



EXEGER

ANNUAL REPORT 2023

EXEGER SWEDEN AB (PUBL)
Corporate Identity No.: 556777-6926

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CORPORATE GOVERNANCE REPORT

The Board of Directors and the CEO of Exeger Sweden AB (publ) hereby present the accounts for the period from January 1 to December 31, 2023. In the report, amounts are in thousands of Swedish kronor unless otherwise stated.

About the business

Exeger is engaged in the sale, development, production and commercialization of third-generation solar cells, so-called dye-sensitized solar cells or DSCs. The company conducts "business-to-business" sales, i.e. does not sell directly to the end consumer. The company's solar cells are sold under the Powerfoyle brand. The company's products include, among other things, applications in consumer electronics and the Internet of Things.

The company's primary operations are located in Stockholm and, in 2023, had an average of 166 employees from 30 countries. Operations are conducted in accordance with the international standards for ISO9001 and ISO14001.

Significant events during the financial year

At the beginning of the year, the Board of Directors decided on directed new share issues to Exeger Operations AB from Exeger Sweden AB.

In January, an Extraordinary General Meeting resolved to extend all option programs by one year until October 2024, at the same time as the terms and conditions of the programs were updated. In October, an Extraordinary General Meeting decided to institute a new stock option program and at the same time update the terms and conditions of the existing programs.

During the year, Exeger's second factory was brought into operation so that products can be manufactured at two factories. As a result, several large customer contracts have been signed.

Loan financing from the European Investment Bank was secured in December to support further development of the new factory.

In December, an annual ISO9001 audit was carried out with approved results. This is Exeger's sixth year of ISO9001 certification. In December, Exeger also became ISO14001 certified after a successful environmental audit.

During the year, 57 patents were approved and at the end of the year, Exeger had 295 approved patents.

Significant events after the end of the financial year

On February 29, 2024, the first tranche of EUR 10 million was disbursed from the European Investment Bank.

Expected future developments

The company's management and board of directors see strong potential in the market for commercialization of third-generation solar cells and expect the company to have good financial development in the coming years.

Research and development

The company carries out research and development in the areas of cell development, material development and process development. The work is continuous and is incorporated into existing products and processes on an ongoing basis.

Risks, uncertainties and risk management

Exeger is still at a stage where the company is moving from research to large-scale production and commercial sales.

This transition can lead to problems and delays that management could not have foreseen and therefore could not have counteracted at an early stage.

The market risk continued to decrease in 2023 with the new customer contracts, which confirmed the assumptions the company had made regarding market reception and willingness to pay.

The company's future competitiveness is affected by sustained development and successful research, which always comes with uncertainty and risks.

As the company operates in a global market, the risk surrounding assumptions, the market and the future, increases further in the event of pandemics, conflicts or other global events.

Ownership

The company is affiliated with Euroclear and at year-end the number of shareholders was 3,175. This is an increase of 293 shareholders from the previous year.

MULTI-YEAR OVERVIEW

Amounts in SEK million (SEKm)	2023	2022	2021	2020	2019	2018	2017
Result							
Net sales	13.3	6.6	6.0	0.2	0.3	–	–
Operating profit/loss excluding depreciation and amortization, EBITDA	-283.8	-254.9	-227.5	-105.4	-67.0	-25.6	-11.9
Operating margin, %, EBITDA	-2,131.2	-3,839.4	-3,813.1	–	–	–	–
Total assets	745.0	974.3	740.5	638.1	593.4	258.4	216.5
Equity	427.9	671.5	413.5	537.8	486.0	187.2	148.5
Equity ratio, %	57.4	68.9	55.8	84.3	81.9	72.4	68.6
Average number of employees	166.2	177.6	154.7	130.8	102.8	74.1	53.7

EMPLOYEES

The average number of employees during the year was 166.2 (177.6).

PROPOSED DISTRIBUTION OF PROFITS

The Board of Directors proposes the following distribution of profits (SEK):

The following profit/loss are at the disposal of the Annual General Meeting:

Retained profits	1,551,468,435
Profit/loss for the year	-1,522,576
Total	1,549,945,859

The Board of Directors proposes that the following amount should be carried forward

1,549,945,859

CONSOLIDATED INCOME STATEMENT

January - December, SEK thousands	Note	2023	2022
Net sales		13,314	6,639
Capitalized development cost	G8, G10	15,431	27,074
Other operating income	G3	1,518	3,333
Total		30,263	37,046
Operating costs			
Material costs		-24,340	-45,810
Other external costs	G4	-109,327	-84,225
Employee costs	G5	-179,172	-158,965
Depreciation/amortization and impairment of tangible and intangible fixed assets	G8, G9, G10	-127,999	-75,691
Other operating costs	G3	-1,176	-2,959
Total operating costs		-442,014	-367,650
Operating profit/loss		-411,751	-330,604
Profit/loss from shares in Group companies		-	-298
Profit or loss from other companies in which there is an ownership interest		109	33,653
Financial income	G6	12,261	6,136
Financial costs	G6	-14,174	-9,504
Profit/loss from financial items		-1,804	29,987
Profit/loss before tax		-413,555	-300,617
Tax	G7	725	439
Profit/loss for the year		-412,830	-300,178
Profit/loss for the year attributable to:			
Owner of the parent company		-412,830	-290,174
Non-controlling interest		-	-10,004
Total profit/loss		-412,830	-300,178

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

January - December, SEK thousands	2023	2022
Profit/loss for the period	-412,830	-300,178
Other comprehensive income for the period		
<i>Items that may be reclassified to the income statement</i>		
Translation differences	-409	206
Total other comprehensive income for the period	-409	206
Comprehensive income for the period	-413,239	-299,972
Comprehensive income attributable to:		
Parent company shareholders	-413,239	-289,964
Non-controlling interest	-	-10,008

CONSOLIDATED BALANCE SHEET

December 31, SEK thousands	Note	2023	2022
ASSETS			
Non-current assets			
Intangible assets			
Capitalized costs for development work, etc.	G8	172,437	221,256
Patents and trademarks	G8	30,815	29,630
Other intangible assets	G8	4,621	4,384
Total intangible assets		207,873	255,270
Property, plant and equipment			
Right-of-use assets, buildings	G9	148,847	139,894
Leasehold improvements	G10	68,966	63,304
Machinery and equipment	G10	79,335	111,030
Building installations, leasehold	G10	1,652	1,431
Advance payments and machinery in progress regarding material non-current assets	G10	85,612	48,705
Total tangible non-current assets		384,412	364,364
Financial non-current assets			
Deferred tax assets	G7	1,410	685
Total financial non-current assets		1,410	685
Total non-current assets		593,695	620,319
Current assets			
Inventories	G11	46,202	44,350
Current receivables			
Accounts receivable	G12	12,272	6,589
Other receivables	G13	8,957	8,603
Prepaid expenses and accrued income	G14	19,609	14,828
Total current receivables		40,838	30,020
Cash and cash equivalents	G15	64,279	279,649
Total current assets		151,319	354,019
TOTAL ASSETS		745,014	974,338

CONSOLIDATED BALANCE SHEET, CONT.

