

INTERIM REPORT

October - December 2022

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OXEMARINE 

OXE Marine AB (publ)

Interim Report October - December 2022

Results presented in the interim report are consolidated from 16 February 2022 to 31 December 2022 following the completion of the acquisition of Diesel Outboards and Outdoor Network Manufacturing on 16 February 2022. Consolidated results include legal entities: OXE Marine AB (Sweden), OXE Marine INC (US) and OXE Marine Manufacturing INC (US). Furthermore, consolidated results do not have comparative figures as it is the first year of preparing consolidated financials. Where illustrated in the text, graphs and tables, prior year figures relate to OXE Marine AB only.

Fourth Quarter 2022

- Consolidated Net turnover amounted to SEK 32.2 m.
- Consolidated Gross Profit amounted to SEK 3.4 m with a gross margin of 11%.
- Consolidated EBITDA amounted to SEK -31.1 m.
- The consolidated result for the quarter amounted to SEK -45.7 m.
- Consolidated EPS and Diluted EPS amounted to SEK -0.17.

January - December 2022

- Consolidated Net turnover amounted to SEK 148.4 m.
- Consolidated Gross Profit amounted to SEK 32.2 m with a gross margin of 22%.
- Consolidated EBITDA amounted to SEK -60.9 m.
- The consolidated result for the period amounted to SEK -109.9 m.
- Consolidated EPS and Diluted EPS amounted to SEK -0.43.

Significant events during the Fourth quarter

- OXE Marine raised SEK 70 m in a directed share issue (SEK 69.8 m after transaction costs).
- OXE Marine signed an OEM agreement with Nimbus Group.
- OXE Marine conducted tests of the OXE300 on a popular recreational boat, showing that the gasoline alternative consumes 50 percent more fuel than the OXE300, proving its fuel efficiency.
- OXE Marine implemented biodiesel in all testing, reducing net CO2 emissions by up to 94% compared to gasoline alternatives.

Significant events after the reporting period

- OXE Marine presented a new concept outboard OXE Hybrid 450, the world's first diesel electric hybrid outboard, premiered at the Miami International Boat Show.
- Oxe Marine's water jet engine was nominated for innovation of the year at the Miami international boat show.

A lost quarter



"Q4 is nothing but a significant disappointment caused by a combination of unfavorable circumstances. Now, to be fair – most of these circumstances cannot be blamed on anything else than our own performance, and at the same time it is encouraging to know we have during the last 6 months systematically put actions in place to mitigate these and establish professional processes and structures."

Q4 will go down in history as a very bad quarter, full of learnings. Our overall sales performance during the quarter was disappointing and consolidated sales amounted to SEK 32.1 m. Sales in the Parent company amounted to SEK 31.8 m a decrease of 24% relative to Q4 2021. Total consolidated sales for the year, amounted to SEK 148.4 m. Total sales for the year in the Parent company amounted to SEK 133.1 m relative to SEK 99.8 m in 2021, which amounts to 33% growth – in a year with geopolitical stress and macroeconomic uncertainty this could be perceived as "not too bad", but in our case – we are clearly striving for a higher level of performance.

We moved into Q4 full of energy with a positive outlook. However, towards the end of November and primarily December we did not see the traction of realizing orders as expected as several projects were moved forward and in combination with ramp-up challenges in our supply chain, this resulted in lower sales than expected.

In addition to this, during December, several conversations were initiated by customers to address

outstanding warranties tracing back to deliveries and installations where there have been legacy challenges. These technical challenges have been managed and we are well underway in implementing improvements in the supply chain and in the field. As a result, our gross margin was heavily impacted and amounted to 11%. Excluding the higher than usual warranties, our gross margin would have amounted to approximately 27%.

EBITDA for the quarter was particularly hit hard by the lower gross margin, but also by large currency exchange losses (non-cash) as a result of revaluing foreign currency denominated working capital balances amounting to SEK 9.4 m as well as one-off legal costs amounting to SEK 5.2 m during the quarter which further impacted EBITDA negatively. Despite these events, we continue to have a cost control mentality as shown by a reduction in personnel costs during the quarter. We focus our resources carefully in what will grow the business. We continue to be active at trade shows as well as increase the awareness of our products through targeted marketing channels. It is very encouraging to see the growth of the OXE brand online with exponential growth in social media views and organic reach.

On a positive note, the Parts & Accessories (P&A) segment consolidated sales amounted to SEK 9.4 m for the quarter and continued with its strong performance. In the Parent Company sales amounted to SEK 8.5 m in this segment, an increase of 35% compared to Q4 2021. For the full year, consolidated P&A sales amounted to SEK 31.4 m. In the Parent Company P&A sales for the full year amounted to SEK 26,1 m, an increase of 37% compared to full year 2021.

We continue to be ambitious in our approach, positioning our "transition technology" in the marine industry. We already today probably deliver the world's most environmentally friendly high-performance outboard engine. During the Miami International Boat show in February, we had a very successful launch of the world's first high-power diesel electric outboard motor – the OXE Hybrid 450, with technological advancements driven by our patented lower leg design able to manage high torque and power. We have agreed to carry out the development testing with our partner in this project, Nimbus Group, and will commercially launch this unique product during the second part of 2023.

