a positive direction.

Paul Frick
CEO

Key Figures	Consolidated 2023	Consolidated 2022	OXE Marine AB 2023	OXE Marine AB 2022	OXE Marine AB 2021
Net turnover, KSEK	189 590	148 416	156 899	133 123	99 795
Propulsion	117 688	116 978	106 012	107 065	80 725
Parts & Accessories	71 902	31 438	50 887	26 058	19 070
Gross Profit	38 182	32 174	10 305	30 421	25 567
Gross Margin %	20%	22%	7%	23%	26%
Operating expenses, KSEK	-119 606	-101 927	-85 003	-71 096	-67 423
Other operating income (costs)	3 417	8 831	3 178	-2 532	1 444
EBITDA, KSEK	-78 007	-60 922	-71 520	-43 207	-40 412
Net loss for the period, KSEK	-116 441	-109 896	-105 617	-88 670	-71 830
Earnings per share basic, SEK	-0.38	-0.43	-0.35	-0.35	-0.36
Earnings per share diluted* SEK	-0.38	-0.43	-0.35	-0.35	-0.36

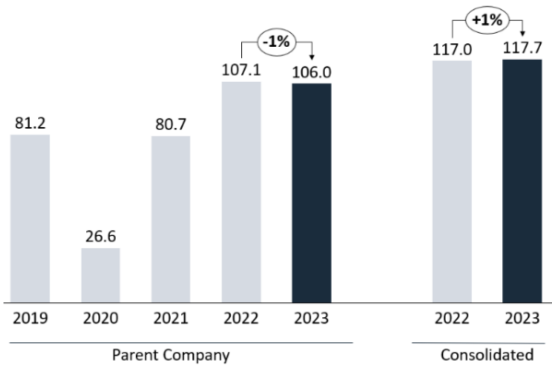
* Refer to section Definitions of Key Business Ratios, Diluted Earnings Per Share

Net turnover (SEKm)



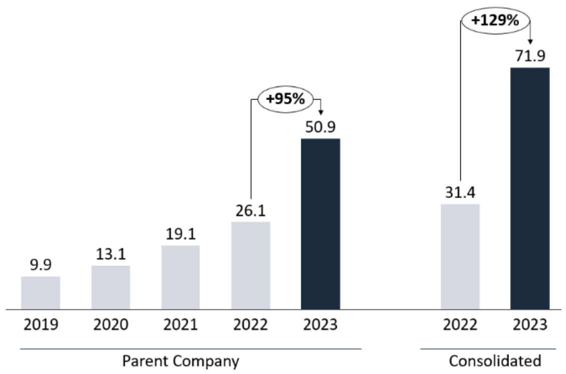
- In the Parent Company, net turnover 2023 amounted to SEK 156.9 m (SEK 133.1 m), an increase of 18% compared to 2022.
- Consolidated net turnover 2023 amounted to SEK 189.6 m (SEK 148.4 m), an increase of 28% compared to 2022.

Sales Propulsion (SEKm)



- In the Parent Company, Propulsion sales 2023 amounted to SEK 106.0 m (SEK 107.1 m), a decrease with less than 1% compared to 2022.
- Consolidated Propulsion sales 2023 amounted to SEK 117.7 m, (SEK 117.0 m), an increase of less than 1% compared to 2022.

Sales Parts & Accessories (SEKm)



- In the Parent Company, Parts & Accessories sales 2023 amounted to SEK 50.9 m (SEK 26.1 m), an increase of 95% compared to 2022.
- Consolidated Parts & Accessories sales 2023 amounted to SEK 71.9 m, (SEK 31.4 m), an increase of 129% compared to 2022.

MANAGEMENT REPORT

Information about the business

OXE Marine AB (publ) was formed in 2012 and after several years of development has developed a diesel outboard for the marine market. The head office is located in Ängelholm, Sweden. OXE Marine AB is listed on Nasdaq First North Growth Market, ISIN SE0009888613. The global outboard market has long been dominated by gasoline engines, but with a diesel engine you get a more fuel-efficient engine in addition to carrying a less flammable fuel source on-board bringing many safety benefits to the end user. The OXE engine is based on marinizing automotive engines, enabling end users to lower their emissions levels compared to conventional gasoline engines as well as giving customers in certain regions to run on fossil-free diesel alternatives such as HVO100 which significantly reduces the CO2 footprint of the end user.

Several attempts have been made to develop outboard engines for diesel fuel, but the difficulty lies in developing a sufficiently strong design for power transmission between the engine and the propeller. The patented belt propulsion 'lower-leg' is at the core of OXE Marine's unique technology. OXE Marine's outboard engine, OXE Diesel, is the first diesel outboard that is capable of replacing the well-established gasoline outboards in the higher power levels, in commercial and governmental operations. The engine is based on a modular platform that has been configured for a horizontally mounted engine, similar to a traditional inboard configuration and unlike traditional outboards that have vertical engine installations. OXE Marine's unique technology has offered a solution to the many users around the world requiring a diesel outboard. Among other things, the North Atlantic Treaty Organisation ("NATO") introduced a directive, the Single Fuel Concept to maximize equipment interoperability through the use of a single fuel, which includes phasing out gasoline-driven equipment in favour of diesel engines.

Significant events during the financial year

OXE Marine AB (the "Company") announced the following significant events during the year:

- The Company announced on February 15, 2023 that it has developed a concept engine with hybrid drive that combines the diesel drive of OXE Marine outboards with electric drive and thus offers even lower fuel consumption and carbon dioxide emissions.
- The company's diesel-powered outboard with water jet propulsion, which was developed together with JET-TECH, was nominated as one of the innovations of the year at the International Boat Show in Miami. The engine is one of the world's most powerful outboards with water jet propulsion and has been made possible thanks to OXE's proprietary power transmission system that can handle very high torques.
- The company expanded their footprint in Asia by appointing creation CO., LTD as dealer for Japan.
- The company expanded in south America by appointing new distributors in Brazil and Colombia.
- The company introduced the OXE configurator, that allows the customers to customize their OXE Diesel Outboard.
- The company appointed Paul Frick as new CEO.
- The company received orders worth SEK12M (USD1.1M) from United States DLA.
- The company expanded in North America by appointing new distributor in Mexico.
- The company received an order from its exclusive distributor in the Philippines of approximately SEK 9 m (EUR 0.9 m) as a result of an award from the Philippines Coast Guard, total scope 80 engines.
- The company announced collaborations with Punch Torino.
- The company received orders worth SEK 63 M (USD 5.8 m) to supply a United States Governmental Agency.
- The company announced collaboration with control system manufacturer Uflex.
- The company carried out a directed share issue of SEK 30.2 million (SEK 29.3 m after transaction costs).

Risk and uncertainties

Risk related to the company and its business

Risk in relation to product development

OXE Marine develops a new and disruptive product. The product is the first of its kind on the market, with previously untested technology. Development and quality assurance of products and subcontractors is time-intensive and costly. Thus, there is a risk that planned product development and quality assurance can be more costly and will take longer to adapt to market needs than planned. There is also a risk that delays in supply or production can result in cancelled orders from customers, which may have a material adverse effect.

Risk in relation to the Company's business partners

The Company's business concept and model is highly dependent on strategic relationships and partnerships for the manufacture and production of marine engines. The loss of a major engine supplier would mean, among other things, that the Company would have to adapt an engine from another supplier, which is a complicated and time-consuming process. In addition, it is important to the Company that its suppliers and manufacturers deliver in accordance with the Company's requirements and agreed specifications. There is a risk that delays in delivery or production could result in the cancellation of orders by customers, which could have a material adverse effect on the Company. Failure to maintain existing and establish new partnerships with reliable partners could have a material adverse effect on the Company's business, results of operations and financial conditions.

