

Interim report

1 MAY 2023–31 JULY 2023

GOOBIT  group



GOOBIT GROUP, INTERIM REPORT

OVERVIEW FINANCIAL RESULTS FOR GOOBIT GROUP AB (PUBL) ("THE COMPANY" OR "GOOBIT")

Q1, 1 MAY 2023–31 JULY 2023

– COMPARED WITH THE CORRESPONDING PERIOD OF THE PREVIOUS YEAR –

- Net sales amounted to 21.5 MSEK (24.9). The decrease is primarily due to the termination of banking services in mid-December 2021, which resulted in lower exchange volumes.
- Operating profit amounted to -3.1 MSEK (-5.7). The period includes lawyer costs attributable to the ongoing Swedish Financial Supervisory Authority, which are considered non-recurring.
- Income after financial items amounted to -3,1 MSEK (-5.7).
- Earnings per share before and after dilution amounted to -0.02 SEK (-0.04).

Important Events During the Period

- In May 2023, Goobit acquired the assets of Snowbank AB (BTCSE), a well-regarded Swedish bitcoin exchange service registered with the Financial Supervisory Authority. The acquisition includes BTCSE's brand, technology, and customer base which will be integrated into Goobit Group's operations.
- Goobit has decided to sell Nova Exchange's assets to strengthen its position as a dedicated bitcoin exchange. The sale opens new opportunities for Goobit to enhance its offerings, specifically BTCX, one of Europe's oldest and most trusted bitcoin exchanges, and AML Desk, a leading tool for complying with Anti-Money Laundering regulations in the crypto industry.
- The Swedish Financial Supervisory Authority ("SFSA") has concluded its investigation of Goobit, which began in October 2021. According to the SFSA, Goobit has had shortcomings in its work against money laundering and terrorist financing which the company swiftly corrected. The SFSA has ordered Goobit to pay a sanction fee of 2 MSEK. Goobit has decided to appeal the penalty fee.

Important Events After the Period

- In August, Goobit announced the appointment of lawyer and current board member, Jan Tibbling, as Money Laundering Reporting Officer and regular board member of its subsidiary Goobit AB. This strategic decision underlines the company's commitment to stringent regulatory compliance and further strengthens its governance structures.

Shareholder letter

Fellow Shareholders and Bitcoin believers,

The journey we embarked on at Goobit Group, or the one I described in my previous letter discussing our quarter achievements, will take multiple quarters or possibly years to unfold. Just like Bitcoin, we, the world's oldest still-operational Bitcoin exchange, are here for the long game. As the saying goes within the Bitcoin community when discussing the potential for Bitcoin adoption, 'we're still early.' Therefore, in that sense, even more opportunities lie ahead for Goobit Group.

In this first quarter, we continued to integrate the brand, technology, and customer base of Snowbank AB (BTCWE), a trusted Swedish Bitcoin exchange service, into our business, further strengthening our market position. Our BTCX link is already on Snowbank's website, and traffic is starting to increase.

Also, it is important to remember what differentiates Bitcoin companies from other market actors. The success of one Bitcoin company is beneficial to all other Bitcoin companies, regardless of their jurisdiction. More adoption and increased Bitcoin purchasing power are the primary goals of all Bitcoin companies, and we are thus all incentivized to collaborate rather than compete.

More and more companies are realizing this, and synergetic relationships between all sorts of Bitcoin companies are becoming more common. BTCX and the Goobit group are focusing on tapping into this, and we're working actively to set up partnerships with a handful of promising global Bitcoin companies.

At the same time, we are working diligently to foster better mutual understanding with the Swedish banking industry. If we succeed, it will open up enormous growth opportunities for our business. I firmly believe that our new board member, Jan Tibbling, possibly the best Money Laundering Reporting Officer in the Nordics, will play his part in achieving this.

That said, inflation in Sweden remains elevated, and there are no signs that governments and central banks are becoming more responsible in addressing the long-term problems of our economies and societies. I believe that Bitcoin has great potential to bring about positive change in this regard.

It is not just a technical upgrade of our financial system or a sustainable economic model for global growth. It just happens to be our most powerful tool for ensuring world peace and aligning our incentives for creating a trustworthy global trade system for everyone.

