

INTERIM REPORT Q3 '22/23

quickbit

JANUARY – MARS 2023

€59.3 million

NET SALES Q3 '22/23

€2.5 million

GROSS PROFIT Q3 '22/23



Financial calendar

Year-end report '22/23 (Apr–Jun 2023)	20 Jul 2023
Annual Report '22/23	1 Nov 2023
Interim Report Q1 (Jan–Mar 2023)	8 Nov 2023
Annual General Meeting	22 Nov 2023

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.

Quickbit reports sales of € 59.3 million in Q3 '22/23, where sales in the upper part of the preliminary range announced. The gross margin for the quarter was 4.2%. The preconditions are in place for Quickbit to once again increase transaction volumes, lower its cost base and thereby generate profitable growth.

Third quarter, January – March 2023 in summary

- Net sales totalled € 59.3 million (92.1).
- Gross profit amounted to € 2.5 million (3.7) with a gross margin of 4.2% (4.0%).
- Adjusted EBITDA was € 0.0 million (1.1).
- EBIT totalled € -3.8 million (0.2).
- Basic earnings per share amounted to -0.04 EUR (-0.00).

Period July – March 2022/2023 in summary

- Net sales totalled € 209.0 million (277.4).
- Gross profit amounted to € 8.8 million (10.7) with a gross margin of 4.2% (3.8%).
- Adjusted EBITDA was € 1.9 million (1.4).
- EBIT totalled € -4.9 million (-0.5).
- Basic earnings per share amounted to -0.06 EUR (-0.02).

Events during the quarter

- Quickbit announced changes in the Management team where Jesper Sundström, former Business Development Director, entered the role of Head of Growth. Furthermore Johan Björklund, Chief Legal & Compliance Officer, decided to leave Quickbit to take on new challenges.
- Quickbit announced that Anders Jonson is leaving his role as Interim CEO and that Board member Daniel Sonesson is taking over as acting CEO.
- Quickbit introduced a cost-saving program, including streamlining operations and staff reductions, with the ambition to significantly reduce operational costs.
- Quickbit announced preliminary revenue and operating profit for Q3 '22/23 with lower revenue and operating profit than expected.

Events after the quarter

- Quickbit announced changes to the Board of Directors where Mikael Karlsson is stepping down as Chairman of the Board.
- At the request of shareholders representing 16.64%, Quickbit gave notice for an Extraordinary General Meeting to elect a new Chairman of the Board.
- Quickbit announced that the launch of Quickbit Pay is approaching and that the launch of Quickbit Checkout is withdrawn.
- Quickbit's nomination committee proposed Peter Liljeroos as new Chairman of the Board at the extraordinary general meeting called for.
- Quickbit has found a solution for Quickbit Checkout and plan to re-launch the product together with a new partner during Q4 '22/23.

Financial summary

mEUR	Second quarter		9 months		Full-year
	Jan – Mar 2023	Jan – Mar 2022	Jul 2022 – Mar 2023	Jul 2021 – Mar 2022	Jul 2021 – Jun 2022
Net sales	59.3	92.1	209.0	277.4	346.7
Sales growth (%)	-36%	1%	-25%	66%	38%
Gross profit	2.5	3.7	8.8	10.7	13.6
Gross margin (%)	4.2%	4.0%	4.2%	3.8%	3.9%
Adjusted EBITDA	0.0	1.1	1.9	1.4	2.4
Adjusted EBITDA margin, %	0.1%	1.2%	0.9%	0.5%	0.7%
Average daily volume (ADV)	0.7	1.0	0.8	1.0	1.0

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

Comments by the CEO

In November 2022, I took my seat on Quickbit's Board of Directors, and then in February 2023 I took over the reins from Anders as acting CEO. During my time at Quickbit, we have focused on enhancing operational efficiency and identifying new paths forward. We have many talented employees and my aim is to ensure that they each have the necessary preconditions to achieve their full potential at Quickbit. I am confident that we are now making the requisite organizational changes and laying the foundation for putting our high-quality products on the world map.



Net sales amounted to slightly less than € 60 million for the quarter, which was in the upper span of our preliminary revenue assessment. Despite low revenues we are happy to be able to report a stable gross margin of 4.2%. The global situation and the crisis in the financial sector are impacting many companies worldwide, particularly tech companies, with a consequent impact on our transaction volumes, primarily in the form of reduced activity among our customers. Given the macroeconomic uncertainty, we have good reasons to view this dip in volume as temporary.