The loss of key personnel or failure to attract and retain other highly qualified personnel in the future could harm the business

The Company's performance is dependent on the ability to motivate and retain key personnel. The Company is also dependent on being able to identify and employ qualified personnel in the future in order for the business to grow effectively.

Risk in relation to intellectual property rights

The Company's profitability may depend, in part, on its ability to effectively protect its intellectual property rights, including obtaining patent protection for proprietary designs, tools and methods of manufacture, maintaining the confidentiality of its internal operations and preserving trade secrets, and operating without inadvertently infringing the intellectual property rights of others. There can be no assurance that the Company will be able to obtain future patents or defend its current and future patents. In addition, monitoring and protecting intellectual property from unauthorized use by third parties is time consuming and expensive. In addition, there can be no assurance that a third party will not assert a claim of patent infringement with respect to the Company's products or technologies. Any litigation relating to either the protection of intellectual property or the defense of the use of certain technologies could have a material adverse effect on our business, results of operations and financial condition, regardless of the outcome of such litigation.

Risk in relation to regulatory compliance

The Company's operations are dependent on obtaining relevant certifications and regulatory approvals, such as CE marking for the European market and emissions approvals equivalent to inboard diesel engines in various parts of the world such as EPA, IMO etc. Failure to obtain, delay in obtaining or withdrawal of such certifications and/or approvals could have an adverse effect on the Company's business, results of operations and financial condition. The Company also has sales in several different geographic markets. The Company's sales of marine engines are subject to extensive regulations governing, among other things, manufacturing and distribution, and therefore may be affected by changes in laws and regulations, such as customs, export and other laws and regulations, in the countries in which the Company operates and in which its products and services are sold. Changes in regulations could adversely affect the Company's business, results of operations and financial conditions.

Risk in relation to competition

The overall market for marine engines is highly competitive, with a limited number of stakeholders holding significant market shares. The Company currently faces competition from several companies of varying sizes that are active as suppliers of marine engines and services in the markets in which the Company operates. Several of the Company's competitors are large companies with larger organizations and financial resources than the Company. It is likely that the Company will continue to face increasing competition from both existing and new suppliers in certain market segments in which the Company operates, as well as from new types of services that may compete with the Company's current or future service offerings. The financial resources of competitors may enable them to conduct necessary research and development projects more intensively or over a longer period of time than the

Company. If competitors in the Company's market segment are more successful in their strategies than the Company, there is a risk of a material adverse effect on the Company's market position. If competing technologies or products are developed by competitors, this could lead to price pressure, lower margins and increased research and development costs.

Financial Risk

Risks in relation to financing

The Company has incurred losses since its inception. The Company's net operating loss for 2023 was SEK 105.6 million. The Company is currently in a commercialization phase and is in the process of expanding and developing its sales organization. Future product development is expected to incur significant costs and the Company is expected to continue to have a negative cash flow. If the Company requires additional financing, there can be no assurance that such financing will be available or, if available, on terms acceptable to the Company. The Company's ability to successfully obtain additional financing, both in the short and long term, depends on a number of factors, including general conditions in the financial markets, the Company's creditworthiness and its ability to increase its indebtedness. If any of these factors were to deteriorate, the Company could be forced to obtain financing on less favorable terms. In addition, market disruptions or uncertainties, i.e., circumstances beyond the Company's control such as inflation, energy crises and pandemics, may limit the availability of capital needed to operate the Company's business, both in the long term and in the short term. An inability to obtain financing could have a material adverse effect on the Company's operations and development.

Risk in relation to currency exchange rates

Currency risk is the risk that changes in foreign currency exchange rates will affect the Group's results of operations and financial position. Currency risk arises from commercial transactions, recognized assets and liabilities, and net investments in foreign operations. The Company's sales of marine engines and related services are primarily denominated in EUR. Furthermore, the Company's international operations are growing and are expected to continue to grow. Therefore, future currency fluctuations may have an increasing impact on the Company's results of operations and financial conditions.

Risks in relation to issued corporate bonds and interest rates

The Company has issued Senior Secured Callable Fixed Rate Bonds with a maturity date in 2025. The terms and conditions of the bonds contain special commitments that limit the Company's scope of action in certain respects. If the Company breaches the terms and conditions, bondholders may have the right to request early redemption of the bonds. If the Company will need to refinance the bonds at their respective maturity dates or for other reasons, there is no guarantee that the Company will be able to obtain financing on terms favorable to the Company or at all, which could have a material adverse effect on the Company's business, results of operations and financial conditions. Furthermore, debt financing may result in interest costs which may be higher than the return on the investments. Borrowing money to make investments will increase the Group's exposure to higher interest costs. If the interest costs are higher than the return on the investments, the Group's profitability will be adversely affected. Interest rates are affected by several factors that are beyond the Group's control, including, but not limited to, interest rate policies of central banks. An increase in interest rates would result in an increase in the Group's interest expense, which could adversely affect the Group's business, financial conditions and results of operations.

Risk in relation loans from the European Investment Bank

The Company has entered into a credit facility agreement with the European Investment Bank ("EIB") in the amount of EUR 8.0 m, which has been disbursed in two equal tranches. The first tranche of EUR 4.0 m and the second tranche of EUR 4.0 m mature in March 2025. EIB has received a total of 28,091,521 warrants which entitle EIB to subscribe for new shares in the Company until 31 December 2039 to a subscription price per share corresponding to the quota value of the Company's shares. The credit facility contains restrictive covenants that limit the Company's scope of action in certain respects. There is a risk that, if such covenants are breached, the EIB may have the right to demand early repayment of the credit facility. In addition, the Company may be required to repurchase all of the outstanding warrants at the request of the EIB at a purchase price equal to the fair market value of the aggregate number of shares that the warrants entitle the EIB to subscribe for, less the quota value of the shares. If the Company requires refinancing to repay the credit facility or for other reasons, there can be no assurance that the Company will be able to obtain financing on favorable terms or at all, which could have a material adverse effect on the Company's business, results of operations and financial conditions.

Tax risks
The Company has sales outside Sweden. The Company's treatment of tax matters is based on its interpretation of applicable tax laws, regulations, tax treaties and case law in different jurisdictions. If the Company's interpretation is deemed incorrect or if the practice of the tax authorities or the competent courts changes, this may have an adverse effect on the Company's results of operations and financial condition. In addition, the Company's ability to utilize existing and future tax loss carryforwards may be limited by, among other things, current and future tax laws and changes in the Company's ownership structure.

Risks related to the shares in the Company

The price of the shares in the Company has been subject to fluctuations and there has been and may continue to be limited liquidity for the shares
The shares are currently quoted for public trading on the Nasdaq First North Growth Market. The trading price of the shares has been subject to wide fluctuations. Moreover, the liquidity for the shares has, during certain periods, been limited. The trading prices of the shares could in the future be subject to extreme fluctuations in response to various factors, many of which are beyond the Company's control and which may be unrelated or disproportionate to the operating performance of the Company. As a result, there can be no assurance that the market price of the shares or the market for the shares will satisfy the requirements of investors.

The Company has not and does not expect to declare any dividends to shareholders in the foreseeable future
The Company has not and do not anticipate declaring any cash dividends to shareholders in the foreseeable future. Without cash dividends, the shareholders will not receive a return on their shares unless they sell them. There is no assurance that a shareholder will be able to sell shares when desired.

