

# INTERIM REPORT Q3 '21/22

## quickbit

JANUARY – MARCH 2022

€92.1 million

NET SALES Q3 '21/22

€3.7 million

GROSS PROFIT Q3 '21/22

### Invitation to conference call

Quickbit will present the interim report via a conference call at 11.00 a.m. CEST on 11 May. Call in to register a few minutes prior to the start of the conference call on one of the following numbers:

Sweden: +46850558357  
UK: +443333009268  
USA: +16467224957

Use the following link to follow the presentation via webcast:

<https://tv.streamfabriken.com/quickbit-interim-q3-2021-2022>

### Financial calendar

Year-end Report '21/22	10 August 2022
Interim Report Q1 (Jul–Sep 2022)	9 November 2022
Annual General Meeting	22 November 2022

This report is published in Swedish and English. In the event of any differences between the English version and the Swedish original, the Swedish version takes precedence.

Sales for the third quarter of '21/22 totalled €92.1 million, which was in line with the corresponding quarter last year. This corresponded to an average daily volume (ADV) of €1.0 million, which was largely impacted by activity and demand with our merchants. In parallel, the gross margin was 4.0%, which is the current target margin for Quickbit Affiliate. Despite the geopolitical uncertainty in the quarter, we have focused on new product launches and continued geographic expansion. While Quickbit has no presence in Russia or Belarus, we are continuing to monitor the situation.

### Summary of third quarter, January – March 2022

- Net sales totalled €92.1 million (91.2).
- Gross profit amounted to €3.7 million (4.0) with a gross margin of 4.0% (4.4).
- Adjusted EBITDA was €1.1 million (1.6).
- EBIT totalled €0.2 million (1.2).
- Basic earnings per share amounted to €-0.0 (0.01).

### Significant events during the quarter

- On 1 February, Quickbit expanded its cryptocurrency offering in Quickbit App and added Cardano, Polkadot and Chainlink. Quickbit App now supports seven cryptocurrencies.
- On 28 February, Quickbit expanded its offering with stablecoins and added Tether (USDT) in Quickbit App.

### Financial summary

€ million	Third quarter		9 months		Full-year
	Jan–Mar 2022	Jan–Mar 2021	Jul 2021–Mar 2022	Jul 2020–Mar 2021	2020/2021
Net sales	92.1	91.2	277.4	167.5	250.6
Sales growth (%)	1%	-39%	66%	-54%	-44%
Gross profit	3.7	4.0	10.7	7.6	10.5
Gross margin (%)	4.0%	4.4%	3.8%	4.5%	4.2%
Adjusted EBITDA	1.1	1.6	1.4	2.7	2.3
Adjusted EBITDA margin, %	1.2%	1.7%	0.5%	1.6%	0.9%
Average daily volume (ADV)	1.0	1.0	1.0	0.6	0.7
No. of merchants	74	52	74	52	57

See pages 16–17 for the definitions and derivation of the above alternative performance measures.

# Comments by the CEO

*For the second time within a brief period, we find ourselves in an increasingly turbulent business environment with greater economic and geopolitical uncertainty. Russia's invasion of Ukraine, in conjunction with higher inflation and expected monetary tightening, is dampening global growth prospects. Against this backdrop, we posted a strong quarter while concurrently focusing on new product launches and geographic expansion.*

Net sales in the quarter totalled €92.1 million, corresponding to an ADV of €1.0 million, which was largely driven by activity and demand with our merchants. Compared with the preceding quarter, we raised the gross margin from 3.9% to 4.0%, which is also in line with our current target margin for Quickbit Affiliate. We are noting increasing turbulence in the operating environment, with growth companies tightening their belts, at the same time as we posted strong financials and positive earnings, measured as adjusted EBITDA, and underlying free cash flow.

In Norway, we launched EUR accounts for Quickbit App during the quarter as well as a support function to facilitate tax declarations of crypto transactions in April. Moreover, we have added four cryptocurrencies to Quickbit App: Cardano, Polkadot, Chainlink and Tether, with the latter being a stablecoin. And we are very proud to be the first Swedish crypto company to have launched a debit card, Quickbit Card, which is now available to the general public in Sweden. We believe we have the broadest and most unique crypto offering in the Nordic region.