As announced previously, the launch date of Quickbit Pay, which is now compatible with Quickbit's infrastructure and external wallets, is approaching. I am very proud of the team at Quickbit who have enabled us to take advantage of business opportunities through our own product. At the same time we have reached an agreement together with the seller where we will co-launch Quickbit Checkout and Quickbit Pay. With both products in operation, we will be able

to connect our ecosystem, and thereby generate considerable scope to attract more customers and users to Quickbit. We are currently reviewing possibilities to establish new partnerships within our core business and this makes us confident that we will soon be able to report higher volumes.

During the quarter we introduced a cost-saving program with the ambition to streamline operations and reduce staffing. Through simplifying organizational processes, we will realize cost savings in 2023 that are expected to lead to a stronger cash position in the future.

I am convinced that the major steps we have introduced in the organization as well as the measures we have implemented in this quarter will, together with our high-quality products, lead to a more robust, more efficient and more profitable Quickbit.

Daniel Sonesson
Acting CEO

Financial overview

Net sales and gross profit

Third quarter, January – March '23

Net sales amounted to € 59.3 million (92.1) during the third quarter, which is a decrease of 36% compared to the same period previous year. We have seen a temporary decline in activity amongst customers, which is the primary reason behind the lower net sales.

Gross profit totalled € 2.5 million (3.7) during the third quarter. Gross margin amounted to 4.2% (4.0%). The improved margin compared to Q3 '21/22 is a result of renegotiated contracts and strategic routing.

Nine months, July – March '22/23

Net sales amounted to € 209.0 million (277.4) for the period July-March '22/23, corresponding to a decline of 25% compared to the same period previous year. The decline is a result of lower activity amongst merchants, especially in Q3 '22/23.

Gross profit totalled € 8.8 million (10.7) with a gross margin of 4.2% (3.8%). The lower gross profit relates to lower net sales compared to the same period last year. The higher gross margin during the period July–March '22/23, compared to the same period last year, demonstrates optimization of the handling and purchase of cryptocurrency and other fees.

Expenses

Third quarter, January – March '23

Other external costs amounted to € -1.5 million (-1.7) during the third quarter.

During the quarter the costs for financial advice, legal advice and registration costs have declined by € -0.1 million compared to the same period last year. In addition, cost efficiencies have been implemented on external costs such as consulting costs and marketing costs which have further lowered external costs Q3 '22/23 compared to Q3 '21/22.

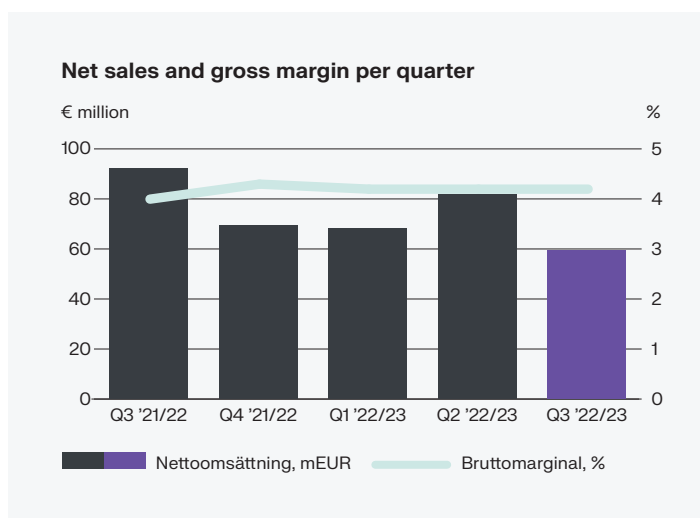
Personnel expenses totalled € -1.5 million (-1.2), whereby non-recurring expenses relating to the restructuring affected the result with € -0.5 million. Adjusted for the restructuring reserve, there is a positive development in personnel expenses as there has been a steep decline in personnel compared to the same quarter last year.

During the quarter, a reserve of 30 kEUR has been brought back and positively affected the result regarding realized employee stock options.