The Company will most likely experience future dilution as a result of outstanding warrants and future equity offerings which may also have negative impact on the share price
The Company currently has 29,180,664 outstanding dilutive instruments (warrants and employee incentive schemes) including which, if fully exercised and subject to applicable re-calculation terms, will give the holders the right to subscribe for new shares in the Company. When and if the warrants are exercised, this will result in dilution for the Company's shareholders and could also lead to a decrease in the share price. Moreover, the Company may in the future raise additional funds through the issuance of shares or other equity instruments whereby the percentage ownership held by the existing shareholders will be reduced and shareholders may experience significant dilution. In addition, new securities may contain rights, preferences or privileges that are senior to those of the current shares.

General risk factors

Macroeconomic and geopolitical risk exposure
Demand for the Company's products and services is dependent on the general economic situation in the marine engine industry and related services, which in turn is affected by macroeconomic factors in the countries and regions in which the Company operates. Such factors include, but are not limited to, global and regional economic developments, employment levels, demand and confidence in trade, and inflation and interest rates in Sweden and abroad. Geopolitical unrest or regional or national events resulting from, for example, diplomatic crises, wars, governmental and/or cross-border crises, natural disasters, pandemics or strikes and other geopolitical events that specifically affect one or more of these regions may therefore have a significant impact on the Group's business and results. In addition, the Company's current financing terms and interest rates, as well as its ability to refinance and refinance terms in the future, may be affected by prevailing economic and interest rate conditions.

Litigation or administrative proceedings
From time to time in the normal course of the business operations, the Company may become subject to administrative proceedings or litigation involving data privacy and security, consumer protection, commercial disputes, product liability, labor law and work environment and other matters that may negatively affect the operating results, in particular, if changes to the business are required. The cost to defend such proceedings may be significant and may require a diversion of resources.

Future prospects

OXE Marine 's future growth is dependent on the Company developing and producing sustainable products. The Company continues to explore new technologies, including electric and hybrid solutions with the aim to be at the forefront of outboard marine technology. The Company continues to develop an organization that works in a structured and efficient way with quality and innovation. Additionally, OXE has strengthened its position in the US market, creating a direct to market model, gaining access to end-user, dealer, governmental and OEM networks. This, in combination with new ongoing development projects, supports management's assessment that demand will continue to be strong from the market.

Ownership

OXE Marine's top ten shareholders as at 31 December 2023 are as follows:

Top 10	Holding	%
PSP Stockholm AB	71 719 962	21.5
Theodor Jeansson Jr.	46 396 851	13.9
Per Lindberg	30 668 887	9.2
Christian von Koenigsegg	29 162 805	8.8
Arne Andersson	21 790 273	6.5
Jonas Wikström	10 350 000	3.1
Sven Sandberg	9 331 408	2.8
Avanza Pension	7 526 542	2.3
Håkan Roos	7 000 000	2.1
Carl Rosvall	7 000 000	2.1

Source: Monitor.

MULTI-YEAR OVERVIEW

Consolidated

(amount in KSEK)	2023	2022
Net turnover (KSEK)	189 590	148 416
Loss after financial items (KSEK)	-117 348	-111 132
Operating margin (%)	-57%	-61%
Return on equity (%)	-273%	-121%
Balance sheet total (KSEK)	339 300	402 756
Equity/assets ratio (%)	4%	26%
Average number of employees	51	53

Parent Company

(amount in KSEK)	2023	2022	2021	2020	2019
Net turnover (KSEK)	156 899	133 123	99 795	39 742	91 100
Loss after financial items (KSEK)	-105 617	-88 670	-71 830	-85 540	-101 938
Operating margin (%)	-61%	-52%	-62%	-194%	-97%
Return on equity (%)	-137%	-93%	-107%	-89%	-101%
Balance sheet total (KSEK)	370 782	423 440	330 341	359 801	314 803
Equity/assets ratio (%)	13%	30%	14%	27%	38%
Average number of employees	31	36	41	36	30

Proposal for profit allocation

The board of directors recommends that the Loss for the year and Retained Loss are distributed as follows

Share premium reserve	631 631 805
Retained earnings (loss)	-575 002 431
Profit (loss) for the year	-105 617 167
	-48 987 793
Amount carried over	-48 987 793

Regarding the parent company's and the consolidated results and position in general, reference is made to the subsequent income and balance sheets with associated notes.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

(amount in KSEK)	Note	2023 Jan-Dec	2022 Jan-Dec
Net turnover	2,3	189 590	148 416
Own work capitalised		705	625
Other operating income	4	3 417	11 611
		193 712	**160 652**
Goods for resale		-151 408	-116 242
Other external expenses	3,5,6	-71 842	-52 101
Personnel costs	7	-48 469	-50 451
Depreciation and write-down of tangible and intangible assets		-29 646	-30 250
Other operating expenses		-	-2 780
Total operating costs		**-301 365**	**-251 824**
Operating loss		**-107 653**	**-91 172**
Interest expense and similar profit/loss items	8	-9 695	-19 960
Profit/loss after financial items		**-117 348**	**-111 132**
Tax on profit for the year	9	907	1 236
Profit/loss for the year		**-116 441**	**-109 896**

CONSOLIDATED BALANCE SHEET

(amount in KSEK)	Note	2023-12-31	2022-12-31
ASSETS			
Fixed assets			
Intangible assets			
Capitalised expenditure for development and similar work	10	115 525	136 936
Concessions, patents, licenses, trademarks etc.	11	32 996	37 343
Total intangible assets		**148 521**	**174 279**
Tangible assets			
Improvement expenditure on leaseholds	12	1 097	1 348
Equipment, tools and installations	13	5 932	9 992
Total tangible assets		**7 029**	**11 340**
Financial assets			
Deferred tax asset	18	122	536
Total financial assets		**122**	**536**
Total fixed assets		**155 672**	**186 155**
Current assets			
Inventory etc			
Finished products and goods for resale		114 115	138 997
Advance payments to suppliers		2 121	6 404
Total inventory etc		**116 236**	**145 401**
Current receivables			
Accounts receivables		34 109	21 036
Other receivables		1 795	1 538
Prepaid expenses and accrued income	15	2 794	2 319
Total current receivables		**38 698**	**24 893**
Cash on hand and in bank		28 694	46 307
Total current assets		**183 628**	**216 601**
TOTAL ASSETS		**339 300**	**402 756**

CONSOLIDATED BALANCE SHEET

(amount in KSEK)	Note	2023-12-31	2022-12-31
EQUITY AND LIABILITIES			
Equity	16, 17, 23		
Shareholders' equity			
Share capital		9 993	9 117
Other contributed capital		631 632	604 236
Loss brought forward incl. loss for the year		-628 264	-510 063
Total shareholders' equity		**13 361**	**103 290**
TOTAL EQUITY		**13 361**	**103 290**
Provisions			
Deferred tax liability	18	6 500	7 300
Other provisions	19	5 927	4 517
Total provisions		**12 427**	**11 817**
Long-term liabilities	20		
Corporate bonds	21	146 461	140 730
Liabilities to finance institutions	22	88 768	89 026
Total long-term liabilities		**235 229**	**229 756**
Current liabilities			
Liabilities to finance institutions	24	6 025	-
Advance payments from customers		15 504	9 855
Accounts payable		39 222	29 763
Current tax liabilities		1 336	1 443
Other liabilities		1 405	1 671
Accrued expenses and deferred income	25	14 791	15 161
Total current liabilities		**78 283**	**57 893**
TOTAL EQUITY AND LIABILITIES		**339 300**	**402 756**

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY

	Share capital	Other contributed capital	Acc exchange rate differences	Loss brought forward incl. loss for the year	Total
Opening balance 2022-01-01	**6 244**	**439 500**	**-**	**-399 093**	**46 651**
Directed Share issue [1]	2 873	164 736			167 609
Exchange rate differences when recalculating foreign subsidiaries			-1 130		-1 130
Exercise of share options [2]				56	56
Profit/loss for the year				-109 896	-109 896
Closing balance 2022-12-31	**9 117**	**604 236**	**-1 130**	**-508 933**	**103 290**
Directed Share issue [3]	876	27 396			28 272
Exchange rate differences when recalculating foreign subsidiaries			-1 760		-1 760
Profit/loss for the year				-116 441	-116 441
Closing balance 2023-12-31	**9 993**	**631 632**	**-2 890**	**-625 374**	**13 361**

[1] The amount is reported net after deduction of transaction costs amounted to SEK 1 155 k.