December 31, SEK thousands	Note	2023	2022
EQUITY			
Share capital	G16	1,083	1,050
Additional paid in capital		1,670,998	1,501,309
Retained earnings including profit for the financial year		-1,244,139	-830,900
Total equity		427,942	671,459
LIABILITIES			
Non-current liabilities			
Lease liability, non-current portion	G9	135,323	127,933
Liabilities to credit institutions, non-current portion	G17	81,887	98,825
Total non-current liabilities		217,210	226,758
Current liabilities			
Liabilities to credit institutions, current portion	G17	16,938	16,644
Accounts payable		25,660	15,713
Other liabilities	G18	9,576	7,634
Lease liability, current portion	G9	20,369	15,288
Accrued expenses and deferred income	G19	27,319	20,842
Total current liabilities		99,862	76,121
Total liabilities		317,072	302,879
TOTAL LIABILITIES AND EQUITY		745,014	974,338

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share capital not registered	Other capital contributions	Retained earnings, including profit/loss for the year	Equity attributable to the parent company's shareholders	Non-controlling interest	Total equity
January 1, 2023	988	62	1,501,309	-830,900	671,459	-	671,459
<i>Comprehensive income</i>							
Profit/loss for the year				-412,830	-412,830		-412,830
Change in translation differences				-409	-409		-409
Total comprehensive income	-	-	-	-413,239	-413,239	-	-413,239
<i>Transactions with shareholders</i>							
Warrants program			-44		-44		-44
New issue of shares	95	-62	176,853		176,886		176,886
Transaction costs			-7,120		-7,120		-7,120
Total transactions with shareholders	95	-62	169,689	-	169,722	-	169,722
December 31, 2023	1,083	-	1,670,998	-1,244,139	427,942	-	427,942
January 1, 2022							
Correction of errors ¹⁾			-173,864	173,864	-		-
Adjusted opening balance January 1, 2022	881	-	943,517	-541,223	403,175	10,295	413,470
<i>Comprehensive income</i>							
Profit/loss for the year				-290,174	-290,174	-10,004	-300,178
Change in translation differences				210	210	-4	206
Total comprehensive income	-	-	-	-289,964	-289,964	-10,008	-299,972
<i>Transactions with shareholders</i>							
Non-controlling interest				287	287	-287	-
Warrants program			-1,114		-1,114		-1,114
New issue of shares	107	62	559,761		559,930		559,930
Transaction costs			-855		-855		-855
Total transactions with shareholders	107	62	557,792	287	558,248	-287	557,961
December 31, 2022	988	62	1,501,309	-830,900	671,459	-	671,459

¹⁾ Correction regarding the treatment of capitalization of development expenses in previous years. At Group level these expenses should be included in retained earnings.

CONSOLIDATED STATEMENT OF CASH FLOWS

January - December, SEK thousands	Note	2023	2022
Cash flow from operating activities			
Operating profit/loss		-411,751	-330,604
Adjustments for non-cash items			
- Reversal of depreciation/amortization		127,999	75,691
- Capital gains/losses on non-current assets		-	3
- Change in provisions		-	-294
- Other non-cash items		843	400
Interest received		5,991	61
Interest paid		-9,869	-5,338
Tax paid		-	-1,204
Cash flow from operating activities before changes in working capital		-286,787	-261,285
Changes in working capital			
Increase/decrease in inventories		-1,280	-16,372
Increase/decrease in other current receivables		-9,812	26,932
Increase/decrease in other current liabilities		17,285	-44,113
Total changes in working capital		6,193	-33,553
Cash flow from operating activities		-280,594	-294,838
Cash flow from investing activities			
Investments in intangible assets		-20,968	-26,297
Investments in tangible assets		-50,804	-88,941
Divestments of subsidiaries and businesses (net)		-	1,413
Divestments of other financial investments		109	43,892
Cash flow from investing activities		-71,663	-69,933
Cash flow from financing activities			
New share issue		176,886	559,930
Cost for new share issue		-7,120	-856
Issue of warrants		115	1,344
Repurchase of warrants		-159	-2,458
Repayment of loan	G17	-16,644	-12,532
Amortization of lease liability	G9	-21,765	-18,777
Other financing activities		-112	1,787
Cash flow from financing activities		131,201	528,438
Translation differences in cash and cash equivalents		5,686	5,539
Cash flow for the period		-215,370	169,206
Cash and cash equivalents at start of period		279,649	110,443
Cash and cash equivalents at close of period	G15	64,279	279,649

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

G1. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND ASSESSMENTS FOR ACCOUNTING PURPOSES

Introduction

Exeger Sweden AB (publ) and its subsidiaries engage in activities that include the development and commercialization of Dye Sensitized Solar Cells (DSC).

The consolidated financial accounts have been prepared in the parent company Exeger Sweden AB (publ) 556777-6926, a limited liability company registered in Sweden and domiciled in Stockholm. The street address of the head office is Brinellvägen 32 and the mailing address is Box 55597, 102 04 Stockholm.

This Annual Report was approved for publication by the Board of Directors as of the date shown in the digital signatures.

All amounts are presented in thousands of SEK (SEK 000s) unless otherwise stated.

Basis of preparation

The main accounting policies applied when preparing this Annual Report are presented below.

The annual accounts of Exeger Sweden AB were prepared in accordance with the Swedish Annual Accounts Act and recommendation RFR 2, Accounting for Legal Entities, from the Swedish Financial Reporting Board. As a main rule, this means that the Company has applied the international financial reporting standards (IFRS/IAS) adopted by the European Union as far as possible, but some exceptions occur that mainly relate to the Swedish Annual Accounts Act. Exeger Sweden AB continually evaluates the changes in accounting rules as they arise and takes these into account in the extent permitted by RFR 2. The Group's annual report has been prepared in accordance with IFRS, which has been adopted by the EU and has also taken into account the interpretation statements from IFRIC.

At the time of preparation of the annual accounts as of December 31, 2023, no changes came into force that affect the business and there are no planned changes that would have a material impact on the business.

Translation of foreign currency

Functional currency and reporting currency

Items included in the financial statements of the various entities of the Company are valued in the currency used in the financial environment in which each entity primarily operates (functional currency). In the financial statements, the Swedish kronor (SEK) is used as the reporting currency.

Transactions and balance sheet items

Transactions in foreign currency are translated into the functional currency in accordance with the exchange rate prevailing on the transaction date. Exchange rate gains and losses resulting from the settlement of such transactions and from the translation at the closing rate of monetary assets and liabilities in foreign currency are recognized in the income statement. Exchange rate

differences on cash and cash equivalents, lending and borrowing are recognized in net financial items, while other exchange rate differences are included in operating profit or loss.

Business combinations

Upon acquisition of a business, the cost of the acquisition is calculated as the fair value of the assets and liabilities transferred on the day of the acquisition, including the fair value of any purchase consideration. Transaction costs attributable to the acquisition are expensed in accordance with IFRS.

Statement of cash flows

The statement of cash flows is prepared according to the indirect method. Cash and cash equivalents include bank balances with a maturity of three months or less from the acquisition date.

Intangible assets

Capitalized development costs

Development costs that are directly attributable to the development and testing of identifiable and unique products controlled by the Company are recognized as intangible assets when the following criteria are met:

- i. it is technically feasible to complete the product so that it can be used,
- ii. the Company intends to complete the product and to use or sell it,
- iii. there are appropriate conditions for the product to be used or sold,
- iv. it can be shown that the product will generate probably future economic benefits,
- v. adequate technical, financial and other resources are available to complete development and to use or sell the product, and
- vi. costs attributable to the product during its development can be reliably estimated.

Directly attributable costs that are capitalized as part of the asset include costs for staff. Capitalized development costs are recognized as intangible assets and are amortized starting from the date when the asset is ready for use.

The depreciation period for capitalized development costs is 5 years.

Research and development costs that do not meet the criteria are expensed as incurred. Development costs expensed in previous periods are not recognized as an asset in the subsequent period.