Nine months, July – March '22/23

Other external costs amounted to € -3.9 million (-6.0) during the nine months period '22/23, mainly related to variable costs and administrative and legal costs. The change compared to the same period last year is primarily due to lower costs for registration applications in new countries.

Personnel expenses totalled € -3.8 million (-3.3) and include non-recurring expenses relating to restructuring, which affected the result with € -0.5 million. During the period an expense of 28.7 kEUR has affected the result regarding realized employee stock options.



Alla siffror inom parantes avser motsvarande period föregående år om inte annat anges.

Earnings

Third quarter, January – March '23

Adjusted EBITDA was € 0.0 million (1.1), corresponding to an adjusted EBITDA margin of 0.1% (1.2%). Adjustments encompassed items affecting comparability related to personnel expenses, exchange differences, writedown of claims and other non-recurring expenses which amounted to net € 2.9 million (0.2).

Depreciation and amortization of tangible and intangible assets amounted to € -0.9 million (-0.7) and mainly pertained to amortization of capitalized expenditure on product development and to some extent other intangible assets.

EBIT totalled € -3.8 million (0.2). The tax was € 0.2 million (-0.3).

Accordingly, net profit for the third quarter of the '22/23 financial year amounted to € -3.6 million (-0.1).

Nine months, July – March '22/23

Adjusted EBITDA was € 1.9 million (1.4) for the period, corresponding to an adjusted EBITDA margin of 0.9% (0.5%). Adjustments encompassed items affecting comparability related to personnel expenses, exchange differences, writedown of claims and other non-recurring expenses which amounted to € 4.3 million (0.4).

Depreciation and amortization of tangible and intangible assets amounted to € -2.4 million (-1.7) and mainly pertained to amortization of capitalized expenditure on product development.

EBIT totalled € -4.9 million (-0.5). The tax expense was € -0.1 million (-1.0).

Accordingly, net profit for the nine months period of the '22/23 financial year amounted to € -5.0 million (-1.4).

Financial position

Other intangible assets amounted to € 7.9 million (3.1) and largely consists of the acquisition completed in Q1 '22/23 related to two product platforms.

On 31st of March 2023, other receivables in the consolidated balance sheet amounted to € 3.3 million (10.0). The change compared with the previous period, referred to write-down of 1.2 mEUR during Q2 '22/23, 2.4 mEUR during Q3 '22/23 and the remainder was related to repayment of receivables.

Cash flow

Third quarter, January – March '23

Cash flow from operating activities during the quarter amounted to € 0.1 million (0.8), mainly as result of less gross profit compared to to last year.

Cash flow from investing activities amounted to € -0.3 million (-0.7) and is mainly related to capital expenditures for product development

Cash flow from financing activities amounted to € -0.2 million (-0.1) and is primarily attributable to principal elements of lease payments on lease liabilities.

On 31 March 2023 the Group's cash and cash equivalents amounted to € 2.0 million (9.4).

Nine months, July – March '22/23

Cash flow from operating activities during the period amounted € -1.9 million (-0.1).

Cash flow from investing activities amounted to € -5.6 million (-2.9) and is primarily related to capital expenditures for product development and the acquisition of two products.

Cash flow from financing activities € -0.4 million (-0.1) and is primarily attributable to principal elements of lease payments on lease liabilities.

Other information

Parent company

Third quarter, January – March '22/23

The Parent Company's third quarter net sales amounted to SEK 6.6 million (4.3) and mainly related to inter-group services. Inter-group services are eliminated in the consolidated accounts. Other operating income amounted to SEK 1.0 million (9.2). EBIT for the Parent Company totalled SEK -15.7 million (-23.2). Profit for the period totalled SEK -15.7 million (-22.6). Cash and cash equivalents amounted to SEK 18.4 million (47.9) on 31 March 2023.

Nine months, July – March '22/23

The Parent Company's net sales for the period amounted to SEK 19.4 million (11.5) and mainly related to inter-group services. Other operating income amounted to SEK 3.7 million (16.9). EBIT for the Parent Company totalled SEK -46.9 million (-82.8). Profit for the period totalled SEK -46.9 million (-29.9).