[2] Premiums paid relating to the 2022/2025 Qualified Employee Share Option Program.

[3] The amount is reported net after deduction of transaction costs amounted to SEK 928 k.

CONSOLIDATED STATEMENT OF CASH FLOWS

(amount in KSEK)	Note	2023 Jan-Dec	2022 Jan-Dec
Operating activities			
Results before financial items		-107 653	-91 172
Adjustments for items not included in cash flow	26	30 760	27 390
Interest paid		-3 258	-1 554
Cash flow from operating activities before changes in working capital		**-80 151**	**-65 336**
Cash flow from changes in working capital			
Change in inventories		24 882	36 539
Change in accounts receivable		-13 073	-2 855
Change in other current receivables		3 551	3 244
Change in accounts payables		9 459	-15 462
Change in other current liabilities		4 906	-8 733
Cash flow from operating activities		**-50 426**	**-52 603**
Investing Activities			
Acquisition of subsidiaries, net of acquired cash and cash equivalents		-	11 282
Investments in intangible fixed assets		-705	-625
Investments in property, plant and equipment		-916	-2 602
Divestments in property, plant and equipment		572	85
Cash flow from Investing activities		**-1 049**	**8 140**
Financing activities			
Proceeds from new share issue		28 271	68 845
Option premium		-	56
Proceeds from loans		6 025	15 529
Repayment of loans		-	-19 528
Cash flow from financing activities		**34 296**	**64 902**
Cash flow for the period		**-17 179**	**20 439**
Exchange rate differences in cash and cash equivalents		-434	2 417
Cash and bank balances at the beginning of the period		46 307	23 451
Cash and bank balances at the end of the period		**28 694**	**46 307**

PARENT COMPANY'S FINANCIAL STATEMENTS

PARENT COMPANY'S INCOME STATEMENT

(amount in KSEK)	Note	2023 Jan-Dec	2022 Jan-Dec
Net turnover	2,3	156 899	133 123
Own work capitalised		705	625
Other operating income	4	3 178	248
		160 782	**133 996**
Goods for resale		-146 594	-102 702
Other external expenses	3,5,6	-53 858	-35 356
Personnel costs	7	-31 850	-36 365
Depreciation and write-down of tangible and intangible assets		-24 790	-26 160
Other operating expenses		-	-2 780
Total operating costs		**-257 092**	**-203 363**
Operating loss		**-96 310**	**-69 367**
Interest expense and similar profit/loss items	8	-9 307	-19 303
Profit/loss after financial items		**-105 617**	**-88 670**
Tax on profit for the year	9	-	-
Profit/loss for the year		**-105 617**	**-88 670**

PARENT COMPANY'S BALANCE SHEET

(amount in KSEK)	Note	2023-12-31	2022-12-31
ASSETS			
Fixed assets			
Intangible assets			
Capitalised expenditure for development and similar work	10	115 525	136 936
Concessions, patents, licenses, trademarks etc.	11	1 445	1 908
Total intangible assets		**116 970**	**138 844**
Tangible assets			
Improvement expenditure on leaseholds	12	11	172
Equipment, tools and installations	13	3 165	5 022
Total tangible assets		**3 176**	**5 194**
Financial assets			
Shares in group companies	14	100 001	100 001
Total financial assets		**100 001**	**100 001**
Total fixed assets		**220 147**	**244 039**
Current assets			
Inventory etc			
Finished products and goods for resale		96 967	101 566
Advance payments to suppliers		2 121	6 404
Total inventory etc		**99 088**	**107 970**
Current receivables			
Accounts receivables		19 455	17 646
Receivables from group companies		11 518	4 432
Other receivables		1 795	1 538
Prepaid expenses and accrued income	15	1 958	1 546
Total current receivables		**34 726**	**25 162**
Cash on hand and in bank		16 821	46 269
Total current assets		**150 635**	**179 401**
TOTAL ASSETS		**370 782**	**423 440**

PARENT COMPANY'S BALANCE SHEET

(amount in KSEK)	Note	2023-12-31	2022-12-31
EQUITY AND LIABILITIES			
Equity	16, 17, 23		
Restricted equity			
Share capital		9 993	9 117
Development fund		87 295	103 612
Total restricted equity		**97 288**	**112 729**
Non-restricted equity			
Share premium		631 632	604 237
Retained profit/loss		-575 002	-502 649
Profit/ loss for the year		-105 617	-88 670
Total non-restricted equity		**-48 987**	**12 918**
TOTAL EQUITY		**48 301**	**125 647**
Provisions			
Other provisions	19	5 927	4 517
Total provisions		**5 927**	**4 517**
Long-term liabilities	20		
Corporate bonds	21	146 461	140 730
Liabilities to finance institutions	22	88 768	89 026
Total long-term liabilities		**235 229**	**229 756**
Current liabilities			
Advance payments from customers		6 623	9 554
Accounts payable		26 172	22 001
Liabilities to group companies		31 974	18 819
Current tax liabilities		1 336	1 443
Other liabilities		1 001	1 131
Accrued expenses and deferred income	25	14 219	10 572
Total current liabilities		**81 325**	**63 520**
TOTAL EQUITY AND LIABILITIES		**370 782**	**423 440**

STATEMENT OF CHANGES IN PARENT COMPANY EQUITY

	Restricted equity		Non-restricted equity			
	Share capital	Development fund	Share premium	Retained profit/loss	Profit/ loss for the year	Total
Opening balance 2022-01-01	**6 244**	**119 819**	**439 500**	**-447 082**	**-71 830**	**46 651**
Development fund		-16 207		16 207		-
Directed Share issue [1]	2 873		164 736			167 609
Allocation of profits (losses)				-71 830	71 830	-
Exercise of share options [2]				56		56
Profit/loss for the year					-88 670	-88 670
Closing balance 2022-12-31	**9 117**	**103 612**	**604 236**	**-502 649**	**-88 670**	**125 646**
Development fund		-16 317		16 317		-
Directed Share issue [3]	876		27 396			28 272
Allocation of profits (losses)				-88 670	88 670	0
Profit/loss for the year					-105 617	-105 617
Closing balance 2023-12-31	**9 993**	**87 295**	**631 632**	**-575 002**	**-105 617**	**48 301**

[1] The amount is reported net after deduction of transaction costs amounted to SEK 1 155 k.

[2] Premiums paid relating to the 2022/2025 Qualified Employee Share Option Program.

[3] The amount is reported net after deduction of transaction costs amounted to SEK 928 k.