Patents and trademarks

Patents and trademarks acquired separately are recognized at cost. Patents and trademarks acquired through a business combination are recognized at fair value on the acquisition date. Patents and trademarks have a finite useful life and are recognized at cost less accumulated amortization and any impairment losses. Patent and trademark costs incurred are recognized as intangible assets and amortization begins at the time the patent/trademark is granted. The amortization period is the duration of the patent/trademark, unless otherwise stated, the amortization period for patents/trademarks is 5 years.

G1, cont.

Property, plant and equipment

All property, plant and equipment are recognized at cost less depreciation and amortization.

The cost includes expenditure that is directly attributable to the acquisition of the asset. This includes work directly attributable to the design and modification of machines that are designed and/or modified in-house to adapt to the Company's production process.

Subsequent expenditure is added to the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the asset will flow to the Company and the asset's acquisition value can be measured reliably. All other forms of repairs and maintenance are recognized as expenses in the income statement during the period in which they arise.

Depreciation/amortization of property, plant and equipment is calculated on a straight-line basis over the estimated useful life. Technical assets 5-15 years, leaseholds 5-15 years, installations 20 years and machinery and equipment 3-5 years.

The residual value and useful lives of the assets are reviewed at each balance sheet date and adjusted if necessary. An asset's carrying amount is immediately written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the sales proceeds and the carrying amount and are recognized in Other operating income and Other operating expenses in the income statement.

Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready for use are not subject to amortization, but are tested annually for impairment.

Property, plant and equipment and intangible assets that are depreciated or amortized are assessed with respect to impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recorded for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less selling costs and its value in use. Previously impaired property, plant and equipment and intangible assets are tested for reversal at each balance sheet date.

Financial instruments

Exeger classifies its financial assets and liabilities into the following measurement categories:

Financial assets measured at amortized cost: Assets held for the purpose of collecting contractual cash flows and where these cash flows consist solely of principal and interest are recognized at amortized cost. Exeger classifies accounts receivable, cash and cash equivalents and the portion of other current receivables relating to financial instruments in this category.

Financial liabilities measured at amortized cost: Exeger's liabilities include other borrowings, liabilities to credit institutions, accounts payable and the part of other current liabilities relating to financial instruments in this category.

Recognition, measurement and derecognition from the balance sheet

Purchases and sales of financial instruments are recognized on the trade date, the date on which the Group commits to buy or sell the asset. Financial instruments are initially recognized at fair value plus transaction costs, which applies to all financial instruments that are not recognized at fair value through profit or loss. Financial instruments measured at fair value through profit or loss are initially recognized at fair value, while attributable transaction costs are recognized in the statement of comprehensive income.

Financial assets are derecognized when the rights to receive cash flow from the instrument have expired or been transferred and the Group has transferred virtually all risks and benefits associated with ownership. Financial liabilities are derecognized when the contractual obligations have been fulfilled or otherwise terminated.

Financial assets and liabilities measured at amortized cost are recognized after the acquisition date at amortized cost using the effective interest method. Interest income and expenses are recognized as financial income and expenses. Profits and losses arising from derecognition from the balance sheet are recognized directly in the income statement under Other profit or loss together with the exchange rate earnings.

Offsetting of financial instruments

Financial assets and liabilities are offset and recognized at a net amount on the balance sheet, only when there is a legal right to offset the recognized amount and an intention to settle this with a net amount or to simultaneously realize the asset and settle the debt. The legal right may not be dependent on future events and it must be legally binding on the Company and the counterparty both in normal business operations and in the event of a suspension of payments, insolvency or bankruptcy.

Impairment of financial assets

The loss reserve for financial assets is based on assumptions about the risk of default and expected loss levels. Exeger makes its own assessments of these assumptions and choice of input data for calculation of the impairment. These are based on history, known market conditions and forward-looking calculations at the end of each reporting period.

Exeger applies the simplified method for calculating expected credit losses for accounts receivable. The method means that expected losses over the entire life of the receivable are used as a basis for accounts receivable and contractual assets.

To calculate expected credit losses, accounts receivable have been grouped based on credit risk characteristics and the number of days overdue. The expected credit loss levels are based on the customers' payment history. Historical losses are then adjusted to take into account current and forward-looking information on macroeconomic factors that may affect customers' ability to pay the claim. Credit losses on accounts receivable are recognized as credit losses – net as other external costs.

Recoveries of amounts previously written off are recognized against the same line in the income statement.

Cash and cash equivalents

Cash and cash equivalents include bank balances with a maturity date within three months of the acquisition date.

G1, cont.

Inventories

Inventories are recognized at the lower of their cost or their net realizable value. The acquisition value consists of direct costs of goods and freight. The acquisition value of individual items in the inventory is allocated based on FIFO (first in, first out).

Share capital

Ordinary shares are classified as equity. Transaction costs directly attributable to the issuance of new shares are recognized, net after tax, in equity as a deduction from the proceeds.

Current and deferred tax

The tax expense for the period includes current and, where applicable, deferred tax. Tax is recognized in the income statement except when the tax relates to items recognized in other comprehensive income or directly in equity. In such cases, tax is also recognized in other comprehensive income and equity, respectively.

Current tax expenses are calculated on the basis of the tax rules that have been adopted or substantially enacted on the balance sheet date. Management regularly evaluates the claims made in tax returns with respect to situations in which applicable tax rules are subject to interpretation and, when deemed appropriate, makes provisions for amounts that are likely to be paid to the Swedish Tax Agency.

Deferred tax is recognized in its entirety, using the balance sheet method, on all temporary differences that arise between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognized if it arises as a result of a transaction that constitutes the initial recognition of an asset or liability other than a business combination and that, at the time of the transaction, affects neither recognized nor taxable profit.

Deferred tax assets are recognized only to the extent that it is probable that future tax profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off tax assets against, they relate to the same counterparty (the same tax authority) and the intention is to settle the assets/liabilities with a net payment.

Employee remuneration and share-based payments

Short-term employee remuneration

Liabilities for salaries and benefits, including non-monetary benefits and paid leave, that are expected to be settled within 12 months of the end of the financial year, are recognized as current liabilities at the undiscounted amount expected to be paid when the liabilities are settled. The cost is recognized as the services carried out by the employees. The liability is recognized as an employee benefit obligation in the balance sheet.

Pension obligations

The Company essentially only has defined contribution pension plans, with the exception of the CEO, who also has endowment insurance. For defined contribution pension plans, Exeger pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis.

The company has no further payment obligations once the contributions have been paid. Fees are recognized as employee costs when they are due. Prepaid contributions are recognized as an asset to the extent that cash refund or a reduction in future payments is available to the Company.

Warrants program

Exeger has issued a warrant program, where the program is still underway as of December 31, 2023. Warrants have been allocated to employees within the Group, for which a market price has been paid by the person to whom the warrants have been allocated. The fair value of the warrants has been determined by applying Black & Scholes. Thus, no employee benefit arises for the warrant programs.

Revenue recognition

For the revenue generated by the company, income is recognized at fair value of what has been or will be received and is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be calculated in a reliable manner.

For the sale of goods, the revenue is recognized when the significant benefits and risks associated with the ownership of the goods have been transferred from the Company to the buyer, which normally takes place upon delivery.

Net sales consist of income from the sale of cells, which are classified as goods. The performance commitment is fulfilled when the goods are delivered to the customer and the revenue is recognized upon delivery. Payment is usually made within 30 days of delivery.