Together with the OXE Jet-Tech 300, which was nominated for an innovation award at Miami International Boat Show we are in a way reintroducing a new OXE Marine to the global marine market with a growing and innovative product line. The jet was developed to maximize the high torque of OXE outboard engines through a more effective design, delivering 100% of engine horsepower as water jet propulsion. The first jets will be delivered in Q1 2023.

During 2022 we have captured a lot of learnings that are now implemented into our company, our processes and by our colleagues. We paid a high price in Q4, but we are now moving forward with a positive feeling based on the conversations we have with our customers on both existing and future products. We are more committed than ever to delivering technically innovative upgrades to our current product families and carry this out with speed and execution.

We will continue to develop our supply chain to increase the stability and reduce complexity, but also to be able to faster ramp-up our volumes. Meanwhile, we are working closely with our production partners and suppliers to prevent further supply chain delays.

As we strive to create the most attractive partner in our industry, we continue to add dealers and distributors. We are also enhancing our service programs, Parts & Accessories distribution, and training programs, as well as adding key talents filling gaps in our competencies and skillsets. We are making progress creating availability and service, although we still are in the beginning of our execution.

We will continue to listen to everyone that owns and operates our product, regardless of where it is bought. This gives us insights to further enhance our products and services. Our development of the OXE Hybrid 450 concept is one example where we have developed this in close discussions with different partners. In our future product pipeline, using the unique belt drive technology that allows for increased torque transfer, we have additional interesting concepts.

Anders Berg, CEO

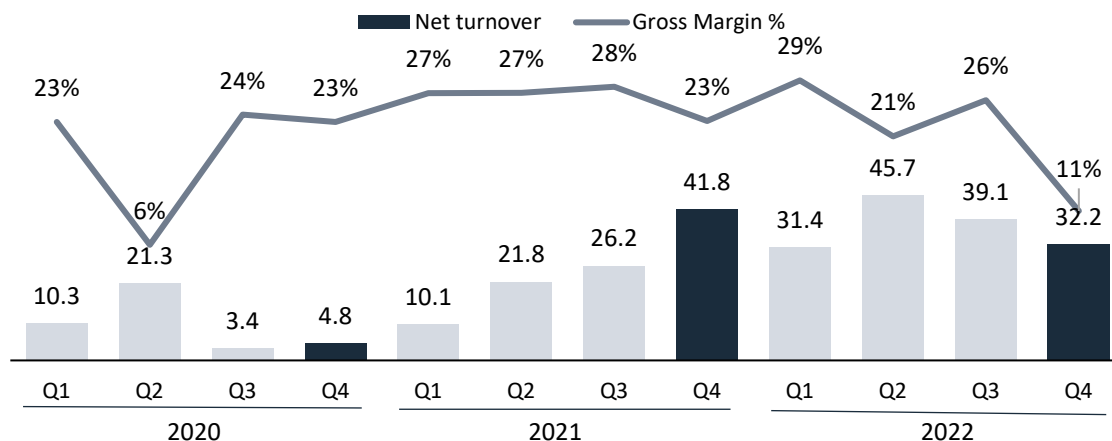
Key Figures	2022		2022		2021	
	Consolidated		OXE Marine AB		OXE Marine AB	
	Oct - Dec	Jan - Dec	Oct - Dec	Jan - Dec	Oct - Dec	Jan - Dec
Net turnover, KSEK	32 145	148 416	31 775	133 123	41 752	99 795
Propulsion	22 781	116 978	23 325	107 065	35 464	80 725
Parts & Accessories	9 364	31 438	8 450	26 058	6 288	19 070
Gross Margin %	11%	22%	10%	23%	23%	26%
EBITDA*, KSEK	-31 106	-60 922	-13 789	-43 207	-8 263	-40 412
FX on revaluation of loans (reclassified)		-9 650		-9 650	-710	-3 338
EBITDA, KSEK (previously reported)		-70 572		-52 857	-8 973	-43 750
Net loss for the period, KSEK	-45 668	-109 896	-25 724	-88 670	-17 711	-71 830
Earnings per share basic, SEK	-0.17	-0.43	-0.10	-0.35	-0.09	-0.36
Earnings per share diluted** SEK	-0.17	-0.43	-0.10	-0.35	-0.09	-0.36

* EBITDA has been updated in the comparative periods to exclude foreign exchange revaluations on loans. This has now been included in 'interest expense and other similar profit/loss items'. The net loss for the period is therefore unchanged as a result of the reclassification.