In addition, our license application in Finland was approved at the end of the quarter, which means that we will, in due course, be launching both Quickbit App and Quickbit Card in Finland. In parallel, we are continuing to work on the approval of our license application in the Netherlands. We believe our strong compliance team provides a competitive advantage in an increasingly changing regulatory landscape.

Expanding our international presence is also a key component of our growth ambitions. For this reason, we have now employed personnel in Serbia and expanded our presence in Gibraltar. The establishment in Serbia comprises a tech hub to enable further development and increase the scalability of our development process. Over the next six months, our plans include launching a series of new products, both in the B2B and in the B2C segments, which will accelerate our "idea to revenue" process. We aim to maintain high activity levels in terms of development and launches, and we are continuing work with our product launches as per the announced schedule.

We are approaching the final development phase for Earn Wallet and Quickbit Merchant. As mentioned earlier, the aim is to launch both products in the fourth quarter. Our Earn Wallet enables cryptocurrency lending against a return and will initially be launched for Bitcoin, with an addition of Tether in a next step. It will thereby provide our users with the opportunity to receive a return and reduce volatility, while concurrently retaining an exposure to crypto.

Quickbit Merchant, our upcoming e-merchant plug-and-play solution, is generating substantial interest both from existing merchants and from new e-merchants. We have actively processed existing merchants during the quarter, with the aim of affiliating them to Quickbit Merchant. At the same, we are in dialogue with several potential new B2B customers of various sizes and in varying segments about future integration of the service. We look forward to offering our existing and future merchants a convenient cryptocurrency payment solution for use with consumers.

The combination of Quickbit Merchant, together with Quickbit Card, Quickbit App and Earn Wallet, will unite our ecosystem of crypto solutions. Together, they form the core of our goal to simplify and enable the use of cryptocurrency payments in people's everyday life. In addition, this ongoing product diversification lays the foundation for additional revenue streams with a broader revenue base and higher margins over time. We will continue our endeavour to create an even larger international ecosystem of crypto solutions and, given current world events, we see a clear need for our products to facilitate for people moving capital across country borders. This is fully aligned with our vision of contributing to a borderless economy.

Hammad Abuiseifan  
CEO

# Financial overview

## Net sales and gross profit

Third quarter net sales totalled €92.1 million (91.2), up 1% year-on-year. The positive trend was primarily driven by activity and demand with merchants. Merchants numbered 74 at the end of third quarter, up 22 year-on-year.

Gross profit amounted to €3.7 million (4.0) for the third quarter. The decline was attributable to a lower gross margin on a year-on-year basis. The gross margin was 4.0% (4.4).

## Expenses

Other external expenses for the third quarter amounted to €1.7 million (1.9), largely driven by organisational investments in terms of consultants and legal costs pertaining to, inter alia, applications and registrations in new countries. The decrease was due to a gradual reduction of variable expenses. Total variable transaction costs for the quarter amounted to €0.4 million, of which introducer fees for acquiring banks have been reduced to €0.0 million as part of Quickbit's partnership with new acquiring banks in the financial year aimed at reducing variable expenses.

Personnel expenses totalled €1.2 million (0.6), up year-on-year due primarily to the increase in employees.

## Earnings

Adjusted EBITDA was €1.1 million (1.6), corresponding to an adjusted EBITDA margin of 1.2% (1.7). Adjustments encompassed items affecting comparability related to exchange differences and other non-recurring expenses, which amounted net to €0.2 million (0.2).

Depreciation and amortisation of PPE and intangible assets amounted to €0.7 million (0.2) and mainly pertained to amortisation of capitalised expenditure on product development.

EBIT totalled €0.2 million (1.2).

The tax expense for the third quarter of the '21/22 financial year was €0.3 million (0.3). Accordingly, net profit for the period amounted to €-0.1 million (0.9).

## Financial position

On 31 December 2021, other receivables in the consolidated balance sheet amounted to €10.0 million (8.0). The balance-sheet item, Other receivables, to some extent includes previous deposits of collateral in the form of liquid assets that Quickbit needed to make to its previous acquiring partner. From 31 August 2020, the company no longer needs to deposit liquid assets as collateral. Deposited collateral as of 31 March 2022 amounted to €3.9 million (5.6).