PARENT COMPANY'S STATEMENT OF CASH FLOW

(amount in KSEK)	Note	2023 Jan-Dec	2022 Jan-Dec
Operating activities			
Results before financial items		-96 310	-69 367
Adjustments for items not included in cash flow	26	25 203	23 187
Interest paid		-2 871	-905
Paid tax		-	-
Cash flow from operating activities before changes in working capital		**-73 978**	**-47 085**
Cash flow from changes in working capital			
Change in inventories		4 599	12 006
Change in accounts receivable		-1 809	-2 885
Change in other current receivables		-3 472	-3 928
Change in accounts payables		4 171	-9 488
Change in other current liabilities		13 634	8 466
Cash flow from operating activities		**-56 855**	**-42 914**
Investing Activities			
Investments in intangible fixed assets		-705	-625
Investments in property, plant and equipment		-193	-1 051
Sale of property, plant and equipment		-	85
Cash flow from Investing activities		**-898**	**-1 591**
Financing activities			
Proceeds from new share issue		28 271	68 845
Option premium		-	56
Repayment of loans		-	-4 000
Cash flow from financing activities		**28 271**	**64 901**
Cash flow for the period		**-29 482**	**20 396**
Exchange rate differences in cash and cash equivalents		34	2 422
Cash and bank balances at the beginning of the period		46 269	23 451
Cash and bank balances at the end of the period		**16 821**	**46 269**

NOTES

Note 1 Accounting policies

General accounting polices

The Annual and consolidated Report has been prepared in accordance with the Swedish Annual Accounts Act (1995: 1554) and BFNAR 2012: 1 Annual Report and Consolidated Financial Statements (K3).

Consolidated accounts

The consolidated accounts include the Parent Company and the companies over which the parent company directly or indirectly has controlling influence (subsidiaries). Control means a right to shape another company's financial and operational strategies in order to obtain financial benefits. When assessing whether a controlling influence exists, account must be taken of holdings of financial instruments that are potentially entitled to vote and that can be utilized or converted into equity instruments with voting rights without delay. Consideration must also be given to whether the company has the opportunity to control the business through an agent. Decisive influence normally exists when the parent company directly or indirectly holds shares that represent more than 50% of the votes.

A subsidiary's income and expenses are included in the consolidated accounts from and including the time of the acquisition up to and including the time when the parent company no longer has a controlling influence over the subsidiary. See section Business acquisitions below for accounting of acquisitions and disposals of subsidiaries.

The accounting principles for subsidiaries are consistent with the group's accounting principles. All intra-group transactions, transactions and unrealized profits and losses attributable to intra-group transactions have been eliminated when preparing the consolidated accounts.

Holdings without controlling influence

The group's results and components of equity are attributable to the parent company's owners and holdings without controlling influence. Holdings without a controlling influence are reported separately within equity in the consolidated balance sheet and in direct connection with the item Profit for the year in the consolidated income statement. If group-wide equity in respect of the subsidiary is negative, holdings without controlling influence in the subsidiary are reported as a claim on the holding, a negative item within equity, only if the holding has a binding obligation to cover the capital deficit and has the ability to fulfill the obligation.

Business acquisition

Business acquisitions are reported according to the acquisition method. The purchase price for the business acquisition is valued at fair value at the time of acquisition, which is calculated as the sum of the fair values at the time of acquisition for paid assets, incurred or assumed liabilities as well as issued equity instruments and expenses that are directly attributable to the business combination. Examples of expenses are transaction costs. The purchase price includes a conditional purchase price, provided that at the time of acquisition it is likely that the purchase price will be adjusted at a later date and that the amount can be reliably estimated. The acquisition value of the acquired unit is adjusted on the balance sheet date and when the final purchase price is determined, however no later than one year after the acquisition date.

In the case of acquisition of fewer than all shares of the acquired entity, the value of holdings without controlling influence is added to the acquisition value. The holding's share of the acquired entity's assets and liabilities, including goodwill or negative goodwill, is valued at fair value.

Goodwill

In the case of business acquisitions where the sum of the purchase price, fair value of non-controlling interests and fair value at the time of acquisition of previous shareholdings exceeds the fair value at the time of acquisition of identifiable acquired net assets, the difference is reported as goodwill in the consolidated balance sheet. If the difference is negative, the value of identifiable assets and liabilities must be reassessed.

Recalculation of foreign subsidiaries

Financial statements of foreign subsidiaries have been converted to Swedish kronor according to the current rate method. The current exchange rate method means that all assets, provisions and other liabilities are converted to the exchange rate on the balance sheet date and all items in the income statement are converted to the year's average exchange rate. Any resulting translation differences are transferred directly to the group's equity.

Revenue recognition

Revenue is recognised at the fair value of what the Company has received or will receive. This means that the Company reports revenue at the nominal value (invoiced amount) if the Company receives compensation in cash or cash equivalent upon delivery. Deductions are made for discounts granted. Revenue is recognised when the significant benefits and risks associated with the ownership of the goods has been transferred from the Company to the buyer, which is according to the international shipping terms ("Incoterms") stated on the invoice.

Interest, royalty and dividends

Remuneration in the form of interest, royalty or dividend is reported as income when the Company is likely to receive the financial benefits associated with the transaction and when income can be reliably calculated. Interest is reported as revenue according to the so-called effective rate method.

Lease agreements

If the financial risks and benefits associated with the asset have not been transferred to the lessee, the lease is classified as an operating lease. Operating leases are reported as a cost linearly over the lease period. The parent company reports all leasing agreements, both financial and operational, as operational leasing agreements. In the group, a division is made between financial and operational leasing.

Employee benefits

Employee benefits refers to all types of remuneration the Company provides to its employees. The remuneration includes, among other things, salaries, paid leave, paid absences, bonuses, and post-employment benefits (pensions). Reporting occurs when benefits are accrued. Remuneration for retired employees derives from defined-contribution or defined benefit pension plans. Plans are classified as defined-contribution plans when fixed contributions are paid and there are no bonds, whether legal or informal, to pay anything over and above these contributions. All other plans are classified as defined-benefit pension plans, of which the Company has none. The Company has no other long-term employee benefits.

Conversation of foreign-currency amounts

Receivables and liabilities in foreign currencies have been converted at the exchange rate at Balance Sheet date. Exchange rate gains and losses on operating receivables and operating liabilities are reported under operating income, while exchange rate gains and losses on financial receivables and liabilities are reported as other financial income (costs).

Fixed assets

Tangible and intangible fixed assets are reported at acquisition value less accumulated depreciation and any write-downs. Tangible fixed assets have been divided into significant components, when the components have significantly different useful lives. Depreciable amount consists of the acquisition value reduced by a calculated residual value if this is material. Depreciation takes place on a straight-line basis over the expected useful period.

Intangible assets

OXE Marine AB's intangible assets mainly consist of patents, consulting services and materials necessary for development of the product OXE.

The following depreciation periods are applied:

Intangible assets	
Capitalised expenditure for development and similar work	10 years
Patent	10 years
Fixed assets	
Improvement expenditure on leaseholds	15-20 years
Equipment	5 years
Tools	7 years

Internally developed intangible assets

The Company applies the so-called "capitalisation model" for internally developed intangible assets. This method involves capitalisation of all expenditure fulfilling the BFNAR 2012: 1 criterion as an intangible asset to be amortised over the estimated useful life of the asset. A transfer from non-restricted equity into the development costs fund within restricted equity has been made for the corresponding amount capitalised during the year. A transfer from the fund back to unrestricted equity has been made for the corresponding amount reported under depreciation and impairment.