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

Sales (SEKm) and Gross Margin Development (%)

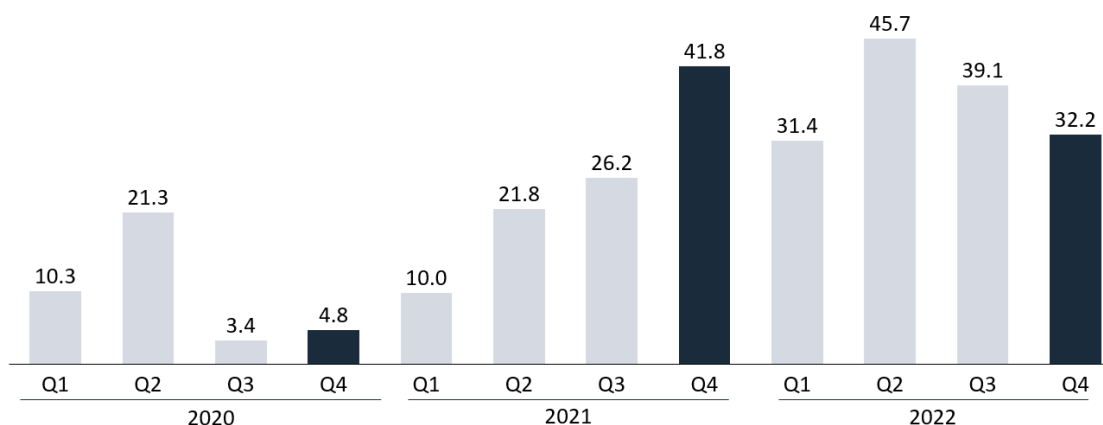
Total sales amounted to SEK 32.2 m on a consolidated basis. Gross margin amounted to 11% and was significantly impacted by excess warranties during the quarter. Excess warranties relate to warranties over and above the historical average and are isolated in nature. Removing the impact of the excess warranties, the gross margin would have amounted to 27%.



Note: Results from 2022 are consolidated, comparatives relate to OXE Marine AB only.

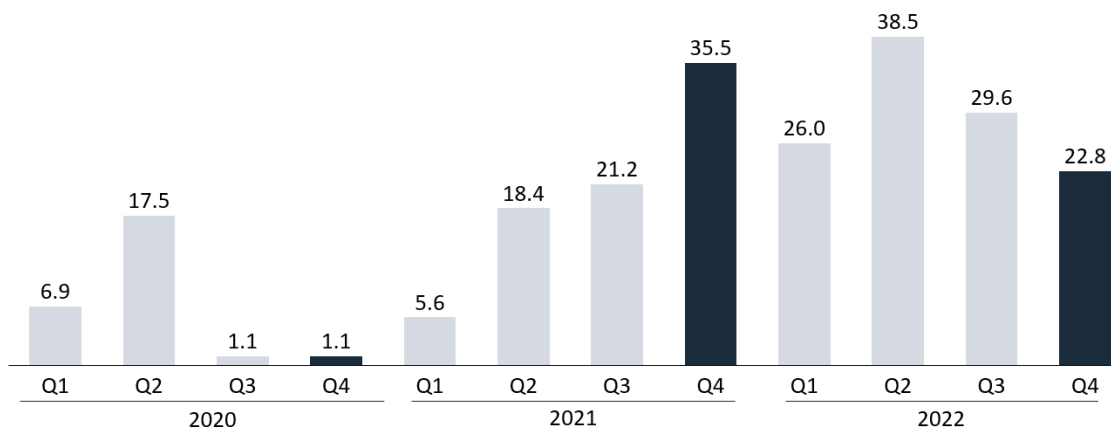
Total Sales (SEKm)

Total sales amounted to SEK 32.2 m on a consolidated basis. The decrease was due to a delay in realizing orders and a ramp-up challenge in our supply chain.



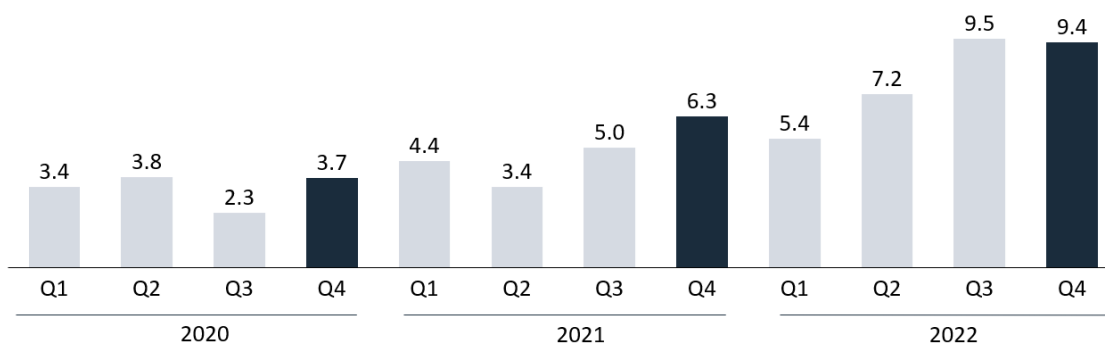
Sales Propulsion (SEKm)

Propulsion sales amounted to SEK 22.8 m on a consolidated basis. The decrease was due to a delay in realizing orders and a ramp-up challenge in our supply chain.