## Cash flow

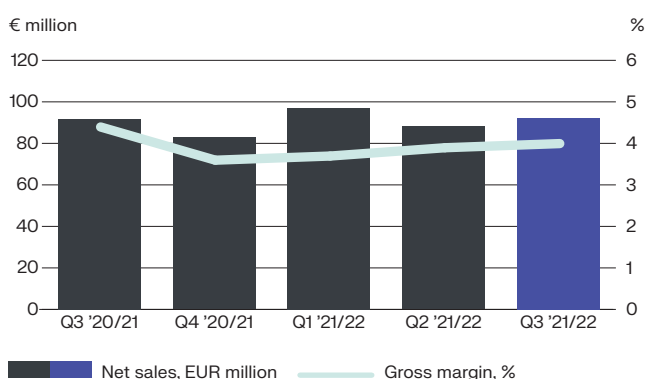
The change in working capital is mainly impacted by changes in other receivables, accrued income and expenses. The cash flow from operating activities amounted to €0.8 million (5.4) for the third quarter.

Cash flow from investing activities amounted to €-0.7 million (-0.5) in the third quarter and pertained mainly to capitalised expenditure for product development.

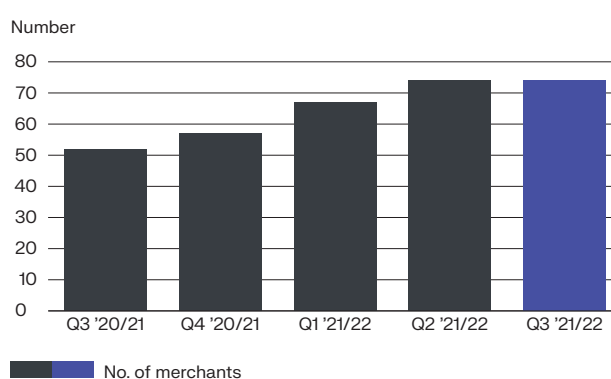
Cash flow from financing activities totalled €-0.1 million (6.5) and was primarily attributable to principal elements of lease payments on lease liabilities. The decrease was mainly due to additional capital of €6.6 million in the comparative period as a result of the conversion of TO1 warrants.

On 31 March 2022, the Group's cash and cash equivalents amounted to €9.2 million (11.4).

Net sales and gross margin per quarter



No. of merchants



# Other information

## Parent Company

The Parent Company's third quarter net sales amounted to SEK 4.3 million (3.4), and mainly related to inter-Group services. Inter-Group services are eliminated in the consolidated accounts and are thus eliminated from the consolidated income statement. Other operating income amounted to SEK 9.2 million (0.6) in the third quarter. Parent Company EBIT for the third quarter of the financial year amounted to SEK -23.2 million (-19.7). Third quarter net profit totalled SEK -22.6 million (-19.7). Cash and cash equivalents amounted to SEK 47.9 million (116.6) on 31 March 2022.

## Employees

The average number of employees, including consultants, in the third quarter amounted to 70 (47). The number of employees at the end of third quarter was 70 (47). The average number of employees (full-time positions excluding consultants) amounted to 55 (24) in third quarter.

## Significant events during the quarter

- On 1 February, Quickbit expanded its cryptocurrency offering in Quickbit App and added Cardano, Polkadot and Chainlink. The app now supports seven cryptocurrencies.
- On 28 February, Quickbit expanded its offering with stablecoins and added Tether (USDT) in Quickbit App.

## Significant events after the quarter

- On 20 April, Quickbit announced that Karin Burgaz had, at her own request and for personal reasons, chosen to step down from Quickbit's Board of Directors. Quickbit intends to convene an extraordinary general meeting to elect a new Board member.
- On 3 May, Quickbit launched a VISA card, the Quickbit Card, for the general public in Sweden, thereby making Quickbit the first Swedish crypto company to offer a debit card in Sweden.
- On 11 May, Quickbit announced that Simon Afeworki has decided leave Quickbit. Quickbit has appointed Susanne Andersson as new interim CFO. Susanne will be a part of the Group Management Team.

## Risks and uncertainties

Quickbit faces a number of risks and uncertainties that may directly or indirectly impact the company's operations. These uncertainties include among others regulatory risks linked to changes in regulations and legislation in various countries. The war in Ukraine has also increased the risk picture in the global economy that may effect Quickbit despite that Quickbit does not conduct business in or have exposure to Ukraine, Russia or Belarus. Quickbit follows the development carefully. Risks and uncertainties are described in more detail in Quickbit's most recently published annual report, available at [www.quickbit.com](http://www.quickbit.com).