The cost of starting a war today is extremely high, but by inflating the monetary supply, that cost is pushed upon future generations to pay. This technique has been widely used since 1971, when the US dollar left the gold standard with inflation accelerating as a result.

By investing in Bitcoin early and long term, you protect yourself from inflation, which many say is here to stay for years to come. It also makes it harder for states to hyperinflate their currency and start a war. The economic incentives become clear when you settle your indifference with trade and diplomacy instead of war. Furthermore, with no major actor being able to manipulate or benefit by owning the world currency money supply, the step towards a Bitcoin standard becomes easier. A circumstance which might be inevitable.

Hence, while this may seem pretentious to an outsider, our mission at Goobit is to set the world on a path toward peace and prosperity through Bitcoin adoption.



This was eloquently articulated by Knut Svanholm in his keynote speech at the Baltic Honeybadger conference, a Bitcoin-only event in Riga that took place in early September. In his talk, he compared the deadliest form of energy usage with perhaps the most peaceful: J. Robert Oppenheimer's discovery of the atomic bomb versus Satoshi Nakamoto's invention of Bitcoin.

Here are my main takeaways from that talk.

In the recent Nolan biopic about the father of the atomic bomb, Oppenheimer reasons that by constructing the biggest, deadliest bomb ever, he would contribute to world peace since no country would ever dare to attack another country again with the knowledge that doing so would, in all probability, be a suicidal move. He reasons that the whole world would be in a sort of perpetual "Mexican standoff." One could argue that wars are the consensus mechanism for our current financial system, which utilizes energy to keep it running in a somewhat predictable way.

While the true intentions of Satoshi Nakamoto are unknown, the incentive for world peace is global trade, where everyone can participate on equal terms and where no one stands to benefit over another. Everyone wins.

In summary, Oppenheimer might have been right in thinking that changing people's incentives by harnessing the power of physics is one way to achieve peace in the world. Science propels humanity forward, but powerful discoveries can also have devastating effects in the hands of the wrong people. Nakamoto discovered a way to remove those hands from the equation entirely.

Now, we have a choice, and perhaps Bitcoin is our best path to peace.

The markets go up and down, but Bitcoin keeps to its core functionality, and we have never lost faith in its long-term success. This is why the world's oldest BTC exchange, Goobit Group, wholeheartedly focuses on Bitcoin and no other cryptocurrencies.

Sincerely,

Christian Ander

Founder and CEO Goobit Group AB (publ)

Market outlook: BTC becomes scarcer

After a relatively calm summer season, the global Bitcoin market is seemingly starting to wake up again. A hint is the recent volatility in Bitcoin's price, as it has bounced quickly between highs and lows in the 25,000 to 30,000 dollar range in the last couple of weeks. The market is still waiting for the American authorities to approve a Bitcoin spot exchange-traded fund (ETF) and finally settling on what cryptoassets count as securities. As of now, the only coin that is likely not to get that derogatory label is Bitcoin. A question to ask is, when the regulatory framework finally settles, where is all the money in the altcoin space going to go? Since it is unlikely that the money would flow back into the legacy system, the likely scenario is that it will funnel into the Bitcoin economy.

Doctor Adam Back, the CEO of major Bitcoin infrastructure company Blockstream, recently made an exciting observation looking at blockchain data. There are now over a million Bitcoin addresses with around one whole Bitcoin in them. The suspected cause for this is people who have been

dollar-cost-averaging their way to owning a whole coin, which is a stacking target for many people. Now imagine what happens when the following million people aim for the same goal. Is that even possible? There will only ever be a little under 21 million bitcoins; arguably, most of those coins are already off the market. Moreover, more than five million coins are assumed to be lost forever, and the amount held by exchanges is rapidly declining. Two million people might not even be able to own a whole coin simply because of how scarce bitcoins are. Still, more people will try to become whole-coiners. As they do, bitcoins are poised to become vastly more expensive.

The future for the market seems to be bright and orange, and we cannot wait for what lies behind the corner, especially with the Bitcoin block reward halving coming up early next year, which will cut new BTC supply in half, making for new investors their 1 BTC goal even harder to achieve.