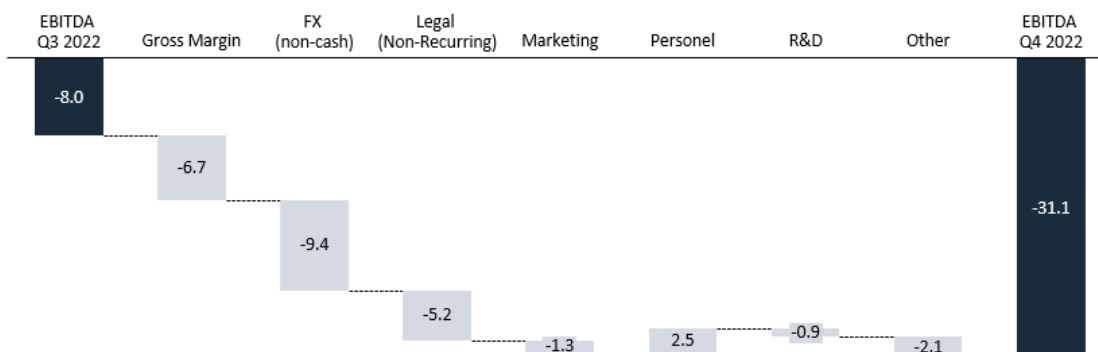
Sales Parts & Accessories (SEKm)

Parts & Accessories sales amounted to SEK 9.4 m on a consolidated basis. The continued strong performance is due to the growing engine population.



Quarter on quarter EBITDA Movement (SEKm)

EBITDA amounted to SEK -31.1 m on a consolidated basis in Q4 2022 relative to SEK -8.0 m in Q3 2022, an increase in losses of SEK 23.1 m. SEK -9.4 m is a non-cash related movement in revaluation of working capital balances and SEK -5.2 m related to non-recurring legal costs for settlement of disputes. When excluding these two items, the remaining movement in operating expenses amounted to a net increase of SEK -1.8m in operating expenses.



Shareholders

OXE Marine's top ten shareholders as at 31 December 2022 are as follows:

Top 10	Holding	%
PSP Stockholm AB	56 719 962	18.65
Per Lindberg	30 668 887	10.1
Avanza Pension	29 110 878	9.6
Tamt AB	25 642 745	8.4
Arne Andersson	21 900 719	7.2
Theodor Jeansson	10 754 106	3.5
Jonas Wikström	10 350 000	3.4
Futur Pension	7 130 000	2.3
SEB Life International	7 000 000	2.3
Tiliaflore Holding AB	5 941 990	2.0

Source: Euroclear.

Consolidated Financials

Interim Report - Basis of Preparation

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

The interim report should be read together with the 2021 Annual Report. The preparation of the interim report requires the use of accounting estimates and requires management to exercise judgment. For more information refer to the 2021 Annual Report.

OXE Marine prepares consolidated accounts for the first time in 2022 and as such no consolidated comparatives are stated.

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

Financial review

Fourth quarter 2022

Consolidated Net Turnover amounted to SEK 32.1m. Sales from Propulsion amounted to SEK 22.8 m and sales from Parts & Accessories amounted to SEK 9.4 m.

Gross profit amounted to SEK 3.4 m during the quarter, with a gross margin of 11%. The lower gross margin was largely due to excess warranties in Q4 2022 amounting to SEK 5.4m. Excess warranties relate to warranties over and above the historical average and are isolated in nature. Removing the impact of the excess warranties, the gross margin would have amounted to 27%.

Operating expenses amounted to SEK 31.7 m during the quarter, compared to SEK 24.1 m in Q3 2022. The increase during the quarter was mainly as a result of non-recurring legal costs amounting to SEK 5.2 m. Personnel costs decreased during the period, reducing operating expenses by SEK 2.5 m. The US organization consists of 17 people and the Swedish organization, 30, as at 30 December 2022. The Company continues to be run on slim organization and with a cost conscious mindset.

EBITDA amounted to SEK -31.1 m for the quarter, a movement of SEK -23.1 m from Q3 to Q4. The movement is explained in detail in the graphs accompanying the CEO word, where the main items impacting the quarter were lower gross profit of SEK 6.7 m, negative movement in foreign exchange valuations of SEK 9.4m and non-recurring legal costs of SEK 5.2 m. The result for the fourth quarter 2022 amounted to SEK -45.7 m.

Year to date, December 2022

Consolidated sales for the year amounted to SEK 148.4 m. Total sales for the year in the Parent company amounted to SEK 133.1 m relative to SEK 99.8 m in 2021, which amounts to 33% growth year on year. As this is the first year of consolidation, comparisons will be made in the parent company in lieu of the consolidated figures.

Sales from Propulsion amounted to SEK 117 m consolidated and SEK 107 m in the parent company, an increase of SEK 21.6 m or 32% year on year increase in the parent company.

Sales from Parts & Accessories amounted to SEK 31.4 m consolidated and SEK 26 m in the parent company. This represents an increase of SEK 7 m, or a 36% increase year on year in the parent company.