## Related-party transactions

No transactions with related parties occurred in the third quarter.

## Forward-looking statements

This interim report contains statements concerning, inter alia, Quickbit's financial position and profitability, as well as statements about growth and long-term market potential that may be forward-looking. Quickbit believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions. However, forward-looking statements include risks and uncertainties, and actual results or consequences may differ materially from those stated. In addition to what is required by applicable law, forward-looking statements apply only on the day they are made and Quickbit makes no undertaking to update any of them in light of new information or future events.

## Review

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

## Disclosure

This information is such information that Quickbit eu AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person below, on Wednesday, 11 May 2022 at 8:00 a.m. CEST.

## Contact

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# Signatures

The Board of Directors and the CEO declare that the undersigned interim report provides a true and fair overview of the Parent Company's and the Group's operations, their financial position and performance as well as describing material risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, 11 May 2022

**Mikael Karlsson**  
Chairman of the Board

**Jan Frykhammar**  
Board member

**Hammad Abuseifan**  
CEO and Board member  
QuickBit eu AB (publ)

# Auditors' review report

Quickbit eu AB (publ) corporate id. no. 559066-2093

## Introduction

We have reviewed the condensed interim financial information of Quickbit eu AB (publ) as of 31 March 2022 and the nine-month period that ended on this date. The Board of Directors and the CEO are responsible for the preparation and presentation of this financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## The focus and scope of the review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of the interim report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing practices.

The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that may be identified in an audit. Accordingly, the conclusion expressed based on a review does not constitute the same level of assurance as a conclusion based on an audit.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report, in all material respects, is not prepared for the Group in compliance with IAS 34 and the Swedish Annual Accounts Act and for the Parent Company in compliance with the Swedish Annual Accounts Act.

Stockholm, 11 May 2022

PricewaterhouseCoopers AB

Johan Engstam  
Authorised Public Accountant

# Consolidated income statement, condensed

Amounts in € million	Note	Third quarter		9 months		Full-year
		Jan–Mar 2022	Jan–Mar 2021	Jul 2021–Mar 2022	Jul 2020–Mar 2021	2020/2021
<b>Income</b>						
Net sales	2	92.1	91.2	277.4	167.5	250.6
Other operating income		1.0	-0.2	1.7	0.2	0.4
<b>Total income</b>		<b>93.1</b>	<b>91.0</b>	<b>279.1</b>	<b>167.7</b>	<b>251.1</b>
<b>Operating expenses</b>						
Purchase of cryptocurrency and other fees		-88.5	-87.2	-266.7	-160.0	-240.1
Other external expenses		-1.7	-1.9	-6.0	-3.7	-6.1
Personnel expenses		-1.2	-0.6	-3.3	-1.4	-2.2
Depreciation and amortisation of PPE and intangible assets		-0.7	-0.2	-1.7	-0.5	-0.7
Other operating expenses		-0.9	0.0	-1.9	-0.2	-0.4
<b>EBIT</b>		<b>0.2</b>	<b>1.2</b>	<b>-0.5</b>	<b>2.0</b>	<b>1.7</b>
<b>Financial items</b>						
Finance costs		0.0	-0.0	0.0	0.0	-0.0
<b>EBT</b>		<b>0.2</b>	<b>1.2</b>	<b>-0.5</b>	<b>2.1</b>	<b>1.6</b>
Tax on profit for the period		-0.3	-0.3	-1.0	-0.6	-0.9
<b>Net profit for the period</b>		<b>-0.1</b>	<b>0.9</b>	<b>-1.4</b>	<b>1.4</b>	<b>0.8</b>
<b>OTHER COMPREHENSIVE INCOME</b>						
Items that may be reclassified to profit for the period:						
Exchange differences on translation of foreign operations						
		0.3	-0.3	0.7	-0.3	0.0
<b>Total comprehensive income for the period</b>		<b>0.2</b>	<b>0.6</b>	<b>-0.8</b>	<b>1.1</b>	<b>0.8</b>
<b>Earnings per share, €</b>						
Basic		-0.00	0.01	-0.02	0.02	0.01
Diluted <sup>1)</sup>		-0.00	0.01	-0.02	0.02	0.01
<b>Number of shares</b>						
Weighted-average, before dilution		88,460,736	88,460,736	88,460,736	74,583,916	78,043,595
Weighted-average, after dilution		90,007,736	90,436,115	90,008,389	85,510,349	87,148,463

1) No dilutive effect arises from the conversion of warrants to ordinary shares if this would lead to an improvement in earnings per share, according to IAS 33.