Generally, warranties are provided for a period of 24 months after the time of delivery. Warranties are provided for defined functional parameters within this period. Warranties are generally limited to direct damages and amount to a maximum of 75 percent of the contract value per rolling 12-month period. Provisions for warranties given are not included as the assessment is based on the current level of sales and is then considered non-material.

Government aid for development projects

In previous years, the company has included a conditional loan in the balance sheet for a disbursed amount of SEK 60 million. According to the agreement for this conditional loan, amortization has begun in 2022 and interest is also payable. The loan has therefore been reclassified as an interest-bearing loan in the balance sheet. In previous years, conditional loans have been reported according to the effective interest rate method and thus contain an interest rate component that is attributable to the discounting effect on the loan.

Leases

Exeger rents premises, mainly office space, warehouses and production facilities. The leases contain various terms of contract but no covenants.

Options for extension exist and are assessed on a contract basis to determine if it is reasonably certain that they will be exercised.

Options for extension are included in the lease term if it is reasonably certain that they will be exercised. Leases are recognized as right-of-use assets with a corresponding lease liability on the date that the leased asset is available for use by Exeger.

G1, cont.

Depreciation of the asset and interest expenses on the liability are recognized in profit or loss. The interest component is distributed over the lease term so that each accounting period is charged with an amount corresponding to a fixed interest rate for the lease liability recognized in that period.

The right-of-use asset is amortized on a straight-line basis over the shorter period of the asset's useful life and the lease term. Assets and liabilities arising from leases are initially recognized at present value. The lease liability includes the present value of fixed lease expenses and variable lease expenses, mainly index-bound and rent discounts.

Lease payments are discounted with the implicit interest rate in the lease if it can be easily determined; if not, the marginal loan interest rate is applied. The marginal interest rate at which the current leases have been discounted amounts to 2.81 percent, which is the interest rate that Exeger would have had to pay at the time of discounting for a loan during the same period with the same collateral on the amount that would be required to purchase a similar asset in a similar financial environment.

Lease payments for short-term leases and leases for which the underlying asset is of low value are expensed on an ongoing basis. Short-term leases are contracts with a lease period of 12 months or less.

Definitions of key performance indicators in the Administration Report

Equity ratio, %

Shareholders' equity divided by balance sheet total

Operating margin, %

Operating profit/loss excluding items affecting comparability, depreciation and impairment of tangible and intangible assets, divided by net sales.

EBITDA

Operating profit/loss before depreciation and amortization, as well as before items affecting comparability.

Estimates and assessments when applying the Company's accounting policies

Estimates and assessments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered reasonable under the prevailing circumstances.

Critical estimates and assumptions for accounting purposes

The Company makes estimates and assumptions about the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are outlined below.

Valuation of tax loss carryforwards

The Company has made the assessment not to report deferred tax on accumulated loss carryforwards, taking into account the company's history of losses. Measurement of the loss carryforward is subject to ongoing review, which is why a value of the deficit may be recognized as soon as taxable surpluses can be calculated in a reliable manner.

Assessment regarding activation of internally developed intangible assets

The company continuously assesses the capitalization of internally developed intangible assets. As each development project is implemented in the products that can be sold to customers, the accrued asset is capitalized and depreciated over a period of 5 years.

Impairment testing of capitalized costs

Every year, Exeger investigates whether there is any need for impairment in accordance with the accounting policy described in the section Impairment of non-financial assets. The recoverable amount of cash-generating units (currently one cash-generating unit) has been determined by calculating value in use. For these calculations, certain estimates have to be made. Based on assumptions about future earnings, discount rates and investments, the value in use is marginally higher than the carrying amount of the assets.

For a more detailed description of the assumptions regarding growth and required returns, please refer to Note *G8 - Intangible assets*.

G2. FINANCIAL RISK MANAGEMENT

Through its business, the Group is exposed to a number of financial risks, mainly attributable to accounts receivable, accounts payable and liabilities to credit institutions. The financial risks consist of market risk, mainly currency risk, credit risk and liquidity risk. The Group strives to minimize the potentially adverse effects of these risks on the Group's financial results.

The objective of the Group's financing activities is to:

- ensure that the Group is able to fulfill its payment obligations
- manage financial risks
- ensure a supply of necessary funding
- optimize the Group's net financial items

The company does not apply hedge accounting in accordance with the rules in IFRS 9.

Market risk/Currency risk

Exeger primarily operates in Sweden. This means that the currency risk in the Company is largely related to purchases in foreign currency, primarily EUR and USD, in addition to the foreign holding in Exeger Asia Ltd.

G2, cont.

Currency exposure

Foreign currency exposure	Conversion exposure	Transactional Exposure	Net Exposure Invoicing	Costs incurred ¹⁾	Net transactional exposure
USD	-	7,940	7,940	-21,149	-13,209
EUR ²⁾	-	-	-	-40,798	-40,798
GBP	-	-	-	-1,016	-1,016
JPY	-	-	-	-776	-776
NOK	-	-	-	-243	-243
DKK	-	-	-	-114	-114
KRW	-	-	-	-2	-2
HKD	-3,774	-	-3,774	-	-

¹⁾ Foreign currency transactions relating to external purchases

²⁾ In February 2023, a new share issue partly consisted of EUR (EUR 15 million), which has reduced the net transaction exposure, which is not shown in the table above

Translation exposure

Refers to conversion to SEK in connection with consolidation of costs incurred in Exeger Asia Ltd.

Transaction exposure

Transaction exposure refers to invoicing and costs incurred for invoiced goods and services in currencies other than the individual subsidiary's functional currency.

Cash flow interest rate risk and fair value interest rate risk

Since the Company does not hold any significant interest-bearing assets, the company's income and cash flow from operating activities are essentially unaffected by changes in market interest rates.

The Company's interest rate risk primarily arises from non-current borrowing. As of the balance sheet date, the

Company has one loan from the Swedish Energy Agency, previous conditional loans and loans from the Swedish Export Credit Corporation. Also see *G9 - Right-of-Use* and *G17 - Liabilities to Credit Institutions* where the terms and conditions of the loans are described in greater detail and the table analyzing maturity.

Sensitivity analysis interest-bearing liabilities at change of 1% interest rate	1 year	2 years	3 years	4 years	Total
Swedish Energy Agency	593	580	451	109	1,733
Swedish Export Credit Corporation	305	19	-	-	324
Total	898	599	451	109	2,057

Liquidity risk

Liquidity risk refers to the risk that the Group will not be able to meet its short-term payment obligations due to insufficient funds. Management monitors rolling forecasts for the Group's liquidity reserve (including credit facilities) and cash and cash equivalents based on expected cash flows. As a result of the Group's growth profile, flexible risk management is required with regard to liquidity risk.

The Group's liquidity consists of cash and cash equivalents of SEK 64.3 million and an operating credit facility of SEK 50 million, which as of December 31, 2023, was unutilized.

The undiscounted cash flows arising from the Company's liabilities in the form of financial instruments, based on the contractual earliest remaining maturities as of the balance sheet date, are shown in the table below. The amounts due within 12 months correspond to the booked amounts, as the discount has no material effect.

The Swedish Energy Agency may decide to waive the remaining repayment obligation in cases where the Swedish Energy Agency determines, upon written request from the borrower, that projects have neither provided, nor can they be expected to provide an economic return.

