



# Interim Report

## January – September 2022

EKOBOT AB (publ)

Ekobot's mission is to contribute to the development of resource-efficient, sustainable agriculture and to create products and services that provide farmers with better opportunities to increase their food production while also reducing the amount of inputs in their crops.

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### **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, chemical pesticides. 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](http://www.ekobot.se). Augment Partners AB is the company's Certified Adviser.

## Financial information

### July – September 2022

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

- Net sales during the period totaled SEK 42 thousand (0).
- Net earnings for the period totaled SEK -3,057 thousand (-1,540).
- Earnings per share before dilution totaled SEK -0.86 (-0.65).
- Total assets at the end of the period totaled SEK 30,836 thousand (24,536).
- Cash and cash equivalents at the end of the period totaled SEK 2,370 thousand (12,747).

### January – September 2022

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

- Net sales during the period totaled SEK 214 thousand (0).
- Net earnings for the period totaled SEK -7,604 thousand (-5,559).
- Earnings per share before dilution totaled SEK -2.57 (-2.63).
- Total assets at the end of the period totaled SEK 30,836 thousand (24,536).
- Cash and cash equivalents at the end of the period totaled SEK 2,370 thousand (12,747).

## Significant events

### July – September 2022

- Almi Företagspartner Mälardalen continued to show confidence in the company and granted a SEK 2 million loan.
- The first indicative results from the year's field trials in Sweden were obtained in July. The results show that Ekobot's agricultural robot WEAI (autonomous weeder) greatly reduces the need for chemicals while also providing the farmer with the ability to increase productivity.
- In August, the company signed an agreement with a new, major Swedish company for the delivery of Ekobot's WEAI autonomous weeder. Under the agreement, delivery of the order valued at SEK 900,000 will take place during the 2023 growing season.
- In September, Almhaga Gård, the southern Swedish onion producer, carried out a large-scale test of the Ekobot robot in their onion crop.
- On September 23, Ekobot concluded an agreement with Kapitalpartner to support the establishment and growth of field robots in the Danish market.
- Ekobot is one of six companies in Agtech and Food tech selected to represent Sweden and meet American Agtech investors in Silicon Valley during the Nordic-US Food Summit in November this year.

## January – June 2022

- In February, the company submitted a patent application to the European Patent Office for a tool carrier unit for autonomous agricultural vehicles.
- Ekobot signed letters of intent with three customers in the Netherlands.
- The company received an initial order for a pilot installation for a customer in the Netherlands.
- The Board resolved on a rights issue, which requires approval by an extraordinary general meeting.
- Ekobot has received an initial order for a pilot installation with one of Sweden's biggest vegetable growers.
- In April, the company was awarded project support of approx SEK 5.7 million from the Swedish Board of Agriculture.
- An extraordinary shareholders meeting held on April 20 resolved to conduct a proposed share issue.
- A rights issue was concluded on May 19, providing the company with SEK 9.3 million before issue expenses.

## Significant events after the end of the period

- The issue price for exercising the T02 series warrants was set at SEK 2.57 per share, and with 47% of the program exercised, the company was provided with approx SEK 700 thousand before issue expenses.
- In October, the company will conclude a contract with a new customer in the Netherlands for the delivery of Ekobot's WEAI autonomous weeder for the 2023 growing season.
- On October 23 and with the authorization of Ekobot's AGM of May 12, 2022, Ekobot's Board resolved to carry out a Directed share issue of 474,934 shares to strategic investor Navus Ventures. The issue price was SEK 5.00 per share, corresponding to a discount of around 4.6 percent compared to the Nasdaq First North Growth Market closing price of October 21, 2022 and a premium of around 58.7 percent compared to the volume-weighted average price (VWAP) for the company's shares on Nasdaq First North Growth Market during the period from October 10, 2022 through October 21, 2022. The issue provided the company with SEK 2.4 million before issue expenses.



