

Interim report

January - March 2022



Our vision

To enable the transition to clean energy by making intelligent energy storage and control solutions easily available to every property owner.



Financial information

All figures are in unaudited Swedish kronor and the information presented in this report relates to the Enequi AB (publ) Group unless otherwise stated.

January - March 2022

During the period, operations have generated results above budget:

+ 29 %

Net sales amounted to SEK 19.5 million, an increase of 29% compared to the same period last year.

16 MSEK

Order received for the period amounted to SEK 16 million, an increase of 1.4% compared to the same period last year.

+ 39 %

Order backlog 2022-03-31 amounted to SEK 21.8 million, an increase of 39% compared to 2021-03-31.

-4,0 MSEK

EBITDA amounted to SEK - 4.0 million in the quarter, representing an improvement in EBITDA of 38.4% compared to the same period last year.

Group financial data

Financial overview (according to IFRS in MSEK)

	Quarter 1		Full year
	2022	2021	2021
Orders received	16,0	15,7	70,1
Order backlog	21,8	15,7	25,4
Net sales	19,5	15,1	59,9
Gross margin	37,2%	39,0%	34,3%
Operating expenses	-11,2	-12,4	-91,8
Non-recurring costs	0,0	0,0	-1,3
EBITDA	-4,0	-6,5	-27,4
Operating loss	-5,1	-6,9	-33,3
Profit/loss after financial items	-5,9	-7,5	-34,4
Equity ratio	35%	30%	42%
Cash flow from operating activities	-5,5	-8,7	-28,4
Available liquidity	4,2	25,9	5,5

Important events

- Shift in functionality focus for the QuiPower platform where the Energy Management System (EMS) now becomes the core for both development and communication.
- Completion of industrialisation projects for the entire QuiPower Platform, focusing on development, production and communication.
- International sales representative hired, based in Stockholm with main focus on sales of the QuiPower system in Europe, and with emphasis on QuiPower Nodes (energy nodes incl. lighting control).
- Distribution agreement with SofarSolar in the Nordics focusing on inverters, where the product range also includes lithium batteries that will become part of the QuiPower range.
- Cooperation and agreement with SME in Germany who, together with Enequi will adapt the QuiPower-system for the necessary and desirable German certifications. The cooperation also includes development of sales/marketing channels and training of installers from the Quirinus Forum in Heppendorf, Germany.
- Agreement with Kopp for the supply of energy storage to the German market.
- Agreement signed between Gycom and Eaton for automation partnership. The press release on this partnership was released on 21 March.
- Gycom collaborates with leading truck manufacturer in west of Sweden by developing control systems for battery and fuel cell tests for the trucks of the future.

Statement from the CEO



In a transformative world, we need to be responsive and adapt to market demands, while following the company's vision for the long term. That's why we are now completing the repackaging and launch of our industrialised solution.

Enequi's QuiPower Platform is based on our intelligence - our energy management system. At the end of 2021 and so far this year, we have carried out extensive work involving large parts of the company, putting this system in focus. Complementary hardware such as energy storage and inverters have been adapted to best offer customers profitable and long-term solutions.

Because the interest is there, that's clear! Electricity prices and network charges have been increasing at a high rate without customers really being aware of the difference between them. Here, Enequi can help deliver systems that automate energy efficiency and increase safety for property owners. In 2021, 20,000 residential solar panel systems were installed in Sweden, but less than 8% of these installed energy storage. Looking further out in Europe and at the leading German market, energy storage is installed on 50% of all solar panel installations. The growth in smart home solutions is also tangible and highly relevant for our energy node - QuiPower Node, which is in production with a contracted manufacturer where we have placed an order for 110,000 units.

Our launch will, among other things, create a customer choice between energy storages based on lithium or nickel metal hydride technologies. It broadens the offer and price picture and creates more secure supply flows. Also, the control of comfort energy in the property, such as dimming of lighting and scenes will strengthen the QuiPower Platform. We are also continuing to develop software-related services such as buying electricity at hourly rates on the Nord Pool electricity exchange.

Håkan Svärd
CEO of Enequi AB (publ)

Market development

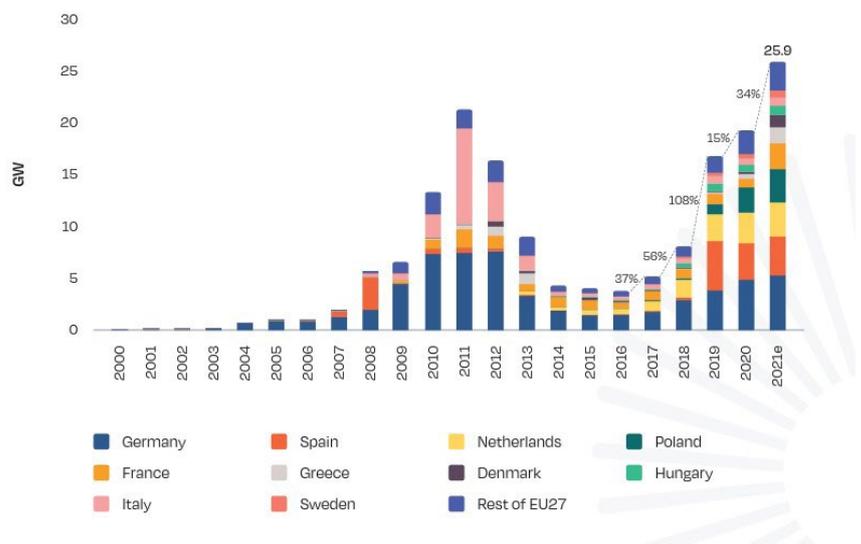
2022 has been a turbulent market so far. Energy prices have soared due to events in Ukraine and Russia. The pandemic, which seemed to be easing at the beginning of the year, has now created new supply challenges for various components and production materials due to recurring lockdowns in China.