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The Group's Net Sales

Net sales for the period amounted to 21.5 MSEK (24.9), and like previously reported, it has been significantly negatively affected by Goobit no longer being able to offer Swish or similar payment solutions since mid-December 2021.

The Group's Operating Profit

Operating profit for the period amounted to -3.1 MSEK (-5.7). The decrease is primarily due to lost transaction revenues and thereby reduced gross profit. The operating profit for the period includes non-recurring costs for attorney expenses mainly concerning the Financial Supervisory Authority's review.

Financial Position and Liquidity

The balance sheet total for the Group as of July 31, 2023, amounted to 19.5 MSEK (38.5). The Group's equity at the end of the period amounted to 9.2 MSEK (27.9), and the solvency ratio stood at 47 percent (73). Liquid assets at the end of the period amounted to 4.1 MSEK (15.0).

Personnel

During the period, Goobit Group had an average of 5 (14) employees. In addition to this, the Company has several contracted consultants, primarily developers, who work on ongoing projects for the Company.

The Parent Company

The parent company's operating profit for the first quarter amounted to -0.6 MSEK (-2.0). The result after financial items amounted to -0.6 MSEK (-2.0).

The parent company's equity at the end of the period amounted to 20.2 MSEK (40.2), and the solvency ratio stood at 55 percent (69). Otherwise, the report's comments about the Group's development also apply to the parent company.

Significant events

- Goobit has during the first quarter acquired the assets of Snowbank AB (BTCSWE), a well-established Swedish bitcoin exchange service. The acquisition includes BTCSWE's brand, technology, and customer base, which will be integrated into Goobit's operations. The acquisition of the assets is of strategic importance to Goobit, but is not expected to have a significant impact on Goobit's short-term income. In the medium and long term, the platform's brand and market positioning are expected to generate increased revenues and trading volumes for the company.

- In a strategic move to strengthen its position as a dedicated bitcoin exchange, Goobit has sold Nova Exchange assets. The decision to sell Nova Exchange's assets is a natural step in Goobit's growth strategy, but also to reduce administrative overhead, leading to reduced costs for the company. The sale also opens new opportunities for Goobit to strengthen its product offerings, specifically BTCX, and the AML Desk, a leading tool for Anti-Money Laundering compliance in the crypto industry.
- In October 2021, the Financial Supervisory Authority ("SFSA") began its investigation of Goobit, during the first quarter the SFSA concluded its investigation and announced that Goobit had deficiencies in its work against money laundering and terrorist financing which the company swiftly had remediated. Therefore, SFSA has ordered Goobit to pay a sanction fee of 2 MSEK, the decision has been appealed because the fee is high and should be tried by a court.

Events after the end of the reporting period

- Goobit announces the appointment of lawyer and current board member, Jan Tibbling, as Money Laundering Reporting Officer (MLRO) and regular board member in Goobit AB. This strategic decision underlines the company's commitment to stringent regulatory compliance and further strengthens its governance structures.

Certified Adviser

Eminova Fondkommission AB is the Company's Certified Adviser. Contact: 08-684 211 10, adviser@eminova.se

The Stock

The Company's shares are traded on Nasdaq First North Growth Market under the ticker symbol BTCX and with ISIN code SE0015837752. The first day of trading was May 5, 2021. All shares carry equal voting rights and equal entitlement to the Company's profits and capital.

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Warrants

The Company has as of the date of Q1 2023/2024 report warrants below.

Program	2021/2024:2
Share increase:	845 724
Share capital increase:	8 457,24 SEK
Exercise period:	2024-09-01 – 2024-12-31
Dilution:	0,6%
Program	2021/2024:1
Share increase:	8 457 255
Share capital increase:	84 572,55 SEK
Exercise period:	2024-09-01 – 2024-12-31
Dilution:	6,0%
Program	2022/2025
Share increase:	7 238 232
Share capital increase:	72 382,32 SEK
Exercise period:	2025-09-01 – 2025-10-31
Dilution:	5,0% (disregarding 2021/2024 programs)

Ownership structure

The table below (page 7) shows the Company's largest shareholders according to the share register and the custodian register as of July 31, 2023, along with any known changes thereafter. In the beginning of September 2023 one mayor shareholder sold all its shares due to personal reasons. The shareholder is not included in the list below.