## A word from the CEO

**In a market undergoing great change, it's difficult for a developing company with innovative, untested products to keep every promise. The uncertainty factors are often numerous even under normal market conditions. Add to this widespread unrest, inflation, component shortages and general, severe price rises and it becomes almost impossible for a developing company to progress according to plan. But don't get me wrong, 'keeping one's promises' is naturally just another way of saying that as a developing company we must stick to the goals and milestones we have committed to and communicated to the market. Which is precisely what Ekobot did with such great success during the third quarter of 2022.**

### Success and frustration

New customer agreements, verified technology, successful field tests and breakthroughs into new markets are just some of our achievements during the year and the quarter. But being listed on an exchange that according to many was experiencing the worst financial situation in 15 years was frustrating, to say the least. Ekobot's share price and the capitalization the company undertook in 2022 reflected our successes poorly and fell short of our actual capital requirement to meet rapidly rising demand from the market.

### Excellent implementation

As CEO, I personally find discussing the company's development with initiated shareholders very rewarding. I consider it a learning process for both parties, and as CEO I often gain a good picture of how well we are accomplishing what our shareholders expect of us. And hopefully our shareholders get a fair and balanced picture of the challenges and opportunities facing the company. It was especially rewarding to hold such discussions with initiated shareholders during the third quarter. I've heard people say "you really do achieve the things you say you will achieve" a great many times, which is naturally very gratifying.



Our marketing efforts were also successful in Sweden, where we began our first Swedish customer installation in May. We concentrated mainly on field demonstrations, where interest among customers, partners and the press was high. As with the Netherlands, Swedish customers express an urgent need to invest in new robotics to keep pace with the banning of chemical pesticides in the cultivation of vegetables.

### New customer agreements

I can reflect on a quarter with several new customer contracts in both Sweden and the Netherlands. With the successful conclusion of these contracts, I'm able to declare that we've truly succeeded with our commercial breakthrough in the Dutch and Swedish markets where there is currently rapidly increasing demand for Ekobot's type of robotics. I can also declare that ours is an incredibly skillful team that truly deserves the great trust and confidence shown in us by the customers we meet.



During this year's marketing efforts we came in contact with our Danish dealers and customers. The great interest they've shown has naturally provided us with greater focus on the Danish agricultural robot market. Denmark is also home to two of our colleagues in the industry – Agointelli and Farmdroid. They've done a fabulous job opening up the Danish agricultural robot market.

### **Ekobot is revolutionizing developments**

I can verify that Ekobot is truly helping to revolutionize the development of artificial intelligence and robotics in the farming sector. Our solution lets us help our customers solve challenges such as increasing fuel prices, prohibitions on chemical usage, labor shortages and high labor costs.

Ekobot's robots have been shown to provide more benefits when compared to e.g. manual labor in organic farming. Our robots provide greater accuracy and efficiency, better reliability and lower operating costs, and over time, improved productivity. Naturally, this is also the reason our customers decide to adopt our robots and why automation plays an incredibly important role in sustainable, profitable productivity improvements.



### **New strategic owner, new conditions**

I have great pleasure in announcing that our persistent marketing efforts, our technology and our offer have impressed some of the biggest players in farming technology. In a press release dated October 25 this year, I was able to present a new long-term strategic Ekobot owner. The announcement that Navus Ventures had become a new major owner constitutes one of the company's biggest milestones since its founding. We now have a long-term strategic owner that intends to lead the capitalization of the company moving forward and actively contribute to its development. This will provide Ekobot with an enormous opportunity to take its place as one of Europe's leading companies in the field robot segment. Navus Ventures, our new major shareholder, is the Lely family's investment arm. Lely has extensive, solid experience in the agricultural sector. It is based in the Netherlands, which is one of Ekobot's most important markets in the short term.



Västerås, November 17, 2022

*Erik Jonuks,*  
CEO Ekobot AB (publ)

## Ekobot's operations

### Vision and technology

Ekobot has a vision of becoming Europe's leading company within autonomous agricultural robots and aims to be agriculture's go-to supplier of advanced weed management services and decision support. The company was founded with the ambition of enabling agriculture to produce more food with fewer resources and seeks to position itself as a long-term sustainable alternative to conventional chemical crop spraying – all aimed at tomorrow's agriculture.