Dec. 31, 2023

Maturity analysis	<3 months	3-12 months	1-3 years	3-5 years	>5 years	Total
Liabilities to credit institution ¹⁾	4,751	13,840	23,259	-	-	41,850
Conditional loan ¹⁾	1,482	5,039	70,278	-	-	76,799
Lease commitments ²⁾	6,109	18,374	70,082	31,743	47,623	173,931
Accounts payable	25,660	-	-	-	-	25,660
Total	38,002	37,253	163,619	31,743	47,623	318,240

¹⁾ The amounts above are stated undiscounted, i.e., they also include future interest payments based on the interest rate known as of the balance sheet date.

²⁾ Future lease commitments, nominal lease liability.

Dec. 31, 2022

Maturity analysis ¹⁾	<3 months	3-12 months	1-3 years	3-5 years	>5 years	Total
Liabilities to credit institution ²⁾	4,801	14,134	41,272	-	-	60,207
Conditional loan ²⁾	1,252	4,100	68,113	-	-	73,465
Lease commitments ³⁾	4,780	14,336	62,357	28,647	51,870	161,990
Accounts payable	15,713	-	-	-	-	15,713
Total	26,546	32,570	171,742	28,647	51,870	311,375

¹⁾ The table has been restated compared to what was presented in the 2022 Annual Report when the amounts were not stated with regard to future interest payments.

²⁾ The amounts above are stated undiscounted, i.e., they also include future interest payments based on the interest rate known as of the balance sheet date.

³⁾ Future lease commitments, nominal lease liability.

G3. OTHER OPERATING INCOME AND COSTS

Other operating income	2023	2022
Exchange rate differences	938	2,715
Other	580	618
Total other operating income	1,518	3,333

Other operating costs	2023	2022
Exchange rate differences	-1,176	-2,956
Other operating costs	-	-3
Total other operating costs	-1,176	-2,959

G4. AUDIT FEES

	2023	2022
Öhrlings PricewaterhouseCoopers AB		
Audit assignment	741	1,431
Tax consultation	-	-
Other advisory services	59	448
Total	800	1,879

	2023	2022
Other audit firms		
Audit assignment	20	20
Tax consultation	-	70
Other advisory services	-	48
Total	20	138

Audit assignments refer to the audit of the annual report and accounting records, as well as the administration of the Company by the Board of Directors and the Chief Executive Officer, other tasks that the company's auditor is required to perform and advice or other assistance prompted by observations made during audits or carrying out other such tasks. Everything else is divided into tax consultations and other assignments.

G5. EMPLOYEE REMUNERATION AND PERSONNEL INFORMATION

Employee remuneration	2023	2022
Wages, salaries and remuneration	120,988	108,886
Social security contributions	40,589	32,779
Pension costs	13,307	12,601
Other employee costs	4,288	4,699
Total	179,172	158,965

Average number of employees	2023		2022	
	<i>of which men</i>		<i>of which men</i>	
Sweden	165.3	69.2%	176.3	70.6%
Hong Kong	0.9	88.9%	1.3	95.6%
Total	166.2	69.3%	177.6	70.8%

Gender distribution for Board members and other senior executives.

Number of Board members on balance sheet day	2023		2022	
	<i>of which men</i>		<i>of which men</i>	
Board members	7	85.7%	6	83.0%
Chief Executive Officer	1	100.0%	1	100.0%
Total	8	87.5%	7	85.7%

Remuneration to senior executives	Basic salary/Board fees ¹⁾	Other benefits ²⁾	Pension cost ³⁾	Total
2023				
Remuneration to the Board of Directors	480	-	-	480
<i>Kai Gruner</i>	120	-	-	120
<i>Per Langer</i>	60	-	-	60
<i>Stefano Ferrari</i>	60	-	-	60
<i>Carl-Johan Svennevall</i>	60	-	-	60
<i>Robert Taflin</i>	60	-	-	60
<i>Astrid Rauchfuss</i>	60	-	-	60
<i>Karl Swartling</i>	60	-	-	60
Chief Executive Office, Member of the Board	5,803 ⁴⁾	2,553	1,072	9,428
Other senior executives	16,671	4,648	3,817	25,136
Total	22,954	7,201	4,889	35,044
2022				
Remuneration to the Board of Directors	420	-	-	420
<i>Kai Gruner</i>	120	-	-	120
<i>Per Langer</i>	60	-	-	60
<i>Carl-Johan Svennevall</i>	60	-	-	60
<i>Robert Taflin</i>	60	-	-	60
<i>Astrid Rauchfuss</i>	60	-	-	60
<i>Karl Swartling</i>	60	-	-	60
Chief Executive Office, Member of the Board	2,100	8	1,750	3,858
Other senior executives	14,566	1,885	2,889	19,340
Total	17,086	1,893	4,639	23,618

¹⁾ Basic salary consists of cash salary paid during the year, including holiday pay supplements. Board fees are stated excluding social security contributions.

²⁾ Other benefits include remuneration for stock option schemes.

³⁾ The pension cost refers to the cost that affected profit for the year, excluding special payroll tax. The pension cost consists mainly of earnings to defined benefit pension plans, including ITP.

⁴⁾ Of which basic salary 2,443 and 3,360 concerns one-time payment to cover tax effect due to change in warrant program.

The category other senior executives includes 9 (10), of which 8 (8) are men and 1 (2) women.

G6. FINANCIAL INCOME AND EXPENSES

	2023	2022
Financial income		
Exchange rate differences	5,743	5,340
Interest income	6,132	168
Other financial income	386	628
Total financial income	12,261	6,136
Financial costs		
Interest expenses relating to lease liabilities	-4,334	-3,905
Other interest expenses	-9,840	-5,599
Total financial expenses	-14,174	-9,504
Profit/loss from financial items, net	-1,913	-3,368

G7. TAX ON INCOME

The differences between recognized tax expense and an estimated tax expense based on the applicable tax rate are as follows:

	2023	2022
Profit/loss before tax	-413,555	-300,617
Income tax calculated at the applicable tax rate ¹⁾	84,806	62,783
Tax effect, non-deductible expenses	-503	-2,025
Tax effect, non-taxable income	3	6,933
Utilization of unrecognized deficit	-	11
Tax loss carryforward for which no deferred tax asset has been recognized	-83,581	-67,825
Other	-	-53
Recognized tax liabilities in the income statement	725	439

¹⁾ The applicable tax rate in Sweden is 20.6% and Hong Kong from 8.25% to 16.5%.

	2023	2022 ¹⁾
Deferred tax liabilities and assets		
Deferred tax liabilities		
Right-of-use assets, buildings	30,663	28,818
Total deferred tax liabilities	30,663	28,818
Deferred tax assets		
Lease liability	32,073	29,503
Total deferred tax assets	32,073	29,503
Deferred tax assets (+) / tax liability (-), net	1,410	685

¹⁾ The amounts in 2022 have been restated compared to the previous year's annual report as the previously shown net amounts of deferred tax liabilities and deferred tax assets.

Change in deferred tax in temporary differences	December 31, 2022	Recognized in the income statement	December 31, 2023
Right-of-use assets	685	725	1,410
Total	685	725	1,410

G8. INTANGIBLE ASSETS

2023				
	Capitalized development costs	Patents and trademarks ¹⁾	Other	Total
Opening cost	364,076	41,578	4,943	410,597
Investments/capitalized during the year	10,984	5,564	4,420	20,968
Closing accumulated cost	375,060	47,142	9,363	431,565
Opening amortization	-142,820	-11,948	-559	-155,327
Amortization during the year	-59,803	-4,379	-1,641	-65,823
Closing accumulated amortization	-202,623	-16,327	-2,200	-221,150
Opening amortization	-	-	-	-
Impairments during the year	-	-	-2,542	-2,542
Closing accumulated write-downs/impairments	-	-	-2,542	-2,542
Closing carrying amount	172,437	30,815	4,621	207,873

¹⁾ The closing balance for patents and trademarks also includes patents and trademarks in the approval process of SEK 16,006 (12,051).