# Consolidated balance sheet, condensed

Amounts in € million	Note	31 Mar 2022	31 Mar 2021	30 Jun 2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
Capitalised expenditure on development and similar work		6.0	4.2	5.1
Other intangible assets		3.3	3.8	3.4
Right-of-use assets		0.8	0.3	0.2
Equipment and tools		0.2	0.1	0.1
Other non-current receivables		0.7	0.3	0.3
Deferred tax assets		0.0	0.1	0.0
<b>Total non-current assets</b>		<b>11.1</b>	<b>8.8</b>	<b>9.2</b>
<b>Current assets</b>				
Inventory of cryptocurrency		0.1	0.0	0.1
Trade receivables		0.0	0.0	0.0
Other receivables		10.0	8.0	12.9
Prepaid expenses and accrued income		2.8	5.3	2.1
Cash and bank balances		9.2	11.4	12.5
<b>Total current assets</b>		<b>22.0</b>	<b>24.7</b>	<b>27.6</b>
<b>TOTAL ASSETS</b>		<b>33.0</b>	<b>33.5</b>	<b>36.9</b>



# Consolidated balance sheet, condensed

Amounts in € million	Note	31 Mar 2022	31 Mar 2021	30 Jun 2021
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		0.1	0.1	0.1
Other contributed capital		13.5	13.8	13.8
Reserves		-0.6	-1.1	-1.2
Other equity including net profit for the period		10.9	13.1	12.4
<b>Total equity</b>		<b>23.9</b>	<b>25.9</b>	<b>25.1</b>
<b>Non-current liabilities</b>				
Deferred tax liability		0.0	-	-
Non-current lease liabilities		0.2	0.1	0.0
Other non-current liabilities		0.1	-	-
<b>Total non-current liabilities</b>		<b>0.3</b>	<b>0.1</b>	<b>0.0</b>
<b>Current liabilities</b>				
Trade payables		0.5	0.6	1.2
Current tax liabilities		0.8	0.7	0.9
Current lease liabilities		0.5	0.2	0.2
Other current liabilities		0.3	0.2	1.4
Accrued expenses and deferred income		6.6	5.8	8.1
<b>Total current liabilities</b>		<b>8.8</b>	<b>7.5</b>	<b>11.8</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>33.0</b>	<b>33.5</b>	<b>36.9</b>

# Consolidated changes in equity, condensed

Amounts in € million	Note	Share capital	Other contributed capital	Retained earnings (incl. net profit for the period)	Total equity
<b>OPENING BALANCE ON 1 JULY 2020</b>		<b>0.1</b>	<b>7.0</b>	<b>11.2</b>	<b>18.2</b>
Transition to euro (€)		0.0	0.3	-0.3	-0.0
Net profit for the period		-	-	1.4	1.4
Reserves		-	-	-0.3	-0.3
<b>Total comprehensive income for the period</b>		<b>0.1</b>	<b>7.3</b>	<b>12.0</b>	<b>19.3</b>
<b>Transactions with shareholders</b>					
Conversion of warrants, TO1		0.0	6.6	-	6.6
Expenses related to the conversion of warrants TO1		-	-	-0.0	0.0
Share-based payments to personnel		-	-	0.1	0.1
<b>Total transactions with shareholders</b>		<b>0.0</b>	<b>-</b>	<b>0.1</b>	<b>6.6</b>
<b>CLOSING BALANCE, 31 MARCH 2021</b>		<b>0.1</b>	<b>13.8</b>	<b>12.0</b>	<b>25.9</b>
<b>OPENING BALANCE ON 1 JULY 2021</b>		<b>0.1</b>	<b>13.8</b>	<b>11.2</b>	<b>25.1</b>
FX on calculation to €		0.0	-0.3	-0.1	-0.4
Net profit for the period		-	-	-1.4	-1.4
Reserves		-	-	0.7	0.7
<b>Total comprehensive income for the period</b>		<b>0.1</b>	<b>13.5</b>	<b>10.3</b>	<b>23.9</b>
<b>Transactions with shareholders</b>					
Share-based payments to personnel		-	-	0.0	0.0
<b>Total transactions with shareholders</b>		<b>-</b>	<b>-</b>	<b>0.0</b>	<b>0.0</b>
<b>CLOSING BALANCE, 31 MARCH 2022</b>		<b>0.1</b>	<b>13.5</b>	<b>10.3</b>	<b>23.9</b>