Ekobot conducts operations based on the business concept of developing, manufacturing and selling agricultural robots that enable efficient precision farming, where e.g. weed management takes place entirely without, or with minimal use of, herbicides. 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 is based on the customer paying for products as a service through leasing agreements that last 36 months.*

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:

- **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 analyze





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.

*Ekobot's robot system collects and analyzes data from the field, which forms the basis for a decision support system for the agricultural sector.*

### 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% CO<sub>2</sub> neutral.



*Ekobot's robot system is a reliable solution that increases productivity while also contributing to sustainability through lower consumption of fossil fuels and chemicals.*



- **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.

## Commercialization strategy

Ekobot's strategy is to build a scalable system that will initially focus on weed management for a few strategically selected crops, with onions as the first. The company will develop the system to handle several different crops and plans to begin a process with the aim of adding functions for analysis, harvesting and seeding. The main focus of its marketing activities will be on the outdoor growing markets in Sweden and the Netherlands.

All market activity will be led by an Ekobot team in Sweden, and recruitment of experienced sales and marketing staff will be carried out to promote commercialization. Ekobot's intention is to begin selling robots without the assistance of external partners.

Following this, the plan is to expand through dealers and distributors. In this way, the aim is to create a network of logistics, installation, training and service partners across Europe.



## Market overview and market drivers

### Driving forces, robotics in agriculture – a paradigm shift

Today, farmers constantly have 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.



*A new technological paradigm shift is needed in the agricultural sector. Ekobot combines robotized precision interventions in agricultural land using data analysis and decision support services, thus offering a technology shift away from today's heavy mechanized agriculture.*

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 highly traceable food. 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 data-driven 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 artificial intelligence (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 with implementing databased 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 2022	July-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Net sales	42	0	214	0	0
Operating loss	-2,828	-1,470	-6,428	-5,356	-6,796
Earnings for the period	-3,057	-1,540	-7,604	-5,559	-7,067
Earnings per share before dilution, SEK	-0.86	-0.65	-2.57	-2.63	-3.24
Total assets	30,836	24,536	30,836	24,536	26,826
Cash and cash equivalents	2,370	12,747	2,370	12,747	9,004
Equity/assets ratio (%)	49.7	68.6	49.7	68.6	57.1
Average number of shares before dilution	3,535,450	2,374,670	2,955,060	2,116,337	2,180,920
Average number of shares after maximum dilution	4,425,840	2,937,170	3,705,672	2,549,670	2,646,545
Average number of employees	7	5	6	6	6

See definitions below.

### Revenue and earnings

During the quarter, the company reported net sales of SEK 42 thousand (0). The corresponding figure for the period January to September is SEK 214 thousand (0). During the first quarter of 2022, the company concluded agreements in respect of pilot installations in Sweden and the Netherlands. The sales in the amount of SEK 214 thousand relate to these agreements. Sales increased during the period's third quarter by SEK 42 thousand. Further sales agreements have been concluded during the current quarter.

Other revenues during the third quarter totaled SEK 53 thousand (134) in respect of currency gains and grants. Other revenues during the period January to September totaled SEK 442 thousand (134), and consisted mainly of currency gains. SEK 14 thousand (34) was received in government support for increased sick pay expenses during the first six months of 2022. These have reduced capitalized expenditures for development work.

The operating loss during the third quarter of 2022 totaled SEK -2,828 thousand (-1,470) and SEK -6,428 thousand (-5,356) for the period January to September. Sales and administration expenses for the third quarter totaled SEK -1,504 thousand (-1,450), while the corresponding figure for the first nine months was SEK -5,180 thousand (-4,996). Sales and administration expenses have increased this year due mainly to higher marketing costs and other market activities. Research and development costs increased year-on-year by SEK 1,254 thousand during the third quarter, with 92% of the increase attributable to the impairment of two field robots booked as tangible assets. These robots were built in-house, and it has since been determined that they can be produced at lower cost and on a greater scale. Because this is a natural part of every product development process and is essentially positive, the original book value was depreciated by a total of SEK 1,149 thousand.

The number of employees as of September 30, 2022 was six (five). The Covid pandemic continues, even though the restrictions have been removed. The company continues to take the necessary measures to limit any negative impact on its operations. The pandemic continues to cause long delivery times for many components, which is a challenge for the company.