Impairment of intangible and tangible fixed assets

At each balance sheet date, the group analyzes the reported values of tangible and intangible assets to determine whether there is any indication of impairment. If there is any such indication, the recoverable amount is calculated to determine the write-down amount. If the recovery value for an individual asset cannot be determined, the recovery value is calculated for the cash-generating unit to which the asset belongs. Development that has not yet been put into use is not written off but is tested annually for impairment regardless of signs of impairment. The recovery value is the higher of the fair value after deduction for disposal costs and the asset's value in use. Fair value after deduction of costs on disposal is the price expected to be obtained in a transaction after deduction of costs directly attributable to the transaction. In determining value in use, future cash flows are discounted to present value using a pre-tax discount rate that reflects current market conditions for the time value of money and the risks associated with the asset. At each balance sheet date, the group reassesses a previous write-down is no longer justified. If this is the case, the write-down is reversed. A reversal of a write-down is reported in the income statement.

Financial instruments

The Company reports and values financial instruments at acquisition value. Accounts receivable and other short-term receivables are reported at the lower of acquisition cost and net realizable value at the Balance Sheet date. Accounts payable and other current liabilities are reported at the expected settlement amount. Long-term receivables and long-term liabilities are valued after initial reporting at amortized cost.

Inventory

Inventory has been valued at the lower of acquisition cost and net realisable value at the Balance Sheet date. Net realisable value refers to the estimated selling price of goods less selling costs. The chosen valuation method takes into account any impairment of inventory.

Tax

Total tax consists of current tax and deferred tax. Taxes are recognised in the income statement, except when the underlying transaction is recognized directly in equity, whereby the associated tax effect is recognised in equity.

Current tax

Current tax refers to income tax for the current fiscal year and the part of the previous fiscal year's income tax that has not yet been reported. Current tax is calculated on the basis of the tax rate applicable on the balance sheet date.

Deferred tax assets

Deferred tax assets are reported net against deferred tax liabilities only if they can be paid with a net amount. Deferred tax is calculated on the basis of the determined tax rate on the balance sheet date. Effects of changes in the applicable tax rates are recognised in the income statement during the period the change has been legislated. Deferred tax assets are reduced to the extent that it is unlikely that the underlying tax asset will be realised in the foreseeable future. Deferred tax assets are reported as financial fixed assets and deferred tax liabilities as provisions. The Company has unutilised carry forward tax losses in Sweden amounting to SEK 494.5 m as of 2023. The tax effect has not been recognised as a deferred tax asset in the balance sheet. There is uncertainty around the ability to utilise these tax losses in the future as they are influenced by changes in Company shareholding.

Other provisions

Other provisions are reported when the Company has a formal or informal obligation resulting from past events and where it is probable that an outflow of resources will be required to settle such an obligation. Provisions are valued at the best estimate of the amount required to settle the obligation. If the expected payment date has a significant effect on the value of the obligation, the obligation is reported at its net present value.

Statement of cash flows

The statement of cash flow shows the consolidated changes in the company's cash and cash equivalents during the financial year. The statement of cash flow has been prepared according to the indirect method. The reported cash flow includes only transactions that entailed receipts and payments.

Note 2 Net turnover

	Consolidated		Parent Company	
	2023-12-31	**2022-12-31**	**2023-12-31**	**2022-12-31**
Sweden	4 334	5 142	4 334	5 142
EU	8 678	24 827	8 678	24 827
Outside EU	176 578	118 447	143 887	103 154
	189 590	148 416	156 899	133 123

	Consolidated		Parent Company	
	2023-12-31	**2022-12-31**	**2022-12-31**	**2022-12-31**
Propulsion	117 688	116 978	106 012	107 065
Parts & Accessories	71 902	31 438	50 887	26 058
	189 590	148 416	156 899	133 123

Note 3 Information on purchases and sales within the same group

	Parent Company	
	2023-12-31	**2022-12-31**
Purchases	19%	10%
Sales	38%	26%

Note 4 Other operating income

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Exchange rate gains on receivables/liabilities of operating nature	3 279	11 363	3 040	-
Profit on disposal of fixed assets	138	248	138	248
	3 417	11 611	3 178	248

Note 5 Auditor's fee and reimbursement of costs

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
BDO Mälardalen AB				
Audit assignment	352	260	352	260
Prida Guida & Perez, P.A.				
Audit assignment	251	183	-	-
Ernst & Young AB	-			
Audit assignment	-	90	-	90
	603	533	352	350

Note 6 Leasing costs

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Future minimum lease payments to be paid in respect of non-cancellable leases:				
Due for payment within one year	4 355	4 033	2 754	2 103
Due for payment later than one year but within 5 years	1 240	2 557	610	2 138
Due for payment later than five years	-	-	-	-
	5 595	6 590	3 365	4 241
Leasing fees expensed during the period	4 168	4 327	2 456	2 926

In the group's accounting, the operational leasing essentially consists of rented properties/premises. The lease agreement for the Swedish office property runs for just over one year. The size of the future leasing fees is based on the development of the consumer price index.

Note 7 Employees and personnel costs

Average number of employees	Consolidated		Parent Company	
	2023-12-31	**2022-12-31**	**2023-12-31**	**2022-12-31**
Sweden				
Women	4	5	4	5
Men	27	31	27	31
	31	36	31	36
US				
Women	2	2	-	-
Men	16	15	-	-
	18	17	-	-
Singapore				
Women	-	-	-	-
Men	2	-	-	-
	2	-	-	-
Total	51	53	31	36

Personnel costs

Salaries and other remuneration KSEK				
The Board of Directors, management and the CEO	6 082	8 342	4 006	6 098
Other employees	29 540	28 793	18 248	19 445
	35 622	37 135	22 254	25 543
Social costs KSEK				
Pension costs for the Board of Directors, management and the CEO	811	991	753	908
Pension costs for other employees	1 979	2 417	1 848	2 298
Other social costs according to law and agreement	8 229	9 440	7 354	8 642
	11 019	12 848	9 955	11 848
Total salaries, remuneration, social costs and pension costs	46 641	49 983	32 209	37 391

Board fees

KSEK	**2023-12-31**	**2022-12-31**
Anders Berg (resigned 2022-03-21)	-	92
Jonas Wikström	340	333
Jon Lind	170	184
Martin Polo	-	113
Christian von Koenigsegg	42	113
Magnus Folin (resigned 2023-05-25)	58	184
Mikael Mellberg (resigned 2023-05-25)	58	184
	668	1 203

None of the board members is entitled to any benefits upon termination of the board assignment.

Number on the balance sheet date	Consolidated 2023-12-31	Consolidated 2022-12-31	Parent Company 2023-12-31	Parent Company 2022-12-31
Board members				
Women	-	-	-	-
Men	4	6	4	6
Total	4	6	4	6
Managing directors and others senior executives				
Women	-	-	-	-
Men	3	3	3	3
Total	3	3	3	3

Remuneration to management

2022 KSEK	Magnus Grönborg [1]	Anders Berg [1]	Remuneration management [1]	Total
Fixed salary incl. holiday pay	272	1 778	4 638	6 688
Variable remuneration	-	118	118	236
Pensions	65	355	569	989
Benefits	27	57	133	217
	364	2 308	5 458	8 130

2023 KSEK	Anders Berg [1]	Paul Frick [1]	Remuneration management [1]	Total
Fixed salary incl. holiday pay	762	1 147	3 241	5 150
Variable remuneration	-	-	89	89
Pensions	203	280	329	812
Benefits	37	56	81	174
	1 002	1 483	3 740	6 225

[1] The compensation is exclusive of social security contributions and special payroll tax. Remuneration to other management refers to 3 (3) people. Magnus Grönborg was CEO until 2022-03-20. Anders Berg was CEO during the period between 2022-03-21 and 2023-05-28. Paul Frick has been CEO since 2023-05-29.