# Consolidated statement of cash flows, condensed

Amounts in € million	Note	Third quarter		9 months		Full-year
		Jan-Mar 2022	Jan-Mar 2021	Jul 2021-Mar 2022	Jul 2020-Mar 2021	2020/2021
<b>Operating activities</b>						
EBIT		0.2	1.2	-0.5	2.1	1.7
Non-cash items		0.9	0.2	2.1	0.6	0.8
Tax paid		-0.6	-	-1.1	-	-
Interest paid		0.0	-	-0.0	-0.0	-0.0
		<b>0.5</b>	<b>1.4</b>	<b>0.6</b>	<b>2.6</b>	<b>2.5</b>
<b>Change in working capital</b>						
Increase/decrease in operating receivables		2.9	2.0	2.4	0.8	-3.0
Increase/decrease in operating liabilities		-2.7	2.1	-3.0	1.2	7.1
<b>Cash flow from operating activities</b>		<b>0.8</b>	<b>5.4</b>	<b>-0.1</b>	<b>4.6</b>	<b>6.6</b>
<b>Investing activities</b>						
Investments in non-current intangible assets		-0.5	-0.6	-2.1	-1.5	-2.3
Investments in PPE		0.0	-0.0	-0.1	-0.0	-0.1
Acquisition of subsidiaries		0.0	-	-0.3	-	-
Investments in non-current financial assets		-0.2	0.1	-0.4	0.0	-0.1
<b>Cash flow from investing activities</b>		<b>-0.7</b>	<b>-0.5</b>	<b>-2.9</b>	<b>-1.6</b>	<b>-2.5</b>
<b>Financing activities</b>						
Increase/decrease in other financial liabilities		0.0	-	-	-	-
Incentive programme		-	-	0.1	-	-
New issue		0.0	6.5	-	6.5	6.6
Principal elements of lease payments		-0.1	-0.0	-0.2	-0.1	-0.2
<b>Cash flow from financing activities</b>		<b>-0.1</b>	<b>6.5</b>	<b>-0.1</b>	<b>6.4</b>	<b>6.4</b>
<b>Cash flow for the period</b>		<b>-0.1</b>	<b>11.3</b>	<b>-3.1</b>	<b>9.5</b>	<b>10.5</b>
<b>Opening cash and cash equivalents</b>		<b>9.4</b>	<b>0.4</b>	<b>12.5</b>	<b>2.1</b>	<b>2.1</b>
Exchange difference in cash and cash equivalents		-0.1	-0.3	-0.2	-0.2	-0.0
<b>Closing cash and cash equivalents</b>		<b>9.2</b>	<b>11.4</b>	<b>9.2</b>	<b>11.4</b>	<b>12.5</b>

# Parent Company income statement, condensed

Amounts in SEK million	Note	Third quarter		9 months		Full-year
		Jan–Mar 2022	Jan–Mar 2021	Jul 2021– Mar 2022	Jul 2020– Mar 2021	2020/ 2021
<b>Income</b>						
Net sales		4.3	3.4	11.5	9.6	12.9
Other operating income		9.2	0.6	16.9	1.4	4.5
<b>Total income</b>		<b>13.5</b>	<b>4.0</b>	<b>28.4</b>	<b>11.0</b>	<b>17.4</b>
<b>Operating expenses</b>						
Other external expenses		-13.6	-16.2	-52.2	-32.6	-54.5
Personnel expenses		-10.9	-5.6	-31.5	-13.1	-21.1
Depreciation and amortisation of PPE and intangible assets		-3.4	-1.2	-9.0	-3.3	-4.7
Other operating expenses		-8.8	-0.7	-18.4	-2.4	-4.5
<b>EBIT</b>		<b>-23.2</b>	<b>-19.7</b>	<b>-82.8</b>	<b>-40.4</b>	<b>-67.4</b>
<b>Financial items</b>						
Profit/loss from participations in Group companies		0.6	–	52.9	–	–
Interest expense and similar profit/loss items		-0.0	–	-0.0	-0.1	-0.1
<b>EBT</b>		<b>-22.6</b>	<b>-19.7</b>	<b>-29.9</b>	<b>-40.5</b>	<b>-67.5</b>
Tax on profit for the period		–	–	–	–	–
<b>Net profit for the period</b>		<b>-22.6</b>	<b>-19.7</b>	<b>-29.9</b>	<b>-40.5</b>	<b>-67.5</b>