2022				
	Capitalized development costs	Patents and trademarks ¹⁾	Other	Total
Opening cost	345,902	40,702	1,448	388,052
Investments/capitalized during the year	17,179	5,475	3,643	26,297
Reclassifications	995	-11	18	1,002
Disposals during the year	-	-4,852	-166	-5,018
Translation difference	-	264	-	264
Closing accumulated cost	364,076	41,578	4,943	410,597
Opening amortization	-122,441	-7,306	-481	-130,228
Amortization during the year	-20,379	-4,370	-506	-25,255
Reclassifications	-	-265	265	-
Disposals during the year	-	-	163	163
Translation difference	-	-7	-	-7
Closing accumulated amortization	-142,820	-11,948	-559	-155,327
Opening amortization	-	-	-	-
Impairments during the year	-	-4,852	-	-4,852
Disposals during the year	-	4,852	-	4,852
Closing accumulated write-downs/impairments	-	-	-	-
Closing carrying amount	221,256	29,630	4,384	255,270

¹⁾ The closing balance for patents and trademarks also includes patents and trademarks in the approval process of SEK 12,051 (15,446).

Capitalized development costs that have not yet been completed are not amortized. Instead, these assets are tested for impairment. The recoverable amount of capitalized development costs has been determined based on the value in use. The calculation is based on estimated future cash flows based on the budget for 2024 and forecasts for the period 2025-2028 prepared by Group Management and approved by the Board of Directors.

The forecasts are based partly on historical costs, a best estimate of revenue from the Group's development, and partly based on external information about market growth. Forecasts are formulated based on a number of assumptions regarding future growth and operating margin.

The calculated recoverable amount is compared with the carrying amount. Cash flows beyond the five-year period, i.e. after 2028,

are extrapolated using an estimated growth rate of 2 per cent, which corresponds to a weighted average growth rate under the Riksbanken's (the Swedish Central Bank) inflation target and is in line with sustainable growth for the industry.

When discounting expected future cash flows, a weighted average cost of capital (WACC) before tax was used, which is currently 20 percent. Some of the most critical assumptions used in the impairment test were:

- Risk-free interest rate: Ten-year Swedish treasury bond yield
- Growth beyond the forecast period: 2 percent
- Discount rate: 20 percent.

With a change of +/- 1 percentage point in the discount rate, there is still no need for impairment.

G8, cont.

Given a change in growth of +/- 1 percentage point beyond the projection period, there is still no need for impairment.

Research and development costs in 2023 amounted to SEK 115,856 (66,475).

G9. RIGHT-OF-USE ASSETS

In Exeger's case, right-of-use assets refer to leases regarding rented premises.

Right-of-use lease	2023	2022
Opening cost	161,458	131,985
Additional contracts ¹⁾	29,903	52,925
Terminated contracts	-	-23,452
Closing accumulated cost	191,361	161,458
Opening depreciation/amortization	-21,564	-20,602
Depreciation/amortization	-20,950	-17,560
Terminated contracts	-	16,598
Closing accumulated depreciation/amortization	-42,514	-21,564
Closing carrying amount	148,847	139,894

¹⁾ Additional contracts refer to 2023 indexed lease payments. For 2022, the amount pertained to a renegotiated lease that was assessed as a new contract.

Total cash flow with respect to lease payments related to leases in 2023 was SEK 21,765 (18,777).

Lease liabilities	2023	2022
Current lease liabilities	20,369	15,288
Non-current lease liabilities	135,323	127,933
Closing carrying amount	155,69	143,221
Carrying amounts in the income statement	2023	2022
Depreciation/amortization of right-of-use assets	-20,950	-17,560
Interest expenses lease liabilities	-4,334	-3,905
Terminated contracts	-	629
Total	-25,284	-20,836

Measurement of right-of use assets

At the start of each lease, right-of-use assets have been measured at the value of the lease liabilities, with adjustment for any prepaid or accrued lease expenses recognized in the balance sheet as of December 31, 2023.

G10. PROPERTY, PLANT AND EQUIPMENT

2023					
	Leasehold improvements	Machinery and equipment	Building installations	Construction in progress and advances for buildings and land	Total
Opening cost	72,776	184,493	3,804	48,705	309,778
Adjusted opening balance from previous year	-7,465	-	-	7,465	-
Investments/purchases during the year ¹⁾	2,515	2,225	637	45,427	50,804
Reclassifications	13,984	930	-	-15,939	-1,025
Disposals during the year	-	-	-	-46	-46
Closing accumulated cost	81,810	187,648	4,441	85,612	359,511
Opening depreciation	-9,472	-73,463	-2,373	-	-85,308
Depreciation during the year	-3,372	-28,282	-416	-	-32,070
Closing accumulated depreciation	-12,844	-101,745	-2,789	-	-117,378
Opening depreciation	-	-	-	-	-
Impairments during the year ²⁾	-	-6,568	-	-46	-6,614
Disposals during the year	-	-	-	46	46
Closing accumulated depreciation	-	-6,568	-	-	-6,568
Closing carrying amount	68,966	79,335	1,652	85,612	235,565

¹⁾ Of which capitalized work on own account related to the construction of machinery 4,447 (9,895).

²⁾ Of which 5,470 relate to quality control systems, which cannot be used because they did not meet the requirements. 1,144 refers to machine parts that cannot be used. Both have been depreciated/amortized to zero value in use.

2022					
	Leasehold improvements	Machinery and equipment	Building installations	Construction in progress and advances for buildings and land	Total
Opening cost	48,849	112,744	3,804	71,703	237,100
Investments/purchases during the year	23,927	22,970	-	42,043	88,940
Reclassifications	-	48,779	-	-51,729	-2,950
Disposals during the year	-	-	-	-13,312	-13,312
Closing accumulated cost	72,776	184,493	3,804	48,705	309,778
Opening depreciation	-6,953	-61,660	-1,983	-	-70,596
Depreciation during the year	-2,519	-11,803	-390	-	-14,712
Closing accumulated depreciation	-9,472	-73,463	-2,373	-	-85,308
Opening depreciation/amortization	-	-	-	-	-
Impairments during the year	-	-	-	-13,312	-13,312
Disposals during the year	-	-	-	13,312	13,312
Closing accumulated depreciation	-	-	-	-	-
Closing carrying amount	63,304	111,030	1,431	48,705	224,470

G11. INVENTORIES

	2023	2022
Inventories, raw materials	32,884	34,205
Inventories, work-in-progress	-	1,745
Inventories, finished goods inventories	9,915	3,921
Inventories, other	3,403	4,479
Total inventories	46,202	44,350

The acquisition value of individual items in the inventory is allocated based on FIFO (first in, first out).

G12. ACCOUNTS RECEIVABLE

Accounts receivable aging analysis	2023	2022
Not past due	8,523	5,888
Past due 0-30 days	1,356	560
Past due 31-60 days	1,436	141
Past due 51-90 days	745	-
Past due more than 90 days	212	-
Total accounts receivable	12,272	6,589

On the balance sheet date, there was no provision for doubtful accounts receivable 0 (0).