Significant risks and uncertainties

An investment in Goobit Group entails risks. Several factors affect, or may affect, the Company's operations directly or indirectly. For a more detailed description of significant risks and uncertainties, please refer to Goobit Group AB's Company Description, which is available on the Company's website and was published in connection with the listing.

Outlook

The company will continue to prepare for the implementation of the Markets in Crypto-assets Regulation (MiCA). The regulation aims to bring regulatory clarity to the crypto-assets market within the European Union (EU); this offers Goobit significant opportunities, particularly by enabling "passporting," which allows for the seamless provision of services across all European Economic Area (EEA) member states without the need for separate regulatory approvals in each jurisdiction. To this end, the

company has initiated the groundwork necessary to secure a MiCA license and is scheduled for discussions with the Swedish Financial Supervisory Authority (Finansinspektionen) in November of this year.

Based on the current market climate, growth trajectory, expansion opportunities, and ongoing contract discussions, the board assesses that the Company's cash position needs to be strengthened during the upcoming twelve-month period.

Dividend

The Board has decided to propose to the Annual General Meeting that no dividend be distributed to the shareholders.

Annual General Meeting

According to the Companies Act, the general meeting of shareholders is the highest decision-making body of the Company. At the general meeting, shareholders exercise their voting rights. The Annual General Meeting must be held within six months from the end of each financial year. The Ordinary Annual General Meeting will be held on Monday, October 17, 2023, in Stockholm. The board has decided to take action against its former CEO (active 2021-05-01 – 2021-11-15) in line with the outcome from the ordinary annual general meeting in 2022.

- Annual General Meeting: October 17, 2023
- Q2 Quarterly Report (August–October): December 15, 2023
- Q3 Quarterly Report (November–January): March 15, 2024
- Q4 Quarterly Report (February–April): June 15, 2024

Accounting principles

The Company applies the Annual Accounts Act and BFNAR 2012:1 Annual Financial Statements and Consolidated Financial Statements (K3) when preparing financial reports.

Contact Person:

Christian Ander, CEO, Goobit Group AB (publ), ir@goobit.se

Audit:

This financial statement communication has not been subject to review by the company's auditors.

The Board of directors
September 2023
Stockholm

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Shareholder	Number of shares	%	Last updated
Christian Ander	54 622 684	39,4%	2023-06-28
GBI Holding AB	20 578 365	14,9%	2023-06-28
Nordnet Pensionsförsäkring	6 994 003	5,0%	2023-06-28
Avanza Pension	4 367 377	3,2%	2023-06-28
Johan Karlsson	3 279 000	2,4%	2023-06-28
Investerum AB	2 141 920	1,5%	2023-07-31
Mickaela Aychouh	1 280 000	0,9%	2023-06-28
Michael Völter	1 020 000	0,7%	2022-12-27
Love Carlsson	730 275	0,5%	2023-06-28
Tomas Kronvall	656 000	0,5%	2023-06-28
Total topp-10	95 669 624	69,1%	
Others	42 870 703	30,9%	

The information in this interim report is the type of information that Goobit Group AB (publ) is required to disclose under the EU Market Abuse Regulation. The information is disclosed for publication on September 15, 2023, at 08:00 (CET) through the CEO's office.

Financial Statements

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Income statement, Group

Revenues (tSEK)	Q1 2023/2024	Q1 2022/2023	Full Year 2022/2023
Revenues	21 556	24 868	99 171
Exchange costs	-20 266	-22 190	-86 973
Gross profit	1 290	2 678	12 198
Operating expenses	-1 826	-4 022	-12 499
Personnel costs	-741	-2 574	-8 031
EBITDA	-1 277	-3 918	-8 332
Amortization/Depreciation	-1 797	-1 797	-7 351
EBIT	-3 074	-5 715	-15 683
Financial income	0	0	0
Financial expenses	-21	-18	-6 013
Result before tax	-3 095	-5 733	-21 696
Tax	0	0	-15
Results of the year	-3 095	-5 733	-21 711