No items in the Parent Company are recognised as other comprehensive income and, accordingly, total comprehensive income for the period corresponds to net profit for the period.

# Parent Company balance sheet, condensed

Amounts in SEK million	Note	31 Mar 2022	31 Mar 2021	30 Jun 2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
Capitalised expenditure on development and similar work		60.7	39.6	48.5
Other intangible assets		0.1	0.1	0.1
Equipment and tools		1.6	1.2	1.3
Participations in Group companies		9.9	49.9	47.0
Other non-current receivables		3.1	0.6	1.2
<b>Total non-current assets</b>		<b>75.4</b>	<b>91.4</b>	<b>98.1</b>
<b>Current assets</b>				
Trade receivables		–	–	0.4
Receivables from Group companies		6.5	1.1	0.9
Other receivables		0.6	2.2	3.4
Prepaid expenses and accrued income		2.2	3.6	1.4
Cash and bank balances		47.9	116.6	126.0
<b>Total current assets</b>		<b>57.3</b>	<b>123.5</b>	<b>132.1</b>
<b>TOTAL ASSETS</b>		<b>132.7</b>	<b>214.8</b>	<b>230.1</b>

# Parent Company balance sheet, condensed

Amounts in SEK million	Note	31 Mar 2022	31 Mar 2021	30 Jun 2021
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		0.9	0.9	0.9
Fund for development expenditure		60.7	39.6	48.5
Share premium reserve		139.5	139.5	139.5
Retained earnings		-165.4	-76.0	-84.7
Net profit for the year		-29.9	-40.5	-67.5
<b>Total equity</b>		<b>5.7</b>	<b>63.5</b>	<b>36.7</b>
<b>Non-current liabilities</b>				
Other non-current liabilities		1.3	-	-
<b>Total non-current liabilities</b>		<b>1.3</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Liabilities to Group companies		108.6	132.9	170.9
Trade payables		5.0	6.0	12.2
Current tax liabilities		3.3	0.4	2.0
Other current liabilities		0.1	5.3	1.4
Accrued expenses and deferred income		8.7	6.7	<b>6.9</b>
<b>Total current liabilities</b>		<b>125.7</b>	<b>151.3</b>	<b>193.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>132.7</b>	<b>214.8</b>	<b>230.1</b>

# Notes

## NOTE 1 ACCOUNTING POLICIES

Quickbit applies the International Financial Reporting Standards (IFRS) as endorsed by the EU. This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The application of the accounting policies is consistent with their application in the annual report for the '20/21 financial year.

The accounts for the Parent Company have been prepared pursuant to the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The Parent Company applies the same accounting policies as the Group except in the cases listed in the section Parent Company's accounting policies in the annual report for the '20/21 financial year.

### Group presentation currency

As of 1 July 2021, the Group's presentation currency is the euro (€). The Parent Company's functional currency is the Swedish krona (SEK), unchanged compared with '20/21. Unless stated otherwise, all amounts are given in million euro (€ million) for the Group and million krona (SEK million) for the Parent Company. A more detailed description of the accounting policies applied for the Group and the Parent Company in this interim report is available in the Annual Report for the '20/21 financial year, available at [www.quickbit.com](http://www.quickbit.com).

## NOTE 2 NET SALES

The Group's net sales pertain entirely to sales of cryptocurrency and are recognised at a point in time.