Employees

The number of employees on payroll per 31 March 2023 were 44 (55) and the number of consultants with valid contracts per 31 March 2023 were 6 (15). During the third quarter, the average number of employees was 41.6 (55.0) and the average number of consultants was 4.0 (15.0). The workforce total averaged 45.6 (70.0). With the restructuring that took place during the quarter, the workforce will be significantly reduced in the coming quarters.

Risks and uncertainties

Quickbit faces a number of risks and uncertainties that may directly or indirectly impact the company's operations. These uncertainties include regulatory risks linked to changes in regulations and legislation in various countries. The war in Ukraine have accentuated the risk profile of the global economy, although to date, Quickbit has not noted any material impact. Quickbit is monitoring developments closely. Risks and uncertainties are described in more detail in Quickbit's most recently published annual report, available at www.quickbit.com.

Liquidity risk

Given the latest quarter's liquidity development, strengthening the group's cash position is a top priority for the board and management. As a first step, it will be achieved through the launch of new products and expansion of existing flows. The cost-savings program initiated earlier this year is expected to further strengthen the cash position during the first quarter next FY and onwards.

To be able to continue operating the business and implement the communicated development projects, the management and the board are working with different options to raise capital. If the company does not manage to strengthen its cash position in the coming quarters, this could significantly affect its continued operations. The board and management are optimistic about future financing opportunities.

Dependent on main partners and PSP banks

There is a risk of an immediate negative impact on the company's operations if collaborations with PSP banks and main partners were to cease. To mitigate exposure to a single bank, the company chooses to use several different PSP banks and actively works to expand this network. Quickbit is heavily dependent on certain subcontractors and if any of these collaborations were to cease, there is a risk of reduced revenues and/or increased costs.

Implementation of the customer awareness measure

During the last quarter, Quickbit has been working on updating previous processes for customer awareness. There are risks related to previously ineffective processes for customer awareness measures that may negatively affect the company's relations with regulatory authorities.

The share

Quickbit's share has been listed on Nordic Growth Market Nordic SME since 11 July 2019. The listing price was SEK 3.20 and the final price paid on 31 March 2023 was SEK 1.428. During the period 1 January to 31 March 2023, share turnover totalled approximately 11 million with a value of around SEK 18.2 million, corresponding to approximately 21 % of the total number of shares in Quickbit at the end of the period. The highest price paid during the period 1 January to 31 March 2023 was SEK 2.37 (19 January 2023) and the lowest price paid was SEK 1.10 kr (16 March 2023). On 31 March 2023, Quickbit's share capital amounted to SEK 884,607.36 kr (884,607.36). At the end of the third quarter, the number of shares totalled 88,460,736 shares, corresponding to a quotient value of SEK 0.01 per share.

Shareholders

On 31 March 2023 Quickbit had 10,312 shareholders, a reduction of 1,436 shareholders compared to the same period last year. The major shareholders as of 31 March 2023 are presented in the table below:

SHAREHOLDERS	% OF SHARES	NUMBER OF SHARES
Aurentum I LLP	9.99 %	8,837,227
Avanza Pension	9.3 %	8,253,877
Nordnet Pensionsförsäkring AB	4.2 %	3,698,135
Abelco Investment Group	3.2 %	2,799,236
Nilezia Holdings Limited (FTCS Intressenter AB)	2.4 %	2,092,737
Dovontil Holdings Ltd	2.1 %	1,894,156
Per Öberg, through Coeli Wealth Management	2.0 %	1,800,000
Intergiro Intl	1.8 %	1,572,111
Hammad Abuseifan, private and through companies	1.6 %	1,443,636
Peter Liljeroos	0.9%	805,707
10 largest shareholders	37.5 %	33,174,635
Other shareholders	62.5 %	55,286,101
TOTAL NUMBER OF SHARES	100.0 %	88,460,736

Source: Monitor of Modular Finance AB. Consolidated and compiled data from, inter alia, Euroclear, Morningstar and Finansinspektionen.

Related-party transactions

In addition to the board fee, board members received payments of SEK 225 thousand during 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 interim report has been subject to review by the company's auditor.

Contact

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E-mail: investor@quickbit.com

Signatures

The board of Directors and the interim 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, 26 April 2023

Mikael Karlsson
Chairman of the Board

Henrik Vilselius
Board member

Elena Kontou
Board member

Scott Wilson
Board member

Daniel Sonesson
Interim CEO
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 December 2022 and the six-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.