Earnings per share before dilution totaled SEK -0.86 (-0.65) for the quarter and SEK -2.57 (-2.63) for the period January to September 2022.

### Financial position

At the end of the period, shareholder equity totaled SEK 15,318 thousand (16,826) and the equity/assets ratio was 49.7 percent (68.6).

Cash and cash equivalents at the end of the period totaled SEK 2,370 thousand (12,747). During the second quarter, the company carried out a rights issue that raised SEK 9,286 thousand before issue expenses. Issue expenses totaled SEK 1,682 on closing date. A total of 1,160,078 shares were issued and the share capital increased to SEK 1,237 thousand. An option program, T02, totaling 580,390 options was also initiated in conjunction with the issue. Because the warrants did not meet the spread requirement necessary for listing, they were not admitted to trading on Nasdaq First North Growth Market.

The Board considers the Company's available funds and equity as of September 30, 2022, together with the payment via warrants (T02) in October, to be insufficient to cover the liquidity necessary for conducting the business over the next 12 months. Financing risk also increased during the year with regard to the prevailing financial climate and geopolitical unrest. In light of this, the Board is working on possible alternative financing and managing the situation by preparing new share issues in good time. Also in October, and with the authorization of Ekobot's AGM of May 12, 2022, Ekobot's Board resolved to carry out a Directed share issue of 474,934 shares to strategic investor Navus Ventures. The issue provided SEK 2.4 million before issue expenses. The company is also in a position to reprioritize operations and adjust costs and expenditures based on the capital in the company.



## Cash flow and investments

Cash flow from operating activities including changes in working capital for the third quarter totaled SEK -3,206 thousand (-2,285). The corresponding cash flow for the period January to September 2022 totaled SEK -7,921 thousand (-4,976).

Cash flow from investing activities totaled SEK -1,620 thousand (-1,577) during the third quarter. The company continued its intensive development activities during the quarter, and they are progressing steadily. The corresponding cash flow from investing activities for the period January to September 2022 totaled SEK -13,123 thousand (-3,854). In all, capitalized development costs during the third quarter increased by SEK 1,544 thousand (1,551). Investment in the patent portfolio for the corresponding period totaled 76 thousand (0). Altogether, capitalized development costs during the period January to September of 2022 increased by SEK 9,672 thousand (3,571). Investment in the patent portfolio for the corresponding period totaled SEK 248 (138). Capital expenditures for property, plant and equipment during the third quarter of 2022 totaled SEK 0 thousand (26) and SEK 3,203 thousand (180) for the period January to September. The biggest material investments during the interim period in 2022 consisted of two proprietary field robots.

Cash flow from financing activities totaled SEK 2,014 thousand (-43) during the third quarter of 2022, and for the period January to September, the corresponding amount is SEK 14,410 thousand (20,303). The biggest item consists of newly raised loans totaling SEK 14,375 thousand (0) and the rights issue carried out during the second quarter which brought in SEK 9,286 thousand before issue expenses. Loans were also amortized in the amount of SEK 23 thousand (18) during the third quarter and SEK 7,569 thousand (80) during the first nine months of 2022. Listing on the Nasdaq First North Growth Market took place during the first quarter of 2021 and the issue brought in proceeds of SEK 20.5 million before issue expenses.

## Related party transactions

No related party transactions took place during the period.

## 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 BFAR 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.

Financing risk is deemed to have increased during the period with regard to the prevailing financial climate with high inflation and rising interest rates, etc. The current geopolitical unrest also contributes to an increase in this risk. Other 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 consists mainly of currency risks. This risk is very low at present, as most payment transactions are in Swedish kronor. However, sales agreements are concluded in euros. 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. However, having said that, we must highlight the challenge we now note from a very tough capital market climate. 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, and even though restrictions have been removed, society remains affected, and the company has taken the measures necessary to protect employees and limit any negative impact on its operations. The biggest risk currently identified concerns long hardware delivery times due to a global component shortage. Because the company is in a commercialization phase that includes the challenge of scaling up production, this risk is substantial.

The company has a relatively small organization, although its contact network is large. However, this means a degree of vulnerability exists with regard to key individuals. As the company grows, this risk will decrease.