Gross profit amounted to SEK 32.2 m year to date, with a gross margin percentage of 22% for the full year. In the parent company a gross profit of SEK 30.4 m was realized, giving the parent company a gross margin of 23%, relative to 2021 where the gross margin amounted to 26%. Reversing the impacts of the excess warranties accounted for in Q4 2022, the consolidated gross margin would have amounted to 25% for the full year.

Operating expenses amounted to SEK -102.6 m, with the US organization accounting for approximately SEK -30.8 m of the total cost base during the year.

EBITDA amounted to SEK -60.9 m for 2022 and the Net Loss for the period amounted to SEK -109.9 m.

Assets

Fourth quarter 2022

As at 31 December 2022, total assets amounted to SEK 402.8 m. OXE Marine's non-current assets at the closing date were SEK 186.2 m, out of which capitalized R&D and patents amounted to SEK 138.8 m and intangible assets relating to February acquisition amounted to SEK 35.4 m. Capitalized R&D expenses are currently being amortized since the OXE300 project ended and serial production commenced. New R&D projects include the new OXE450 Hybrid that was announced at the Miami Boat Show in February.

Inventory amounted to SEK 138.9 m at the end of the quarter, a decrease of SEK 11.9 m during the quarter.

Accounts Receivable amounted to SEK 21.0 m. OXE Marine works with the Swedish Export Agency 'Exportkreditnämnden' ("EKN"). EKN promotes Swedish export by issuing state guarantees which protects OXE from bad debts up to a certain percentage and in specific geographies. The Accounts Receivable balance is displayed net of provisions for doubtful debts amounting to SEK 0.8 m as at 31 December 2022.

OXE Marine had cash on hand of SEK 46.3m at the end of the quarter. During the quarter a directed issue was carried out which positively impacted cash (refer equity and cash flow sections). The Company has secured a working capital facility via its wholly owned US subsidiary, OXE Marine INC, amounting to USD 5.5m (SEK 56.2m). The facility is on demand, open ended and subject to a monthly borrowing basis, guaranteed by Powersports Plus LLC. Interest rate on

the facility will be SOFR plus 2.65%. The full facility is available for drawdown as at 31 December 2022.

Equity and liabilities

Fourth quarter 2022

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

During Q4, the board of directors of OXE Marine AB resolved to raise SEK 70 m by way of a directed share issue of in total 49,122,807 new shares. Transaction costs amounted to SEK 0.2 m. The share capital increased by SEK 1.5 m from SEK 7.6 m to SEK 9.1 m.

Non-current liabilities amounted to SEK 229.8m. This balance relates entirely to non-current liabilities in OXE Marine AB and comprises of financing from the European Investment Bank ("EIB") and corporate bonds. Both the first and second tranches from the EIB, collectively making up EUR 8 m are interest free. Effective 15 August 2022, interest on corporate bonds is 7 % per annum with 2% cash, paid out quarterly and 5% accumulated. Interest is capitalized quarterly and added to the bonds' nominal amount. The first cash portion of the interest payment was made on 15 November 2022, totaling SEK 0.7 m.

Current liabilities amounted to SEK 57.9 m at the end of the quarter which was down SEK -16.6 m from Q3 2022 which amounted to SEK 74.5 m. The working capital facility in the US was fully repaid during the quarter, which is reflected in the opening current liabilities of SEK 16.9 m to finance institutions where the balance was reduced to zero in Q4. Advanced payments from customers also increased by SEK 1.8 m during the quarter relative to Q3 2022.

Cash Flow

Fourth quarter 2022

On a consolidated basis cash flow from operating activities amounted to SEK -17.2 m of which SEK -31.4 m related to cashflow from operating activities before changes in working capital. The change in cashflow due to changes in working capital amounted to SEK 14.2m and the largest movement related to positive changes in inventory amounting to SEK 11.9 m.

During the quarter there was a net cash inflow from financing activities of SEK 54.3 m due to a directed share issue contributing SEK 68.8 m net of transaction fees, offset by a repayment of the working capital facility loan in the US, amounting to a net SEK 15.5 m being repaid during the quarter.

Year to date, December 2022

On a consolidated basis cash flow from operating activities amounted to SEK -50.2 m of which SEK -62.9 m related to cashflow from operating activities before changes in working capital. The change in cashflow due to changes in working capital amounted to SEK 12.7 m. Within the components of working capital, the largest movements related to positive changes in inventory amounting to SEK 36.5 m.

Year to date there has been a net cash inflow from financing activities SEK 64.9 m. This is mostly explained above in the movements in the fourth quarter.

Taxation

The Company has unutilized carry forward tax losses in Sweden amounting to SEK 410.6 m as of 2021. The tax effect has not been recognized as a deferred tax asset in the balance sheet. The Company is currently reporting losses and therefore there is uncertainty around the ability to utilize these tax losses. Furthermore, the ability to utilize these tax losses in the future are influenced by changes in Company shareholding.

Risks and uncertainties

The Risk and uncertainties of OXE Marine's business is explained in detail within the 'Risks and Uncertainties' section of the 2021 Annual Report, available on OXE Marine's website. The main risks facing OXE Marine are production risk, changes in exchange rates, rising inflation, rising interest rates, technical development risk and financial risk relating to liquidity due to working capital requirements in the growth phase of

the business. The conflict between Russia and Ukraine does not affect the Company's supply chain in the short term. Management will continue to monitor the situation closely.