Material Uncertainty Related to Going Concern

Without qualifying our review report, we draw attention to the Risk and uncertainties section on page 5 in the interim report, where it is stated that the company's future operations are dependent on additional financing being obtained. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Stockholm, 26 April 2023

PricewaterhouseCoopers AB

Johan Engstam

Authorised Public Accountant

Consolidated income statement, condensed

Amounts in € million	Note	Third quarter		9 months		Full-year
		Jan – Mar 2023	Jan – Mar 2022	Jul 2022– Mar 2023	Jul 2021– Mar 2022	Jul 2021– Jun 2022
Income						
Net sales	2	59.3	92.1	209.0	277.4	346.7
Other operating income		0.2	1.0	0.5	1.7	2.1
Total income		59.4	93.1	209.5	279.1	348.8
Operating expenses						
Purchase of cryptocurrency and other fees		-56.8	-88.5	-200.1	-266.7	-333.1
Other external expenses		-1.5	-1.7	-3.9	-6.0	-7.3
Personnel expenses		-1.5	-1.2	-3.8	-3.3	-4.6
Depreciation and amortisation of PPE and intangible assets		-0.9	-0.7	-2.4	-1.7	-2.4
Other operating expenses		-2.5	-0.9	-4.0	-1.9	-2.3
EBIT		-3.8	0.2	-4.9	-0.5	-0.9
Financial items						
Financial costs		-0.0	0.0	0.0	0.0	-0.1
EBT		-3.8	0.2	-4.9	-0.5	-1.0
Tax on profit for the period		0.2	-0.3	-0.1	-1.0	-0.5
Net profit for the period		-3.6	-0.1	-5.0	-1.4	-1.5
OTHER COMPREHENSIVE INCOME						
Items that may be reclassified to profit for the period:						
Exchange differences on translation of foreign operations		-0.1	0.3	-1.0	0.7	1.7
Total comprehensive income for the period		-3.7	0.2	-6.0	-0.8	0.1
Earnings per share, €						
Basic		-0.04	-0.00	-0.06	-0.02	-0.02
Diluted ¹⁾		-0.04	-0.00	-0.06	-0.02	-0.02
Number of shares						
Weighted-average, before dilution		88,460,736	88,460,736	88,460,736	88,460,736	88,460,736
Weighted-average, after dilution		88,460,736	90,007,736	88,460,736	90,008,389	90,008,625

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 2023	31 Mar 2022	30 Jun 2022
ASSETS				
Non-current assets				
Capitalised expenditure on development and similar work		6.0	6.0	6.1
Goodwill		0.2	0.2	0.2
Other intangible assets		7.9	3.1	2.9
Right-of-use assets		0.8	0.8	0.7
Equipment and tools		0.1	0.2	0.2
Other non-current receivables		0.2	0.7	0.7
Deferred tax assets		–	0.0	0.0
Total non-current assets		15.2	11.1	10.8
Current assets				
Inventory of cryptocurrency		0.1	0.1	0.0
Trade receivables		–	0.0	0.0
Current tax assets		1.0	–	0.7
Other receivables		3.3	10.0	5.9
Prepaid expenses and accrued income		3.4	2.8	2.4
Cash and bank balances		2.0	9.2	9.9
Total current assets		9.7	22.0	19.1
TOTAL ASSETS		25.0	33.0	29.9
EQUITY AND LIABILITIES				
Equity				
Share capital		0.1	0.1	0.1
Other contributed capital		12.4	13.5	13.0
Reserves		-0.5	-0.6	0.5
Other equity including net profit for the period		5.7	10.9	10.3
Total equity		17.7	23.9	23.9
Non-current liabilities				
Deferred tax liability		0.1	0.0	–
Non-current lease liabilities		0.2	0.2	0.1
Other non-current liabilities		0.1	0.1	0.1
Total non-current liabilities		0.4	0.3	0.2
Current liabilities				
Trade payables		0.6	0.5	0.5
Current tax liabilities		–	0.8	–
Current lease liabilities		0.6	0.5	0.4
Other current liabilities		1.0	0.3	0.7
Accrued expenses and deferred income		4.7	6.6	4.2
Total current liabilities		6.9	8.8	5.7
TOTAL EQUITY AND LIABILITIES		25.0	33.0	29.9