Balance Sheet, Group

Fixed Assets (tsek)	2023-07-31	2022-07-31	2023-04-30
Intangible Assets	13 124	21 119	14 190
Tangible Assets	183	278	113
Total fixed assets	13 307	21 397	14 303
Long-term receivables			
Other financial assets	400	400	400
Total long-term receivables	400	400	400
Current assets			
Inventory	183	469	282
Other receivables	1 074	763	888
Accruals and deferrals	361	424	727
Cash and bank	4 134	14 996	4 217
Total current assets	5 752	16 653	6 114
TOTAL ASSETS	19 459	38 450	20 817
Equity			
Share capital	1 385	1 375	1 385
Other equity	7 822	26 529	10 916
Total equity attributable to parent company shareholders	9 207	27 904	12 301
Holdings without controlling influence	0	0	0
Total equity, Group	9 207	27 904	12 301
Long-term liabilities			
Total long-term liabilities	0	0	0
Total long-term liabilities	0	0	0
Current liabilities			
Accounts Payable	373	475	827
Other Liabilities	8 204	8 838	6 163
Tax liabilities	0	48	0
Accruals and prepaid	1 675	1 184	1 526
Total current liabilities	10 252	10 546	8 516
Total liabilities	10 252	10 546	8 516
TOTAL EQUITY AND LIABILITES	19 459	38 450	20 817

Cash flow, Group

Cash flow (tSEK)	Q1 2023/2024	Q1 2022/2023	Full Year 2022/2023
Cash flow from current operations	-2 606	-5 508	-16 674
Cash flow from Investment operations	3 488	-1 984	-445
Cash flow from financing operations	-3 984	-585	-1 683
Cash flow for the period	-3 102	-8 076	-18 802
Cash and bank at the end of the period	4 134	14 996	4 217

Changes in equity, Group

tSEK	Share capital	Other contributed capital	Other equity including profit for the year	Holdings without controlling	Total equity
Opening balance as of 1 May 2022	1 375	62 826	-30 565	0	33 636
New issue of shares					0
The result of the period			-5 733		-5 733
Closing balance as of 31 July 2022	1 375	62 826	-36 298	0	27 903
Opening balance as of 1 August 2022	1 375	62 826	-36 298	0	27 903
New issue of shares	10				10
Redeemed warrants		310			310
Warrants sold			44		44
The result of the period			-15 967		-15 967
Closing balance as of 30 April 2023	1 385	63 136	-52 221	0	12 301
Opening balance as of 1 May 2023	1 385	63 136	-52 221	0	12 301
New issue of shares					0
The result of the period			-3 095		-3 095
Closing balance as of 31 July 2023	1 385	63 136	-55 316	0	9 207