G13. OTHER RECEIVABLES

	2023	2022
Tax receivable	4,383	3,209
VAT receivable	4,574	4,210
Other receivables	-	1,184
Total other receivables	8,957	8,603

G14. PREPAID EXPENSES AND ACCRUED INCOME

	2023	2022
Prepaid rent	6,288	5,494
Prepaid insurance ¹⁾	1,996	1,889
Prepaid annual fees	732	627
Prepaid license fees	3,725	3,518
Other items	6,868	3,300
Total prepaid expenses and accrued income	19,609	14,828

¹⁾ Of which pension insurance 1,132 (1,125).

G15. CASH AND CASH EQUIVALENTS

	2023	2022
Balance sheet		
Cash and bank balances	64,279	279,649
Total cash and cash equivalents on the balance sheet	64,279	279,649
Statement of cash flows		
Cash and bank balances	64,279	279,649
Total cash and cash equivalents in statement of cash flows	64,279	279,649

G16. EQUITY AND OTHER COMPREHENSIVE INCOME

Specification of changes in equity can be found in the Statement of changes in equity, which follows immediately after the balance sheet.

	Number of shares	Share capital
Closing balance as of December 31, 2020	43,112,252	862
New share issue cash	937,500	19
Closing balance as of December 31, 2021	44,049,752	881
New share issue cash ¹⁾	8,466,678	169
Closing balance as of December 31, 2022	52,516,430	1,050
New share issue cash ¹⁾	1,634,845	33
Closing balance as of December 31, 2023	54,151,275	1,083

¹⁾ Of which, on the balance sheet date, 0 (3,096,365) shares not yet registered with the Swedish Companies Registration Office.

The shares have a quota value of SEK 0.02 per share. All shares registered as of the balance sheet date are fully paid. The total number of registered shares on the balance sheet date is 54,151,275 and the total registered share capital amounts to SEK 1,083,025.63.

G17. LIABILITIES TO CREDIT INSTITUTIONS

	2023	2022
Conditional loans - Swedish Energy Agency ¹⁾	58,887	59,461
Swedish Export Credit Corporation	23,000	39,364
Total non-current liabilities	81,887	98,825

¹⁾ Until the first amortization in September 2022, the conditional loan was regarded as an interest-free loan, after which the loan has been reclassified as interest-bearing debt.

	2023	2022
Current portion	16,938	16,644
Non-current portion	81,887	98,825
Closing carrying amount	98,825	115,469

	2023	2022
Opening balance	115,469	68,000
Reclassification Conditional loans - Swedish Energy Agency	-	60,001
Loan repayment	-16,644	-12,532
Closing carrying amount in the balance sheet	98,825	115,469

G18. OTHER CURRENT LIABILITIES

	2023	2022
Employee tax	3,123	2,373
Special payroll tax	6,250	5,261
Other	203	-
Total other current liabilities	9,576	7,634

G19. ACCRUED EXPENSES AND DEFERRED INCOME

	2023	2022
Accrued vacation pay	10,555	9,398
Accrued social security costs	6,277	5,353
Accrued interest	233	262
Other accrued expenses	10,254	5,829
Total accrued expenses and deferred income	27,319	20,842

G20. ASSETS PLEDGED AND CONTINGENT LIABILITIES

Pledged assets	2023	2022
Company mortgages	168,000	168,000
Bank balances ¹⁾	12,988	12,988
Endowment insurance	2,805	2,093
Total	183,793	183,081

¹⁾ Refers mainly to pledges made for the properties in Kista - Stockholm II.

G21. EVENTS AFTER THE BALANCE SHEET DATE

On February 29, 2024, the first tranche of EUR 10 million was disbursed from the European Investment Bank.

PARENT COMPANY INCOME STATEMENT

January - December, SEK thousands	Note	2023	2022
<i>Operating income</i>			
Net sales		-	-
Other operating income		6	-
Total operating income		6	-
<i>Operating costs</i>			
Other external costs	P2	-1,077	-966
Other operating costs		-2	-2
Total operating costs		-1,079	-968
Operating profit/loss		-1,073	-968
Financial income	P3	29	-
Financial costs	P3	-887	-55
Profit/loss from financial items		-858	-55
Group contributions received		408	-
Group contributions paid		-	-7,208
Total appropriations		408	-7,208
Profit/loss before tax		-1,523	-8,231
Tax on profit for the year	P4	-	-
Profit/loss for the year		-1,523	-8,231

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

January - December, SEK thousands	2023	2022
Profit/loss for the period	-1,523	-8,231
Other comprehensive income for the period	-	-
Comprehensive income for the period	-1,523	-8,231

PARENT COMPANY BALANCE SHEET

December 31, SEK thousands	Note	2023	2022
ASSETS			
Non-current assets			
Financial non-current assets			
Participations in Group companies	P5, P6	1,551,768	1,030,079
Total financial non-current assets		1,551,768	1,030,079
Total non-current assets		1,551,768	1,030,079
Current assets			
Current receivables			
Other receivables Group companies	P7	408	345,602
Other receivables	P8	664	656
Prepaid expenses and accrued income	P9	279	281
Total current receivables		1,351	346,539
Cash and cash equivalents	P10	1,668	2,577
Total current assets		3,019	349,116
TOTAL ASSETS		1,554,787	1,379,195
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		1,083	988
New share issue not yet registered		-	62
Total restricted equity		1,083	1,050
Non-restricted equity			
Share premium reserve		1,664,126	1,487,332
Retained earnings		-112,657	-104,426
Profit/loss for the year		-1,523	-8,231
Total non-restricted equity		1,549,946	1,374,675
Total equity		1,551,029	1,375,725
Liabilities			
Current liabilities			
Accounts payable		497	290
Other liabilities Group companies	P7	3,000	3,000
Accrued expenses and deferred income	P12	261	181
Total current liabilities		3,758	3,470
Total liabilities			
TOTAL LIABILITIES AND EQUITY		1,554,787	1,379,195

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Note	Share capital	Ongoing new share issue	Share premium reserve	Retained earnings	Profit/loss for the year	Total equity
January 1, 2023	P11	988	62	1,487,332	-104,427	-8,231	1,375,724
<i>Comprehensive income:</i>							
Profit/loss for the year						-1,523	-1,523
Proposed distribution of profit according to AGM resolution							
- Profit/loss to be carried forward					-8,231	8,231	-
Total comprehensive income					-8,231	6,708	-1,523
<i>Transactions with shareholders</i>							
New share issue		95	-62	176,853			176,886
Transaction costs related to new share issue				-59			-59
Total transactions with shareholders		95	-62	176,794	-	-	176,827
December 31, 2023	P11	1,083	-	1,664,126	-112,657	-1,523	1,551,029
January 1, 2022	P11	881	-	921,181	-97,700	-272	824,090
<i>Comprehensive income:</i>							
Profit/loss for the year						-8,231	-8,231
Proposed distribution of profit according to AGM resolution							
- Profit/loss to be carried forward					-272	272	-
Total comprehensive income					-272	-7,959	-8,231
<i>Transactions with shareholders</i>							
Reclassification within equity				6,455	-6,455		-
New share issue		107	62	559,761			559,930
Transaction costs related to new share issue				-65			-65
Total transactions with shareholders		107	62	566,151	-6,455	-	559,865
December 31, 2022	P11	988	62	1,487,332	-104,427	-8,231	1,375,724