Consolidated changes in equity, condensed

Amounts in € million	Note	Share capital	Other contributed capital	Retained earnings (incl. net profit for the period)	Total equity
OPENING BALANCE ON 1 JULY 2021		0.1	13.8	11.2	25.1
Transition to euro (€)		0.0	-0.3	-0.1	-0.4
Net profit for the period		-	-	-1.4	-1.4
Reserves		-	-	0.7	0.7
Total comprehensive income for the period		0.1	13.5	10.3	23.9
Transactions with shareholders					
Share-based payments to personnel		-	-	0.0	0.0
Total transactions with shareholders		-	-	0.0	0.0
CLOSING BALANCE, 31 MARCH 2022		0.1	13.5	10.3	23.9
OPENING BALANCE ON 1 JULY 2022		0.1	13.0	10.8	23.9
Net profit for the period		-	-	-5.0	-5.0
Reserves		-	-0.6	-0.4	-1.0
Total comprehensive income for the period		0.1	12.4	5.5	17.9
Transactions with shareholders					
Share-based payments to personnel		-	-	-0.2	-0.2
Total transactions with shareholders		-	-	-0.2	-0.2
CLOSING BALANCE, 31 MARCH 2023		0.1	12.4	5.3	17.7

Koncernens kassaflödesanalys i sammandrag

Amounts in € million	Note	Third quarter		9 months		Full-year
		Jan – Mar 2023	Jan – Mar 2022	Jul 2022– Mar 2023	Jul 2021– Mar 2022	Jul 2021– Jun 2022
Operating activities						
EBIT		-3.8	0.2	-4.9	-0.5	-0.9
Non-cash items		3.2	0.9	5.6	2.1	2.8
Tax paid		-0.0	-0.6	-0.4	-1.1	-1.9
Interest paid		-0.0	0.0	-0.0	-0.0	-0.1
		-0.6	0.5	0.3	0.6	-0.2
Change in working capital						
Increase(-)/decrease(+) in operating receivables		1.7	2.9	-2.0	2.4	6.7
Increase(+)/decrease(-) in operating liabilities		-1.1	-2.7	-0.1	-3.0	-4.9
Cash flow from operating activities		0.1	0.8	-1.9	-0.1	1.6
Investing activities						
Investments in non-current intangible assets		-0.3	-0.5	-6.1	-2.1	-2.7
Investments in PPE		0.0	0.0	0.0	-0.1	-0.1
Acquisition of subsidiaries		0.0	0.0	-0.0	-0.3	-0.3
Investments in non-current financial assets		-0.0	-0.2	-0.5	-0.4	-0.4
Cash flow from investing activities		-0.3	-0.7	-5.6	-2.9	-3.5
Financing activities						
Increase/decrease in other financial liabilities		-	0.0	-	-	-
Incentive programme		-	-	-	0.1	0.1
New issue		-	0.0	-	-	-
Principal elements of lease payments		-0.2	-0.1	-0.4	-0.2	-0.4
Cash flow from financing activities		-0.2	-0.1	-0.4	-0.1	-0.3
Cash flow for the period		-0.4	-0.1	-7.9	-3.1	-2.2
Opening cash and cash equivalents		2.4	9.4	9.9	12.5	12.5
Exchange difference in cash and cash equivalents		-0.0	-0.1	-0.0	-0.2	-0.4
Closing cash and cash equivalents		2.0	9.2	2.0	9.2	9.9

Parent Company income statement, condensed

Amounts in SEK million	Note	Third quarter		9 months		Full-year
		Jan – Mar 2023	Jan – Mar 2022	Jul 2022– Mar 2023	Jul 2021– Mar 2022	Jul 2021– Jun 2022
Income						
Net sales		6.6	4.3	19.4	11.5	79.3
Other operating income		1.0	9.2	3.7	16.9	19.5
Total income		7.5	13.5	23.1	28.4	98.8
Operating expenses						
Other external expenses		-8.2	-13.6	-23.8	-52.2	-63.0
Personnel expenses		-10.9	-10.9	-33.1	-31.5	-42.5
Depreciation and amortisation of PPE and intangible assets		-3.3	-3.4	-9.3	-9.0	-12.8
Other operating expenses		-0.8	-8.8	-3.8	-18.4	-22.7
EBIT		-15.7	-23.2	-46.9	-82.8	-42.4
Financial items						
Profit from participations in Group companies		–	0.6	–	52.9	104.5
Interest expense and similar profit/loss items		-0.0	-0.0	-0.0	-0.0	-0.0
EBT		-15.7	-22.6	-46.9	-29.9	62.1
Tax on profit for the period		–	–	–	–	–
Net profit for the period		-15.7	-22.6	-46.9	-29.9	62.1