Rules for termination
Upon termination of Paul Frick's employment, a notice period of twelve months runs from the company's side and six months from Paul Frick's side. During the notice period, Paul Frick is entitled to unchanged salary and employment benefits with the exception of variable remuneration. Paul Frick is bound by a non-competition clause that is valid for nine months from the termination of employment, during which he is currently entitled to special compensation. The company has the right to waive the non-competition clause, whereby no compensation shall be paid to Paul Frick.

The notice period for other senior executives is six months in the case of termination by the company and six months in the case of termination by the employee. During the notice period, the company has the right to release the employee from work, whereby any salary from another employer must be offset against the salary the employee receives during the notice period. Other senior executives are bound by non-competition clauses for nine months from termination of employment, during which time they are entitled to special compensation. The company has the right to waive the non-competition clause, whereby no compensation shall be paid to the employee.

Note 8 Interest expense and similar profit/loss items

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Interest expense	10 410	10 311	10 022	9 654
Exchange rate differences	-715	9 649	-715	9 649
	9 695	19 960	9 307	19 303

Note 9 Tax on profit for the year

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
The following components are included in the tax cost:				
Current tax	-	-	-	-
Deferred tax	907	1 236	-	-
	907	1 236	-	-
Reported profit/loss before tax	-117 348	-111 132	-105 617	-88 670
Tax according to the applicable tax rate (20,6%)	24 174	22 893	21 757	18 266
Tax effect of:				
Non-deductible costs	1 977	1 818	1 012	974
Non-taxable income	-	-3	-	-3
Tax attributable to previous years' reported results	-25 244	-23 472	-22 769	-19 237
	907	1 236	-	-

The company has unutilised carry forward tax losses in sweden amounting to SEK 494,532 K (SEK 410,597 K).

Note 10 Capitalised expenditure for development and similar work

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Opening value	221 789	221 164	221 789	221 164
Additions for the year	705	625	705	625
Disposals	-	-	-	-
Closing accumulated value	222 494	221 789	222 494	221 789
Opening amortisation	-84 853	-61 803	-84 853	-61 803
Amortisation for the year	-22 116	-23 050	-22 116	-23 050
Closing accumulated amortisation	-106 969	-84 853	-106 969	-84 853
Closing reported value	115 525	136 936	115 525	136 936

Note 11 Concessions, patents, licenses, trademarks etc.

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Opening value	43 465	4 632	4 632	4 632
Takeover in acquisition of subsidiaries	-	38 833	-	-
Closing accumulated value	43 465	43 465	4 632	4 632
Opening amortisation	-6 122	-2 261	-2 724	-2 261
Amortisation for the year	-4 347	-3 861	-463	-463
Closing accumulated amortisation	-10 469	-6 122	-3 187	-2 724
Closing reported value	32 996	37 343	1 445	1 908

Note 12 Improvement expenditure on leaseholds

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Opening value	2 318	783	1 070	783
Additions for the year	44	287	-	287
Takeover in acquisition of subsidiaries	-	1 248	-	-
Conversion difference	-47	-	-	-
Closing accumulated value	2 315	2 318	1 070	1 070
Opening depreciation	-970	-684	-898	-684
Depreciation for the year	-246	-286	-161	-214
Conversion difference	-2	-	-	-
Closing accumulated depreciation	-1 218	-970	-1 059	-898
Closing reported value	1 097	1 348	11	172

Note 13 Equipment, tools and installations

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Opening value	23 467	17 236	17 877	17 236
Additions for the year	872	2 315	193	764
Disposals	-2 044	-123	-	-123
Takeover in acquisition of subsidiaries	-	4 039	-	-
Conversion difference	-172	-	-	-
Closing accumulated value	22 123	23 467	18 070	17 877
Opening depreciation	-13 475	-10 502	-12 855	-10 502
Disposals	261	39	-	39
Depreciation for the year	-2 965	-3 012	-2 050	-2 392
Conversion difference	-12	-	-	-
Closing accumulated depreciation	-16 191	-13 475	-14 905	-12 855
Closing reported value	5 932	9 992	3 165	5 022

Note 14 Shares in group companies

	Parent Company	
	2023-12-31	2022-12-31
Opening value	100 001	-
Acquisitions	-	100 001
Closing reported value	100 001	100 001

			Parent Company	
			2023-12-31	2022-12-31
Company name	Number of shares	Capital share in %	Book value	Book value
OXE Marine INC	100 000	100%	95 900	95 900
OXE Marine Manufacturing INC	100 000	100%	4 101	4 101
			100 001	100 001

Company name	Org.nr	Seated	Equity	Result
OXE Marine INC	87-4243791	Georgia, USA	52 939	-2 902
OXE Marine Manufacturing INC	87-4275543	Georgia, USA	-10 262	-7 832

During 2022, 100% of OXE Marine INC and OXE Marine Manufacturing INC was acquired by the parent company and included in the consolidated accounts with amounts relating to the time after the acquisition date, February 16, 2022.

Note 15 Prepaid expenses and accrued income

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Accrued income	-	-	-	-
Prepaid expenses	2 794	2 319	1 958	1 546
	2 794	2 319	1 958	1 546

Note 16 Share Capital

The share capital consists of 333,268,067 shares with a quota value of SEK 0.3 per share.

Opening share capital as of 2023-01-01 was 304,068,067 shares with a quota value of SEK 0.3 per share.

Note 17 Proposed distribution of the Company's profit or loss

The Board of Directors proposes that the Company's retained loss, SEK -48 987 793, is distributed as follows:

Share premium reserve	631 631 805
Retained earnings (losses)	-575 002 431
Profit (loss) for the year	-105 617 167
Amount carried over	-48 987 793

Note 18 Deferred tax asset and deferred tax liability

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Deferred tax asset				
Deferred tax asset on internal profit in stock	122	536	-	-
	122	536	-	-
Deferred tax liability				
Deferred tax liability on Patents and similar rights	6 500	7 300	-	-
	6 500	7 300	-	-

Note 19 Provisions

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Opening value	4 517	3 457	4 517	3 457
Additions during the year	9 486	5 761	9 486	5 761
Amounts used during the year	-8 076	-4 701	-8 076	-4 701
Closing reported value	5 927	4 517	5 927	4 517

Other provisions relate to warranties.

Note 20 Pledge assets

	2023-12-31	2022-12-31
Corporate mortgages	107 054	107 069
Mortgage on bank account	-	300
	107 054	107 369

Note 21 Corporate Bonds

Senior Secured Callable Fixed Rate Bonds with ISIN SE0010831545, SE0010831594 and NO0010815442. Interest on the Bonds amounts to 7 per cent per annum. The Bonds are secured by corporate mortgages, refer Note 20.