The current unrest around the world will affect us all. Precisely how things will develop and how they will affect the company is difficult to predict today. The war in Ukraine has not directly affected business in any way, but it may have an indirect negative effect on delivery times. Developments in the financial market have been weak. The general economic climate, both national and international, will be a challenge for every company moving forward. High inflation will also mean higher prices and increased costs. The company is very cost-conscious and continues to focus on prioritizing between activities.

## Cross reference with alternative KPIs

SEK thousand

	09/30/2022	09/30/2021	12/31/2021
Total equity at the end of the period	15,318	16,826	15,318
Total assets at the end of the period	30,836	24,536	26,826
<b>Equity/assets ratio (%):</b>	<b>49.7%</b>	<b>68.6%</b>	<b>57.1%</b>

## Financial calendar

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

Year-end report for the period October–December 2022	March 1, 2023
Annual Report 2022	April 12, 2023
Interim report for the period January–March 2023	May 6, 2023
Annual General Meeting	May 12, 2023
Interim report for the period April–June 2023	August 25, 2023
Interim report for the period July–September 2023	November 17, 2023

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

## Nomination committee

Ekobot's nomination committee for the 2023 Annual General Meeting (AGM) was appointed in accordance with the principles specified by the AGM of May 12, 2021 and comprises: Tord Cederlund, own holding, as chairman, Ulf Nordbeck, own holding, Jens Lagergren, appointed by Unibap AB (publ) and as co-opted, Chairman of the Board Thomas Lindgren.



The results from Ekobot's field trials shows remarkably big differences between a lack of weed control (image on the right) and weeding using the Ekobot WEAI autonomous weeder system.

## 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 September 30, 2022 totaled 3,535,450. The number of company shares increased by 1,160,780 in conjunction with the rights issue carried out during the second quarter. A total of 116,078 units were issued, with each unit consisting of ten shares and five warrants. The quota value per share is SEK 0.35. The 465,000 options issued in conjunction with the listing on Nasdaq First North Growth Market in March 2021, have expired. The number of shares at full dilution of outstanding warrants was 4,213,340 as of September 30, 2022. The series T02 share warrants issued during the second quarter had an exercise period from October 3–14 during which a total of 271,980 warrants were exercised. This means that the number of shares after the closing date increased by 271,980 to 3,807,403 and that share capital increased by SEK 95,193 to total SEK 1,332,600.50.

### Owners as of September 30, 2022

#### The ten largest shareholders as of September 30, 2022

Shareholder	Number of shares	Capital and votes
Nordbeck, Ulf	508,420	14.38%
Cederlund, Tord	254,430	7.20%
Unibap AB	167,000	4.72%
Formué Nord Marknadsneutral A/S	125,274	3.54%
Linus Larson Holding i Uppsala AB	124,600	3.52%
Avanza Pension	121,882	3.45%
Gullberg, Karl	116,022	3.28%
Avanza Pension	95,088	2.69%
Säll, Gunnar & Sällsam Aktiebolag	100,072	2.83%
Dahlström, Christer with company	100,038	2.83%
Lindgren, Thomas	81,617	2.31%
<b>The 10 largest owners</b>	<b>1,699,355</b>	<b>48.07%</b>
Others	1,836,095	51.93%
<b>TOTAL</b>	<b>3,535,450</b>	<b>100.00%</b>

Ulf Nordbeck is the founder of Ekobot and is still active as a Member of the Board.



## Share-based 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](http://www.ekobot.se).

In conjunction with the listing on March 15, 465,000 units were issued, each consisting of two shares and one option. While the series T01 warrants could be exercised for the subscription of shares during the period April 19 – May 3, 2022, this was not done.

In conjunction with the rights issue during the second quarter of 2022, 116,078 units were issued, each consisting of 10 shares and 5 options. The exercise period for the series T02 warrants was October 3–14, during which 271,980 warrants of a possible total of 580,390 were exercised. As a result, share capital increased by SEK 95,193 to SEK 1,332,600.50, while the number of shares increased from 3,535,450 to 3,807,430. The company received around SEK 700 thousand before issue expenses. During the second quarter of 2022, a convertible instrument in the amount of SEK 3 million was also issued in conjunction with the rights issue. This entitles subscription at a price of SEK 9.60 and falls due on April 27, 2023.