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 2023	31 Mar 2022	30 Jun 2022
ASSETS				
Non-current assets				
Capitalised expenditure on development and similar work		51.4	60.7	50.2
Other intangible assets		0.0	0.1	0.1
Equipment and tools		1.1	1.6	1.4
Participations in Group companies		10.9	9.9	9.9
Other non-current receivables		–	3.1	3.2
Total non-current assets		63.3	75.4	64.6
Current assets				
Trade receivables		–	–	0.1
Receivables from Group companies		-18.1	6.5	8.7
Other receivables		0.2	0.6	0.3
Prepaid expenses and accrued income		5.2	2.2	2.1
Cash and bank balances		18.4	47.9	46.0
Total current assets		5.8	57.3	57.1
TOTAL ASSETS		69.1	132.7	121.8
EQUITY AND LIABILITIES				
Equity				
Share capital		0.9	0.9	0.9
Fund for development expenditure		51.4	60.7	50.2
Share premium reserve		139.5	139.5	139.5
Retained earnings		-96.2	-165.4	-154.9
Net profit for the year		-46.9	-29.9	62.1
Total equity		48.7	5.7	97.8
Non-current liabilities				
Other non-current liabilities		1.1	1.3	1.3
Total non-current liabilities		1.1	1.3	1.3
Current liabilities				
Liabilities to Group companies		–	108.6	3.7
Trade payables		5.0	5.0	4.1
Current tax liabilities		–	3.3	–
Other current liabilities		3.4	0.1	5.0
Accrued expenses and deferred income		10.9	8.7	10.0
Total current liabilities		19.3	125.7	22.7
TOTAL EQUITY AND LIABILITIES		69.1	132.7	121.8

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 '21/22 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 '21/22 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 '21/22 financial year, available at 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	59.3
Total	59.3

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 2023	Jan – Mar 2022	Jul 2022 – Mar 2023	Jul 2021 – Mar 2022	Jul 2021 – Jun 2022
Net sales	59.3	92.1	209.0	277.4	346.7
Purchase of cryptocurrency and other fees	-56.8	-88.5	-200.1	-266.7	-333.1
Gross profit	2.5	3.7	8.8	10.7	13.6
Gross margin, %	4.2%	4.0%	4.2%	3.8%	3.9%

Derivation of EBITDA and Adjusted EBITDA

Amounts in € million	Third quarter		9 months		Full-year
	Jan – Mar 2023	Jan – Mar 2022	Jul 2022 – Mar 2023	Jul 2021 – Mar 2022	Jul 2021 – Jun 2022
EBIT	-3.8	0.2	-4.9	-0.5	-0.9
Depreciation and amortisation of PPE and intangible assets	0.9	0.7	2.4	1.7	2.4
EBITDA	-2.9	0.9	-2.4	1.2	1.5
Exchange differences	-0.1	-0.1	-0.1	0.1	0.2
Writedown of receivables	2.4	–	3.6	–	–
Share-based incentive programme	-0.0	–	0.1	–	–
Other items affecting comparability	0.6	0.3	0.8	0.3	0.6
Items affecting comparability	2.9	0.2	4.3	0.4	0.9
Adjusted EBITDA	0.0	1.1	1.9	1.4	2.4
Adjusted EBITDA margin, %	0.1%	1.2%	0.9%	0.5%	0.7%

Definition

Alternative performance measure	Definition	Reason
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.	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.	The APM is used as part of the description of the sales trend within Quickbit Affiliate.
Merchants/ e-merchants	Companies that have marketplaces accessible online and which can accept payment in crypto both for products and for services.	The APM refers to the number of active merchants at the close of the period and is used as part of the description of future sales potential.

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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