PARENT COMPANY STATEMENT OF CASH FLOWS

January - December, SEK thousands	Note	2023	2022
Cash flow from operating activities			
Operating profit/loss		-1,073	-968
Adjustments for non-cash items			
- Other non-cash items		-4	2
Interest received		29	-
Interest paid		-	-
Tax paid		-	-
Cash flow from operating activities before changes in working capital		-1,048	-966
Changes in working capital			
Increase/decrease in other current receivables		-414	6,927
Increase/decrease in other current liabilities		202	3,288
Total changes in working capital		-212	10,215
Cash flow from operating activities		-1,260	9,249
Cash flow from investing activities			
Investments in subsidiaries		-521,689	-214,249
Cash flow from investing activities		-521,689	-214,249
Cash flow from financing activities			
New share issue		176,885	559,930
Cost for new share issue		-59	-65
Group contributions received		408	-
Group contributions paid		-	-7,208
Other financing activities		345,602	-345,602
Cash flow from financing activities		522,836	207,055
Cash flow for the period		-113	2,055
Cash and cash equivalents at start of period		2,577	522
Exchange rate differences in cash and cash equivalents		-796	-
Cash and cash equivalents at close of period	P10	1,668	2,577

NOTES TO THE PARENT COMPANY'S FINANCIAL STATEMENTS

P1. SIGNIFICANT ACCOUNTING POLICIES

The Parent Company, Exeger Sweden AB, applies the Swedish Annual Accounts Act and RFR 2 "Accounting for Legal Entities". RFR 2 requires the parent company to apply the same accounting principles as the Group, i.e. IFRS to the extent permitted by RFR 2.

The main differences between accounting policies adopted for the Group and the parent company are:

Group companies

Investments are recognized according to the cost method. Investments are recognized at cost and only dividends are recognized in the income statement. Impairment tests are performed annually and impairment is recognized if it can be assumed that the decline in value is permanent.

Shareholder contributions are recognized in accordance with RFR 2.

Shareholder contributions increase the parent company's investment.

Business combinations

Acquisition-related costs are included in the acquisition value in the acquiring company's financial statements, while they are expensed for the Group when they arise.

Important accounting policies, estimates and assessments for accounting purposes

See the Notes to the Consolidated Financial Statements, Note G1 - Significant Accounting Policies, Estimates and Assessments for Accounting Purposes.

P2. OTHER EXTERNAL COSTS

Other external costs	2023	2022
Audit	-75	-231
Consulting services	-11	-406
Other	-991	-329
Total	-1,077	-966

P3. FINANCIAL INCOME AND EXPENSES

	2023	2022
Financial income		
Interest income	29	-
Total financial income	29	-
Financial costs		
Interest expenses	-887	-55
Total financial expenses	-887	-55
Profit/loss from financial items, net	-858	-55

P4. TAX ON INCOME

The differences between recognized tax expense and an estimated tax expense are as follows:

	2023	2022
Profit/loss before tax	-1,523	-8,231
Income tax calculated at the applicable tax rate ¹⁾	314	1,696
Non-deductible expenses	-2	-
Non-taxable income	2	-
Tax loss carryforward for which no deferred tax asset has been recognized	-314	-1,696
Deferred tax assets	-	-
Income tax	-	-

¹⁾ Tax rate 20.6% in 2023 and 2022.

P5. FINANCIAL FIXED ASSETS

	Group companies	
	2023	2022
Opening balance	1,030,079	815,830
New share issues	521,689	214,249
Closing balance	1,551,768	1,030,079

P6. SHARES AND PARTICIPATIONS

The list below includes directly and indirectly owned shares as of December 31, 2023.

Shares owned directly by the parent company					
Company	Corporate Identity No.	Registered office	Holding, %	Nominal holding in local currency, thousands	Carrying amount SEK 000s
Exeger Incentive Sweden AB	556976-3997	Stockholm	100	50	100
Exeger Operations AB	559073-6806	Stockholm	96.39	63	1,551,668

Shares owned by Group companies				
Company	Corporate Identity No.	Registered office	Holding, %	Indirect holding, %
Exeger Asia LTD	3053949	Hong Kong	100	96.39

P7. RECEIVABLES AND LIABILITIES GROUP COMPANIES

	2023	2022
Other receivables		
Exeger Operations AB	-	345,602
Exeger Incentive Sweden AB	408	-
Total other receivables Group companies	408	345,602
Other liabilities		
Exeger Incentive Sweden AB	3,000	3,000
Total other liabilities, Group companies	3,000	3,000

P8. OTHER RECEIVABLES

	2023	2022
Tax receivable	664	656
Total other receivables	664	656

P9. PREPAID EXPENSES AND ACCRUED INCOME

	2023	2022
Prepaid insurance premium	-	180
Other items	279	101
Total prepaid expenses and accrued income	279	281

P10. CASH AND CASH EQUIVALENTS

	2023	2022
Balance sheet		
Cash and bank balances	1,668	2,577
Total cash and cash equivalents on the balance sheet	1,668	2,577
Statement of cash flows		
Cash and bank balances	1,668	2,577
Total cash and cash equivalents in statement of cash flows	1,668	2,577

P11. SHARE CAPITAL, SHARE PREMIUM RESERVE AND WARRANTS

Specification of changes in equity can be found in the report Changes in equity, which follows immediately after the balance sheet.

	Number of shares	Share capital
Closing balance as of December 31, 2020	43,112,252	862
New share issue cash	937,500	19
Closing balance as of December 31, 2021	44,049,752	881
New share issue cash	5,370,313	107
Unregistered new issue	3,096,365	62
Closing balance as of December 31, 2022	52,516,430	1,050
New share issue cash	1,634,845	33
Closing balance as of December 31, 2023	54,151,275	1,083

The shares have a quota value of SEK 0.02 per share. All shares registered as of the balance sheet date are fully paid. The total number of registered shares on the balance sheet date amounts to 54,151,275, of which 4,000,000 are Class A shares, and the total registered share capital amounts to SEK 1,083,025.

Share capital registered on the balance sheet date		
Parent company	Number of shares	Share capital (SEK)
Class A shares	4,000,000	80,000
Class B shares	50,151,275	1,003,025
Total share capital	54,151,275	1,083,025

Class A and Class B shares carry the same rights to participate in the company's assets and profits, but in the event of a vote at a general meeting, Class A and B shares carry the rights outlined below.

Each Class A share shall carry the number of votes corresponding to the lower of (i) ten votes and (ii) the number of votes (rounded to the nearest whole number of votes) that results in all outstanding Class A shares having as close to 35 per cent as possible of the total number of votes for shares outstanding from time to time of all series.

P12. ACCRUED EXPENSES AND DEFERRED INCOME

	2023	2022
Accrued interest Group companies	145	55
Other accrued expenses	116	125
Total accrued expenses and deferred income	261	180

P13. PROPOSED DISTRIBUTION OF EARNINGS

The Board of Directors proposed the following distribution of earnings (SEK).

The following profit/loss are at the disposal of the Annual General Meeting:

Retained profits	1,551,468,435
Profit/loss for the year	-1,522,576
Total	1,549,945,859

The Board of Directors proposes that the following amount should be carried forward 1,549,945,859

SIGNATURES

The company's income statement and balance sheet will be presented to the Annual General Meeting on 2024- for adoption.
Stockholm, the date shown in the digital signatures.

Kai Gruner
Chair of the Board

Stefano Ferrari
Board member

Per Langer
Board member

Robert Taflin
Board member

Carl-Johan Svennewall
Board member

Astrid Rauchfuss
Board member

Giovanni Fili
Chief Executive Officer and Board Member

Karl Swartling
Board member

Our auditor's report was submitted as of the date shown in the digital signatures
Öhrlings PricewaterhouseCoopers AB

Niklas Jonsson
Authorized Public Accountant