Allocation of Profits

The board of directors of OXE Marine has not proposed to allocate any profits. As such no proposal will be presented at the annual general meeting.

Financial calendar

- 2022 Annual Report – 18 April 2023 07:00 CET
- Q1 2023 Interim Report – 2 May 2023 07:00 CET
- AGM – 2 MAY 2023 13:00 CET
- Q2 2023 Interim Report – 28 July 2023 07:00 CET
- Q3 2023 Interim Report – 27 October 2023 07:00 CET

All times indicated above are CEST/CET

Consolidated Financial Statements for the Period to 31 December 2022

Consolidated Income Statement*

<i>(amounts in KSEK)</i>	2022	
	Oct - Dec	Jan - Dec
Net Turnover	32 145	148 416
Propulsion	22 781	116 978
Parts & Accessories	9 364	31 438
Goods for resale	-28 714	-116 242
Gross Profit	3 431	32 174
External costs (including R&D expenditure)	-20 627	-52 101
Capitalised R&D expenditure	625	625
Personnel costs	-11 059	-50 451
Depreciation and Amortisation	-10 968	-30 250
Other operating income (costs)	-3 476	8 831
Total operating costs	-45 505	-123 346
Operating Loss	-42 074	-91 172
Interest expenses and similar profit/loss items	-4 830	-19 960
Loss after financial items	-46 904	-111 132
Taxation	1 236	1 236
Net loss for the period	-45 668	-109 896

*Comparative figures not shown as 2022 is the first year of consolidation.

Condensed Consolidated Balance Sheet*

<i>(amounts in KSEK)</i>	31 Dec 22
ASSETS	
Non-Current Assets	
Concessions, patents, licences, trademarks and similar rights	35 435
Capitalised R&D expenses	136 936
Patents	1 908
Equipment, tools and installations	11 340
Deferred tax assets	536
Total non-current assets	186 155
Currents assets	
Inventory	138 997
Advance payments to suppliers	6 404
Accounts receivables	21 036
Other receivables	1 538
Deferred expenses and accrued income	2 319
Cash on hand and in bank	46 307
Total current assets	216 601
TOTAL ASSETS	402 756
SHAREHOLDERS' EQUITY AND LIABILITIES	
Equity	
Share capital	9 117
Other capital contributions	604 237
Reserves	102 482
Loss brought forward incl loss for the period	-612 546
TOTAL SHAREHOLDERS' EQUITY	103 290
Provisions	
Deferred tax	7 300
Other provisions	4 517
Total provisions	11 817
Non-current liabilities	
Liabilities to finance institutions	89 026
Corporate bonds	140 730
Total non-current liabilities	229 756
Current liabilities	
Advance payments from customers	9 855
Accounts payable	29 763
Current tax liabilities	1 443
Other liabilities	1 671
Accrued expenses and other deferred income	15 161
Total current liabilities	57 893
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	402 756

*Comparative figures not shown as 2022 is the first year of consolidation.

Consolidated Statement of Cash Flows*

<i>(amounts in KSEK)</i>	2022 Oct - Dec	2022 Jan - Dec
Operating Activities		
Results before financial items	-42 074	-91 172
Adjustments for items not included in cash flow	11 604	29 807
Interest paid	-898	-1 554
Cash flow from operating activities before changes in working capital	-31 368	-62 919
Cash flow from changes in working capital		
Change in Inventories	11 949	36 539
Change in accounts receivable	3 461	-2 855
Change in other current receivables	-165	3 244
Change in Trade payables	-7 932	-15 462
Change in other current liabilities	6 837	-8 733
Cash flow from operating activities	-17 218	-50 186
Investing Activities		
Acquisitions: cash acquired	-	11 282
Investments in property, plant and equipment	-	-2 602
Divestments in property, plant and equipment	85	85
Investments in intangible fixed assets	-625	-625
Cash flow from Investing activities	-540	8 140
Financing activities		
Proceeds from new share issue	68 845	68 845
Option premium	-	56
Proceeds from loans	-	15 529
Repayment of loans	-15 529	-19 528
Cash flow from financing activities	53 316	64 902
Cash flow for the period	35 558	22 856
Cash and bank balances at the beginning of the period	10 749	23 451
Cash and bank balances at the end of the period	46 307	46 307

Consolidated Statement of Changes in Equity*

<i>(amount in KSEK)</i>	2022 1 Jan - 31 Dec
Opening balance equity (16 Feb)	145 415
Loss for the period	-109 896
New share issue less transaction costs	68 845
Option premium	56
Forex exchange revaluation reserve	-1 130
Closing balance equity	103 290

*Comparative figures not shown as 2022 is the first year of consolidation.