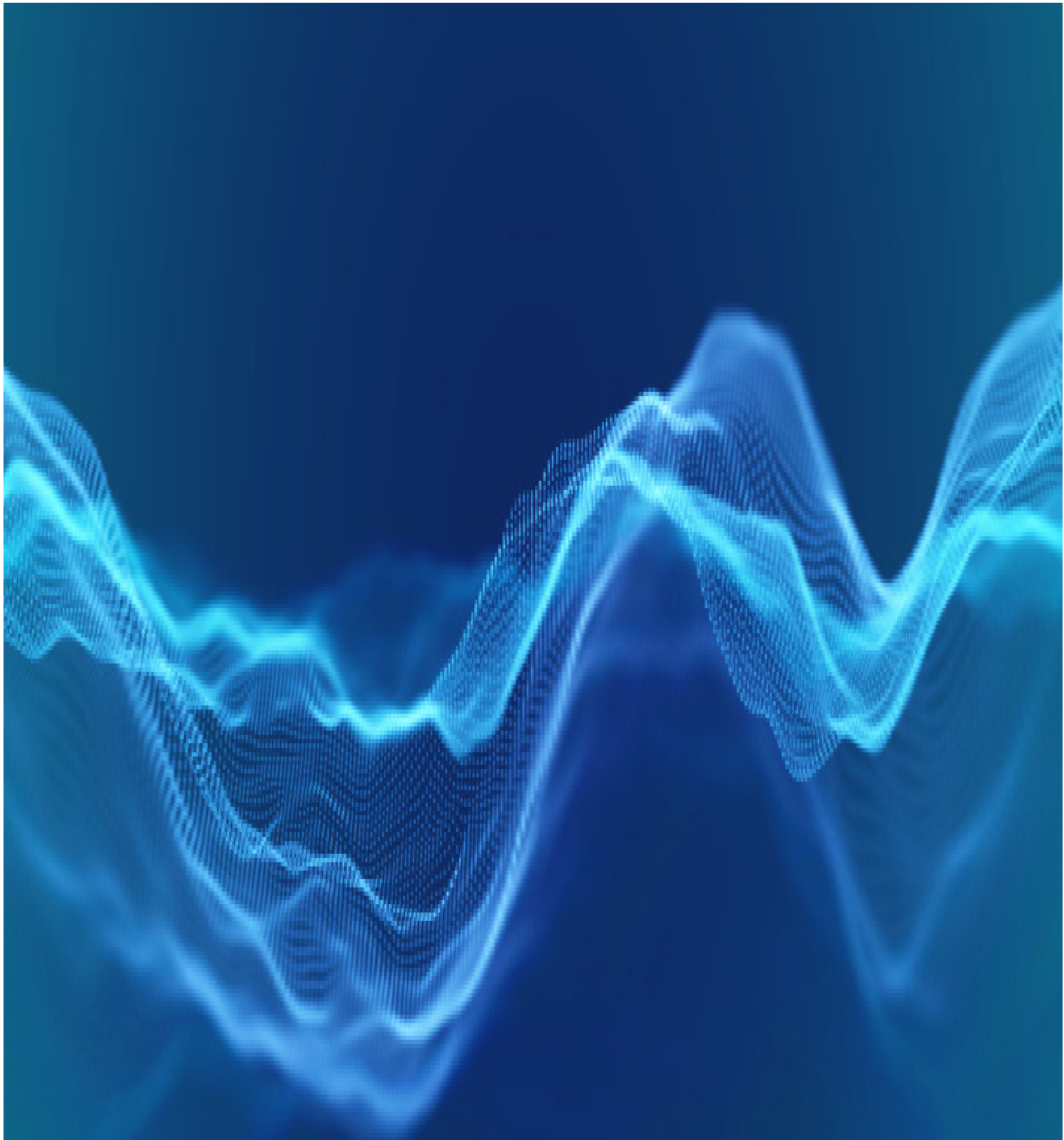
Income statement, parent company

tSEK	Q1 2023/2024	Q1 2022/2023	Full Year 2022/2023
Revenues	0	117	344
Revenues	0	117	344
Operating expenses	-471	-1 053	-3 191
Personnel costs	-178	-1 057	-3 589
EBITDA	-649	-1 993	-6 436
Amortization/Depreciation	0	0	0
EBIT	-649	-1 993	-6 436
Financial income	0	0	0
Financial expenses	0	0	-15 272
Result before tax	-649	-1 993	-21 708
Tax	0	0	0
Results of the year	-649	-1 933	-21 708

*All companies in the Group are part of a tax law commission where the result is collected in Goobit Group AB.

Balance sheet, parent company

Financial Assets (tSEK)	2023-07-31	2022-07-31	2023-04-30
Financial Assets			
Other financial assets	19 504	18 504	18 504
Total financial assets	19 504	18 504	18 504
Current assets			
Receivables, associated companies	21 468	37 383	21 659
Other receivables	776	742	818
Accruals and deferrals	99	180	115
Cash and bank	74	1 897	103
Total current assets	22 417	40 202	22 695
TOTAL ASSETS	41 921	58 707	41 199
Equity			
Share capital	1 385	1 375	1 385
Premium fund	49 362	48 996	49 362
Retained earnings	-29 865	-8 158	-8 158
Result of the year	-649	-1 993	-21 708
Total equity, Parent company	20 234	40 221	20 882
Current Liabilities			
Accounts payable	110	198	306
Liabilities, associated companies	19 450	15 244	18 831
Tax liabilities	16	77	93
Other Liabilities	1 566	2 791	569
Accruals and prepaid	545	176	518
Total current liabilities	21 687	18 486	20 317
Total liabilities	21 687	18 486	20 317
TOTAL EQUITY AND LIABILITES	41 921	58 707	41 199



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