Effective 16 February 2022, the Company obtained the bondholders' approval to amend and waive certain terms in its up to SEK 200 m bonds. The proposed amendments to the Bond Terms mean that (i) the final redemption date for the bonds will be postponed by 24 months to 15 February 2025, (ii) effective from 15 August 2022, 2 percent of the quarterly interest will be paid in cash to the bondholders and the remaining interest will be quarterly compounded and added to the nominal amount of the bonds, (iii) the US Subsidiaries will be entitled to enter into a credit facility agreement of up to USD 5 m, secured by collateral in the US Subsidiaries' inventory and (iv) OXE is allowed to create a secondary pledge over its business mortgages and over the shares in the US Subsidiaries in favour of the EIB. The EIB's Tranche A loan of EUR 4 m will also be extended by 6 months in order to become repayable after the corporate bonds with a new maturity date of 12 March 2025. In accordance with the terms of the Corporate Bonds, OXE Marine is restricted in what types of debt financing it may pursue but is allowed to finance its operations through certain types of short-term credit such as credit guarantees for accounts receivable provided by EKN ("Exportkreditnämden") pledged as collateral.

Note 22 Liabilities to finance institutions

In April 2019, OXE and the EIB agreed on a term sheet regarding a credit facility of up to EUR 14 m to finance up to 50% of the development of the OXE 300.

The credit facility is split into three conditional tranches of EUR 4 m (Tranche A), EUR 4 m (Tranche B) and EUR 6 m (Tranche C) and each loan under a Tranche would mature 5 years from disbursement. Tranches A and B is interest free, and carries warrants issued to the EIB corresponding to 15 % (at the time of the issuance of the warrants) of OXE's share capital on a Fully Diluted Basis in connection with drawdown of Tranches A and B. EIB has disbursed Tranches A and B of in total EUR 8 m to OXE. Tranche C has not been drawn down and is no longer available for disbursement. Tranche A and B mature on the 12th March 2025, after the maturity of the Corporate Bonds which are senior ranking.

Warrants

The EIB has received in total 28,091,521 warrants in OXE which, on the date hereof, entitles the EIB to subscribe for 31,882,809 shares in OXE, corresponding to 8.6% of OXE's share capital on a Fully Diluted Basis, 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.

Note 23 Share Warrants and Options

During 2019, employees and consultants were offered warrants at the price calculated according to Black & Scholes valuation model. The warrants were exercisable during the period from 1 December 2022 to 31 December 2022, where the holder of the warrant has the right to subscribe for a new share in the Company for each warrant at a price of SEK 4 per share. No warrants were exercised and the warrant program was closed.

On 28 June 2021, the Company entered into a new incentive program comprising of qualified employee stock options. All 3,050,000 options in the new incentive program 2021/2025 were transferred and the Company subscribed for all warrants of series 2021/2025:2 issued to secure the Company's delivery of shares in the program. The options have been transferred at a price of SEK 0.03 per option and can be used to subscribe for shares at the price of SEK 6 per share during three weeks' periods after the publication of the interim report for first, second and third quarter of 2025. As a condition of the incentive program, the employees need to remain employed in the Company. As a result, at 31 December 2023, 625,000 out of the 3,050,000 options issued remain active.

On 16 February 2022 the Company entered into a new incentive program comprising of qualified employee stock options. All 1,856,492 options in the new incentive program 2022/2025 were transferred and the Company subscribed for all warrants of series 2022/2025 issued to secure the Company's delivery of shares in the program. The options have been issued at a price of SEK 0.03 per option and can be used to subscribe for shares at a price of SEK 3.50 per share during a subscription period of 1 month falling 36 months after acquisition of the employee stock options. As a condition of the incentive program, the employees need to remain employed in the Company. As a result, at 31 December 2023, 464,123 out of the 1,856,492 options issued remain active.

Note 24 Liabilities to finance institutions

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Working capital facility	6 025	-	-	-
	6 025	-	-	-

The Company has a working capital facility of USD 5.5m (SEK 55.2m) via its wholly owned US subsidiary, OXE Marine Inc. During 2023 OXE Marine Inc. made a drawdown of USD 0.6 m (SEK 6.0 m) on the working capital facility. The facility is on demand, open-ended and subject to a monthly borrowing basis, guaranteed by Powersports Plus LLC (the largest shareholder of OXE Marine AB, through its subsidiaries PSP Stockholm AB). The net eligible borrowing base is calculated as the sum of 80% of the net eligible accounts receivable and 50% of the net eligible inventory in OXE Marine Inc. The interest rate on the facility is Secured Overnight Financing Rate (SOFR) plus 2.65%.

Note 25 Accrued expenses and deferred income

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Accrued wages & holiday pay	5 260	4 373	5 020	4 050
Accrued social costs	1 568	1 273	1 568	1 273
Other accrued expenses	7 963	9 515	7 631	5 249
	14 791	15 161	14 219	10 572

Not 26 Non-cash items

	Consolidated		Parent Company	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Depreciation	29 646	30 250	24 790	26 160
Capital gains, fixed assets	-1 211	-12	-	-12
Change in provisions	1 410	1 060	1 410	1 060
Other non-cash items	915	-3 908	-997	-4 021
	30 760	27 390	25 203	23 187

Not 27 Significant events after the financial year

OXE Marine AB (the “Company”) announced the following significant events after the financial year:

- The company signed distributor agreement with SARJ in Sweden and Finland.
- The company signed distributor agreement with Bota Technik in Poland.
- The company received a purchase order worth 0,9MUSD from the U.S. department of state.
- The company continues expansion of dealer and OEM network in the US.

Signatures

Report signed by the Board of Directors, Ängelholm, at the date stated on the digital identification certificate found in the Swedish Annual Report.

Jonas Wikström
Chairman of the Board

Martin Polo
Board Member

Christian von Koenigsegg
Board Member

Jon Lind
Board Member

Paul Frick
CEO

Our audit report was submitted and signed by BDO Mälardalen AB, at the date stated on the digital identification certificate found in the Swedish Annual Report.

Carl-Johan Kjellman
Authorised auditor

Definitions of Key Business Ratios

Net turnover
Main operating revenues and other revenue net of warranty costs, discounts and credit notes.
Gross Margin/Gross Margin %
Net turnover less goods for resale. Gross margin (%) is the calculated gross margin expressed as a percentage of net turnover.
EBITDA
Earnings before interest tax, depreciation and amortization and after the capitalization of research and development and patent costs. EBITDA includes other income and expenses attributable to currency revaluations of operating expenses.
Profit/loss after financial items
Profit/loss 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.
Operating margin (%)
Operating profit/loss in relation to net turnover.
Return on equity (%)
Profit/loss for the year in relation to average equity.
Equity/assets ratio (%)
Adjusted equity (equity and untaxed reserves with deductions for deferred tax) as a percent of the balance sheet total. This is to show the Company's long-term solvency.
Earnings Per Share, Basic ("EPS")
Net Profit/Loss for the period to average number of shares outstanding as at 31 December 2023. The average number of shares during the period 1 Jan – 31 Dec 2023 amounted to 310 415 893. The total number of shares at the end of the period amounted to 333 268 067.
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 31 December 2023 was 365 246 542.

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.

NOTE: The English version is a translation of the Swedish version, for any inconsistencies in the translation refer to the Swedish version.

For further information, please contact:
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Jonas Wikström, Chair of the Board, jonas.wikstrom@oxemarine.com, +46 70-753 65 66

Certified Adviser
FNCA Sweden AB is certified advisers for OXE Marine AB (publ).

AUDITOR'S REPORT

To the general meeting of the shareholders of OXE Marine AB
Corporate identity number 556889-7226

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of OXE Marine AB for the year 2023.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 3-4. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.

• Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of OXE Marine AB for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

• has undertaken any action or been guilty of any omission which can give rise to liability to the company, or

• in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Stockholm according to date of electronic signature

BDO Mälardalen AB

Carl-Johan Kjellman

Authorized Public Accountant

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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