Parent Company Financial Statements for the Period to 31 December 2022

<i>(amounts in KSEK)</i>	2022	2022	2021	2021
	Oct - Dec	Jan - Dec	Oct - Dec	Jan - Dec
Net Turnover*	31 775	133 123	41 752	99 795
Propulsion	23 325	107 065	35 464	80 725
Parts & Accessories	8 450	26 058	6 288	19 070
Goods for resale	-28 568	-102 702	-32 095	-74 228
Gross Profit	3 207	30 421	9 657	25 567
External costs (including R&D expenditure)	-11 506	-35 356	-7 875	-38 352
Capitalised R&D expenditure	625	625	0	11 960
Personnel costs	-7 064	-36 365	-10 826	-41 031
Depreciation and Amortisation	-7 378	-26 160	-6 284	-18 688
Other operating income (costs)	949	-2 532	781	1 444
Total operating costs	-24 374	-99 788	-24 204	-84 667
Operating Loss	-21 167	-69 367	-14 547	-59 100
Interest expenses and similar profit/loss items	-4 557	-19 303	-3 164	-12 730
Loss after financial items	-25 724	-88 670	-17 711	-71 830
Taxation	0	0	0	0
Net loss for the period	-25 724	-88 670	-17 711	-71 830

* Net Turnover includes intercompany sales to subsidiaries amounting to SEK 10.8 m during Q4 2022 and SEK 34.3 m for Jan-Dec 2022.

Parent Company Balance Sheet

<i>(amounts in KSEK)</i>	31 Dec 22	31 Dec 21
ASSETS		
Non-Current Assets		
Capitalised R&D expenses	136 936	159 361
Patents	1 908	2 371
Equipment, tools and installations	5 194	6 833
Investments in Subsidiaries	100 001	0
Total non-current assets	244 039	168 565
Currents assets		
Inventory	101 566	113 572
Advance payments to suppliers	6 404	5 133
Accounts receivables	17 646	14 761
Receivables from group companies	4 432	0
Other receivables	1 538	2 615
Deferred expenses and accrued income	1 546	2 244
Cash on hand and in bank	46 269	23 451
Total current assets	179 401	161 776
TOTAL ASSETS	423 440	330 341
SHAREHOLDERS' EQUITY AND LIABILITIES		
Restricted equity		
Share capital	9 117	6 244
Reserve for development expenditure	103 612	119 819
Total restricted equity	112 729	126 063
Non-restricted equity		
Share Premium	604 237	439 501
Retained earnings or losses	-502 649	-447 083
Profit/loss for the year	-88 670	-71 830
Total non-restricted equity	12 918	-79 412
TOTAL SHAREHOLDERS' EQUITY	125 647	46 651
Provisions		
Other provisions	4 517	3 457
Total provisions	4 517	3 457
Non-current liabilities		
Liabilities to finance institutions	89 026	81 815
Corporate bonds	140 730	129 877
Total non-current liabilities	229 756	211 692
Current liabilities		
Liabilities to finance institutions	0	4 000
Advance payments from customers	9 554	19 837
Accounts payable	22 001	31 489
Liabilities to group companies	13 890	0
Current tax liabilities	1 443	1 247
Other liabilities	1 131	1 760
Accrued expenses and other deferred income	15 501	10 208
Total current liabilities	63 520	68 541
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	423 440	330 341

Parent company Statement of Cash Flows

<i>(amounts in KSEK)</i>	2022	2022	2021	2021
	Oct - Dec	Jan - Dec	Oct - Dec	Jan - Dec
Operating Activities				
Results before financial items	-21 167	-69 367	-14 547	-59 100
Adjustments for items not included in cash flow	7 019	25 609	7 832	20 627
Interest paid	-656	-905	-321	-862
Cash flow from operating activities before changes in working capital	-14 804	-44 663	-7 036	-39 335
Cash flow from changes in working capital				
Change in Inventories	6 524	12 006	-4 343	-13 409
Change in accounts receivable	1 110	-2 885	6 699	20 766
Change in other current receivables	-5 123	-3 928	1 682	-498
Change in Trade payables	-28 762	-9 488	2 896	10 755
Change in other current liabilities	10 916	8 466	-6 323	-4 081
Cash flow from operating activities	-30 139	-40 492	-6 425	-25 802
Investing Activities				
Investments in property, plant and equipment	-	-1 051	-291	-2 264
Divestments in property, plant and equipment	85	85	-	-
Investments in intangible fixed assets	-625	-625	-	-11 720
Cash flow from Investing activities	-540	-1 591	-291	-13 984
Financing activities				
Proceeds from new share issue	68 845	68 845	-62	22 688
Option premium	-	56	-	141
Proceeds from loans	-	-	541	-
Repayment of loans	-	-4 000	-	-1 000
Cash flow from financing activities	68 845	64 901	479	21 829
Cash flow for the period	38 166	22 818	-6 237	-17 957
Cash and bank balances at the beginning of the period	8 103	23 451	29 688	41 408
Cash and bank balances at the end of the period	46 269	46 269	23 451	23 451