There will be a maximum dilution effect of 22 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, 2022

Thomas Lindgren  
Chairman of the Board

Mattias Jansson  
Board member

Sina Vosough  
Board member

Ulf Nordbeck  
Board member

Victora Woyland  
Board member

Erik Jonuks  
CEO

This interim report has not been subject to review by the company's auditors.

For further information, please visit [www.ekobot.se](http://www.ekobot.se) or contact:

Erik Jonuks, CEO

email: [erik.jonuks@ekobot.se](mailto:erik.jonuks@ekobot.se)

Augment is the Company's Certified Advisor.

Augment Partners AB  
+46 8-604 22 55  
[info@augment.se](mailto:info@augment.se)  
Eriksbergsgatan 8A  
SE-114 30 Stockholm  
Sweden

## Income statement

Amount in SEK thousand	July-Sep 2022	July-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Net sales	42	0	214	0	0
<b>Operating expenses</b>					
Selling and administrative expenses	-1,504	-1,450	-5,180	-4,996	-6,533
Research and development costs	-1,408	-154	-1,827	-491	-667
Other operating income	53	134	442	134	419
Other operating expenses	-11	-0	-77	-3	-15
	-2,870	-1,470	-6,642	-5,356	-6,796
<b>Operating loss</b>	<b>-2,828</b>	<b>-1,470</b>	<b>-6,428</b>	<b>-5,356</b>	<b>-6,796</b>
<b>Loss from financial items</b>					
Interest expenses and similar loss items	-229	-70	-1,176	-203	-271
<b>Loss after financial items</b>	<b>-3,057</b>	<b>-1,540</b>	<b>-7,604</b>	<b>-5,559</b>	<b>-7,067</b>
<b>Loss before income tax</b>	<b>-3,057</b>	<b>-1,540</b>	<b>-7,604</b>	<b>-5,559</b>	<b>-7,067</b>
Tax on current year earnings	-0	-0	-0	-0	-0
<b>Earnings for the period</b>	<b>-3,057</b>	<b>-1,504</b>	<b>-7,604</b>	<b>-5,559</b>	<b>-7,067</b>
Earnings per share before dilution, SEK	-0.86	-0.65	-2.57	-2.63	-3.24
Earnings per share after dilution, SEK	-0.86	-0.65	-2.57	-2.63	-3.24
Average number of shares before dilution	3,535,450	2,374,670	2,955,060	2,116,337	2,180,920
Average number of shares after dilution	4,525,840	2,937,170	3,705,672	2,549,670	2,646,545

## Balance sheet

Amount in SEK thousand	09/30/2022	09/30/2021	12/31/2021
<b>ASSETS</b>			
<b>Fixed assets</b>			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development work	21,966	9,478	12,294
Patents	368	191	178
	<b>22,334</b>	<b>9,669</b>	<b>12,472</b>
<i>Fixed assets</i>			
Equipment and tools	2,202	194	183
	<b>2,202</b>	<b>194</b>	<b>183</b>
<b>Total assets</b>	<b>24,536</b>	<b>9,863</b>	<b>12,655</b>
<b>Current assets</b>			
<i>Inventory, etc.</i>			
Finished goods and merchandise	487	0	410
Advance to supplier	0	0	2,192
	<b>487</b>	<b>0</b>	<b>2,602</b>
<i>Current receivables</i>			
Accounts receivable	0	242	1
Other current receivables	1,663	619	990
Prepaid expenses and accrued income	1,780	1,065	1,574
	<b>3,443</b>	<b>1,926</b>	<b>2,565</b>
<i>Cash and cash equivalents</i>			
	2,370	12,747	9,004
<b>Total current assets</b>	<b>6,300</b>	<b>14,673</b>	<b>14,171</b>
<b>TOTAL ASSETS</b>	<b>30,836</b>	<b>24,536</b>	<b>26,826</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital	1,237	831	831
Development expenditure fund	21,967	9,478	12,294
	<b>23,204</b>	<b>10,309</b>	<b>13,125</b>
<i>Non-restricted equity</i>			
Share premium reserve	34,149	26,951	26,951
Loss brought forward	-34,431	-14,875	-17,691
Earnings for the period	-7,604	-5,559	-7,067
	<b>-7,886</b>	<b>6,517</b>	<b>2,193</b>
<b>Total equity</b>	<b>15,318</b>	<b>16,826</b>	<b>15,318</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions	7,969	5,055	4,586
<b>Total non-current liabilities</b>	<b>7,969</b>	<b>5,055</b>	<b>4,586</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	3,952	82	530
Trade accounts payable	843	788	2,931
Tax liabilities	22	49	50
Other current liabilities	194	175	2,267
Accrued expenses and deferred income	2,538	1,561	1,144
<b>Total current liabilities</b>	<b>7,549</b>	<b>2,655</b>	<b>6,922</b>
<b>Total liabilities</b>	<b>15,518</b>	<b>7,710</b>	<b>11,508</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>30,836</b>	<b>24,536</b>	<b>26,826</b>