### Net sales by operating segment, € million

Solution for e-merchants	92.1
<b>Total</b>	<b>92.1</b>

# Alternative performance measures

This report contains financial metrics and alternative performance measures (APMs), which are not defined in IFRS. The company considers that this information, together with comparable defined IFRS metrics, is useful for investors as it provides increased understanding of the company's operating results. The APMs should not be assessed in isolation from, or as a substitute for, financial information presented in the financial statements pursuant to IFRS. The reported APMs are not necessarily comparable with similar measures presented by other companies.

Quickbit uses the following APMs that are not derived from the financial statements:

- Gross profit and gross margin
- Adjusted EBITDA and Adjusted EBITDA margin

## Derivation of gross profit and gross margin

Amounts in € million	Third quarter		9 months		Full-year
	Jan-Mar 2022	Jan-Mar 2021	Jul 2021-Mar 2022	Jul 2020-Mar 2021	2020/2021
Net sales	92.1	91.2	277.4	167.5	250.6
Purchase of cryptocurrency and other fees	-88.5	-87.2	-266.7	-160.0	-240.1
<b>Gross profit</b>	<b>3.7</b>	<b>4.0</b>	<b>10.7</b>	<b>7.6</b>	<b>10.5</b>
<b>Gross margin, %</b>	<b>4.0%</b>	<b>4.4%</b>	<b>3.8%</b>	<b>4.5%</b>	<b>4.2%</b>

## Derivation of EBITDA and Adjusted EBITDA

Amounts in € million	Third quarter		9 months		Full-year
	Jan-Mar 2022	Jan-Mar 2021	Jul 2021-Mar 2022	Jul 2020-Mar 2021	2020/2021
EBIT	0.2	1.2	-0.5	2.1	1.7
Depreciation and amortisation of PPE and intangible assets	0.7	0.2	1.7	0.5	0.7
<b>EBITDA</b>	<b>0.9</b>	<b>1.4</b>	<b>1.2</b>	<b>2.6</b>	<b>2.3</b>
Exchange differences	-0.1	0.2	0.1	0.1	0.0
Other non-recurring items	0.3	-	0.3	-	-
Share-based incentive programme	0.0	-	0.0	-	-
<b>Items affecting comparability</b>	<b>0.2</b>	<b>0.2</b>	<b>0.4</b>	<b>0.1</b>	<b>0.0</b>
Adjusted EBITDA	1.1	1.6	1.4	2.7	2.3
<b>Adjusted EBITDA margin, %</b>	<b>1.2%</b>	<b>1.7%</b>	<b>0.5%</b>	<b>1.6%</b>	<b>0.9%</b>



# Definitions

<b>Alternative performance measure</b>	<b>Definition</b>	<b>Reason</b>
Gross profit	Net sales less purchases of cryptocurrency and other fees.	The APM is used to measure the company's ability to charge for its products.
Gross margin	Gross profit in relation to net sales.	The APM is a measure of the company's earnings capacity in relation to net sales.
EBITDA	EBITDA comprises earnings before interest, tax, depreciation and amortisation.	The APM is used to measure earnings from operating activities excluding depreciation, amortisation and impairment.
Items affecting comparability	Items affecting comparability pertain to material items and events that have no clear connection to ordinary operations and are assessed as being of an extraordinary nature.	The item is excluded in the calculation of adjusted EBITDA. Separate reporting of items affecting comparability provides clarity in terms of the development of the underlying operations.
Adjusted EBITDA	EBITDA excluding items affecting comparability.	The APM is used to monitor the underlying earnings trend over time and on a comparable basis.
Adjusted EBITDA margin	Adjusted EBITDA in relation to net sales.	The APM is used to measure earnings from operating activities excluding depreciation, amortisation and impairment, and items affecting comparability in relation to net sales.
Average daily volume (ADV)	Transaction volume in relation to the number of days in the period.	
Merchants	The number of active merchants at the end of the period.	

**Quickbit is a Swedish fintech company,** founded in 2016 with the goal of making the integration of cryptocurrencies into the everyday lives of people and companies smoother. Our history is in payments and we are driven by our vision that it should be easy and cheap to make quick and secure payments. Quickbit's vision is a borderless economy.

Since the outset, operations have developed at a high tempo and today we offer secure solutions for e-merchants to receive payment in cryptocurrency, and for people to conveniently use cryptocurrency in their everyday lives. We are convinced that the financial services of the future will be based on blockchain technology and cryptocurrency.

**quickbit**

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