Parent Company Statement of Changes in Equity

<i>(amount in KSEK)</i>	2022	2021
	1 Jan - 31 Dec	1 Jan - 31 Dec
Opening balance equity (1 Jan)	46 651	95 652
Loss for the period	-88 670	-71 830
New share issue less transaction costs	167 610	22 688
Option premium	56	141
Closing balance equity	125 647	46 651

Key Performance Indicators

<i>(amounts in KSEK)</i>	2022 Consolidated			
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net turnover	32 145	39 135	45 731	31 405
Propulsion	22 781	29 635	38 523	26 039
Parts & Accessories	9 364	9 500	7 209	5 365
Gross Profit	3 431	10 062	9 653	9 028
Gross Margin %	11%	26%	21%	29%
EBITDA*, KSEK	-31 106	-8 040	-8 900	-12 876
FX on revaluation of loans (reclassified)		-2 626	-2 632	-2 028
EBITDA, KSEK (previously reported)		-10 666	-11 532	-14 904
Net loss for the period	-45 668	-20 131	-20 586	-23 511
Cash on hand	46 307	10 749	18 730	14 135
Intangible fixed assets	138 844	175 816	181 461	187 044
Total Equity	103 290	79 322	101 372	121 959
Total Assets	402 756	384 537	404 414	419 882
Equity Asset ratio	26%	21%	25%	29%
Total shares outstanding	304 068 067	254 945 260	254 945 260	254 945 260
Average number of shares	264 022 300	254 945 260	254 945 260	231 322 807
Earnings per share, basic	-0.17	-0.08	-0.08	-0.10
Diluted earnings per share**	-0.17	-0.08	-0.08	-0.10
Number of employees	47	51	56	54

<i>(amounts in KSEK)</i>	2022 OXE Marine AB				2021 OXE Marine AB			
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net turnover	31 775	31 873	43 896	25 579	41 752	26 197	21 769	10 077
Propulsion	23 325	24 473	38 197	21 070	35 464	21 202	18 416	5 643
Parts & Accessories	8 450	7 400	5 699	4 509	6 288	4 995	3 353	4 434
Gross Profit	3 207	8 568	13 370	5 276	9 657	7 304	5 886	2 720
Gross Margin %	10%	27%	30%	21%	23%	28%	27%	27%
EBITDA*, KSEK	-13 789	-9 111	-5 262	-15 045	-8 263	-7 736	-10 226	-14 187
FX on revaluation of loans (reclassified)		-2 626	-2 632	-2 028	-710	-886	1 633	-3 195
EBITDA, KSEK (previously reported)		-11 737	-7 894	-17 073	-8 973	-8 622	-8 593	-17 382
Net loss for the period	-25 724	-20 609	-16 664	-25 673	-17 711	-15 185	-15 141	-23 793
Cash on hand	46 269	8 103	11 312	4 478	23 451	29 688	19 849	27 629
Intangible fixed assets	138 844	144 983	150 628	156 211	161 732	167 376	169 328	168 517
Total Equity	125 647	82 525	103 135	119 799	46 651	64 425	56 718	71 859
Total Assets	423 440	394 592	405 949	418 735	330 341	346 610	330 769	349 693
Equity Asset ratio	30%	21%	25%	29%	14%	19%	17%	21%
Total shares outstanding	304 068 067	254 945 260	254 945 260	254 945 260	208 225 298	208 225 298	197 789 521	197 789 521
Average number of shares	264 022 300	254 945 260	254 945 260	231 322 807	208 225 298	199 264 142	197 789 521	197 789 521
Earnings per share, basic	-0.10	-0.08	-0.07	-0.10	-0.09	-0.08	-0.08	-0.12
Diluted earnings per share**	-0.10	-0.08	-0.07	-0.10	-0.09	-0.08	-0.08	-0.12
Number of employees	30	33	40	42	40	40	41	44

* EBITDA has been updated in the comparative periods to exclude foreign exchange revaluations on loans. This has now been included in 'interest expense and other similar profit/loss items'. The net loss for the period is therefore unchanged as a result of the reclassification.

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

Definition and Key Business Ratios

Net Turnover

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

Gross Profit / Gross Margin %

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

EBITDA

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

Profit/loss after financial items

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

Number of employees

Number of employees at the end of the financial period.

Earnings Per Share, Basic (“EPS”)

Net Profit/Loss for the period to average number of shares outstanding as at 31 December 2022. The average number of shares during the period 1 Jan – 31 Dec 2022 amounted to 251 463 638. The total number of shares at the end of the period amounted to 304 068 067.

Diluted Earnings Per Share (“DEPS”)

Due to the company being in a loss position, diluted earnings per share is equal to earnings per shares. The total amount of shares and dilutive instruments (outstanding warrants that are in-the-money) as at 31 December 2022 was 345 697 403.

Transaction

OXE Marine AB (publ) entered and completed the acquisition of 100% of Diesel Outboards and Outdoor Network Manufacturing’s US distribution and manufacturing business (the “Transaction”).

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.

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Certified Adviser

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OXE Marine AB (publ) is obligated to make this information public pursuant to the EU Market Abuse Regulation. The information was provided by the contacts above to be submitted for publication on 24 February 2023, 07:00 CET.

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

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

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