## 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 January 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		6,387		-6,387		0
Loss for the year					-7,067	-7,067
Closing balance as of December 31, 2021	831	12,294	26,951	-17,691	-7,067	15,318
Opening balance as of January 1, 2022	831	12,294	26,951	-17,691	-7,067	15,318
Allocation of earnings				-7,067	7,067	0
New share issue	406		8,880			9,286
Issue expenses			-1,682			-1,682
Active development expenditures for the period		9,673		-9,673		0
Earnings for the period					-7,604	-7,604
Closing balance as of September 30, 2022	1,237	21,967	34,149	-34,431	-7,604	15,318

## Cash flow statement

Amount in SEK thousand	July-Sep 2022	July-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
<b>Operating activities</b>					
Operating loss	-2,828	-1,470	-6,428	-5,356	-6,796
Adjustments for items not included in cash flow:					
Depreciation	36	22	92	54	78
Impairments	1,149	0	1,149	0	0
Interest paid	-229	-70	-1,176	-203	-271
<b>Cash flow from operating activities before change in working capital</b>	<b>-1,872</b>	<b>-1,518</b>	<b>-6,363</b>	<b>-5,505</b>	<b>-6,989</b>
<b>Change in working capital</b>					
Change in inventory etc.	0	0	2,115	0	-2,602
Change in operating receivables	-404	-54	-878	-349	-987
Change in operating liabilities	-930	-713	-2,795	878	4,695
<b>Net flow from operating activities</b>	<b>-3,206</b>	<b>-2,285</b>	<b>-7,921</b>	<b>-4,976</b>	<b>-5,883</b>
<b>Investing activities</b>					
Acquisition of intangible fixed assets	-1,620	-1,551	-9,920	-3,674	-6,489
Acquisition of equipment and tools	0	-26	-3,203	-180	-180
<b>Cash flow from investing activities</b>	<b>-1,620</b>	<b>-1,577</b>	<b>-13,123</b>	<b>-3,854</b>	<b>-6,669</b>
<b>Financing activities</b>					
New share issue incl. transaction expenses	37	-25	7,604	17,754	17,754
Warrants	0	0	0	29	29
Amortization of loan	-23	-18	-7,569	-80	-101
New loans	2,000	0	14,375	2,600	2,600
<b>Cash flow from financing activities</b>	<b>2,014</b>	<b>-43</b>	<b>14,410</b>	<b>20,303</b>	<b>20,282</b>
<b>Cash flow for the period</b>	<b>-2,812</b>	<b>-3,905</b>	<b>-6,634</b>	<b>11,473</b>	<b>7,730</b>
Cash and cash equivalents at the beginning of the period	5,182	16,652	9,004	1,274	1,274
<b>Cash and cash equivalents at the end of the period</b>	<b>2,370</b>	<b>12,747</b>	<b>2,370</b>	<b>12,747</b>	<b>9,004</b>

Ekobot AB (publ)  
Corp. ID. No. 559096-1974

Telephone: +46 (0) 70 385 08 90  
[erik.jonuks@ekobot.se](mailto:erik.jonuks@ekobot.se)