Recent volatility in energy markets and unrest on European soil has made politicians even more aware of the importance of the energy transition. Not only to clean and renewable electricity, but also to locally produced and secure electricity. Energy Minister Khashayar Farmanbar said during an event that he sees flexibility becoming important and that new market models are needed. "We want to reward smart grids, make it possible to come in with support for the system and that you get a value from added flexibility. I very much believe in a new market model that makes room for players who can deliver this, he said, adding that it could include whips and carrots."

Sweden has taken the lead in becoming one of the first fossil-free welfare countries, while doubling its electricity consumption by 2045. The need to expand the electricity system is obvious, and with rapidly growing electrification plans for industry, Sweco has presented a report (commissioned by Ellevio) that shows that the price tag for an electricity grid capable of delivering 310 TWh per year by 2045 lands at around SEK 670 billion. That is, SEK 170 billion more than what Fossil Free Sweden arrived at a few years ago.

The war in Ukraine has further highlighted the need to quickly switch the current demand for Russian gas to more sustainable energy sources. The issue was already on the agenda to reduce carbon emissions in line with the Paris Climate Accords, but whose timeframe has been shortened considerably under current circumstances. The uncertainty in the energy market in Europe has created a clear interest in backup power solutions and increased energy control in everything from residential to industrial properties. Sales of solar panels also continue to grow strongly and are forecast to do so for several years to come.

FIGURE 2 EU27 ANNUAL SOLAR PV INSTALLED CAPACITY 2000-2021



Business Overview

Information about the business

Enequi is a provider of solutions for energy storage, energy control, electrical installation, and industrial automation. Enequi's solutions are based on decades of industry experience and a commitment to putting property owners in charge of their energy supply for a trouble-free transition to the era of clean energy.

Rising electrification demands smarter energy solutions. Solutions that make energy storage simpler, charging easier and costs more controllable. Whether you need more power than your property can provide, solar energy storage, lower electric bills, safe backup power or smarter lighting controls, Enequi puts you in charge of your energy supply.

Results of operations

The first month of the year started challenging as new Covid outbreaks resulted in cancelled meetings, trade fairs and market uncertainties. This resulted in a worse-than-forecast result. However, with the easing of Covid restrictions, a greater energy focus in the market and increased sales activity, both order intake and sales turned around at the end of the quarter. This resulted in an EBITDA that was 38% above last year.

We see a clear increase in incoming enquiries from last year, with the number of leads per month almost tripling compared to the previous year. With a stronger sales force, clearer customer benefits, simpler grant processes and several close partnerships, we see good potential for significantly increased sales this year as a result.

The order book also increased by 39% compared to the same date last year (20210331). Which provides a solid foundation for the months ahead.

In order to further strengthen results and increase net sales, as well as to secure component availability, a large order has been placed for inverters. These will be sold both as stand-alone (string inverters) and as part of the QuiPower range (hybrid inverters).

Forecasted sales volumes require more working capital to secure, among other things, component supply. The target to achieve positive EBITDA on a monthly basis by the end of the year remains and the forecast to achieve positive cash flow in summer 2023.

Future developments

We are currently reviewing our business model for the functionality of the QuiPower Platform and opportunities for monthly revenue streams. As previously mentioned a more modular product portfolio is under development, for which the launch is planned during summer 2022.

Management



Håkan Svärd
CEO

Head of the Group since 2021.
Many years of experience in electronics sales, management and marketing.



Mikael Lindgren
Chief Financial Officer/HR

Responsible for the company's finances and human capital.
Has worked in the Group since 2014.



Julia Erikson
Chief Marketing Officer

Responsible for marketing communications and leading digital growth.
Has worked in the Group since 2020.



Vladimir Vujic
Chief Technology Officer

Responsible for technical development and leads the dev. of hardware and software.
Has worked in the Group since 2005.



Mats Larsson
Chief Quality Off./Sustainability

Leads the company's sustainability work and is responsible for quality development.
Has worked in the Group since 2017.



Martin Lovén
Chief Sales Officer

Leads sales team and partnerships.
Responsible for commercial real estate.
Has worked in the Group since 2021.



Staffan Sjöstedt
CEO Gycom

Develops the automation business and is responsible for Gycom's sales and engineering team. Has worked in the Group since 2020.