

Nilar

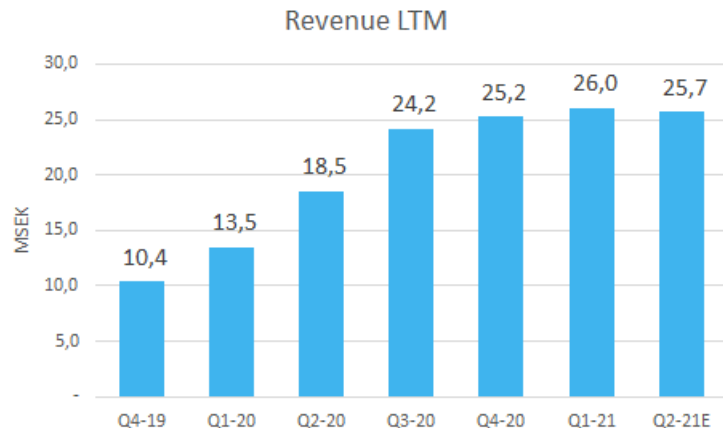
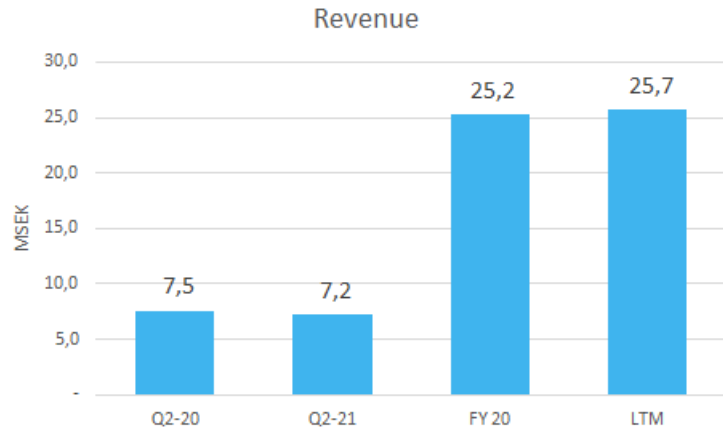
# Q2 2021 Interim Results

23 August 2021

The information herein is derived from Nilar's Q2 report for the financial year 2021. For more information, please refer to the report which is available on Nilar's website, [www.nilar.com](http://www.nilar.com).

- The company's shares were listed on Nasdaq First North Premier Growth Market on April 30.
- During the quarter, Nilar had production disturbances that significantly affected the quarter's production. After the end of the quarter, the production disturbances have in material respects been solved.
- Nilar's offering has continued to expand and new integration projects have been initiated to meet a broadened customer base.
- Production capacity at the Gävle plant is increasing and four more production lines will be installed during the second half of 2021.
- The establishment of production in Estonia is ongoing, and production is planned to commence during the summer of 2022.





## 2021 Q2 comments

- Group revenue decreased by 5% to 7.2 (7.5) MSEK
  - Production was 3.3 MWh
  - Delivered energy storages increased by 62% to 220 (136)
  - Average size per energy storage was 7 (12) kWh, as volumes of smaller systems such as Home Box were delivered in larger numbers
- Gross profit decreased to -84.8 (-39.7) MSEK
- EBITDA decreased to -100.6 (-48.5) MSEK
- EBIT of -118.7 (-63.1) MSEK
- Net loss -134.7 (-86.0) MSEK
- Earnings per share before/after dilution -4.03 SEK
- A share split 1:6 was implemented following the 19 April EGM: 5,087,191 → 30,523,146 issued shares. New share issue of 14,988,605 shares in connection with IPO → 45,511,751 issued shares.

## Post balance-sheet events

- Erik Oldmark appointed acting CEO, following the resignation of CEO Marcus Wigren.

## Operations

---

- Supply chain quality issues during the quarter, primarily caused by quality problems in supplied active materials and separator. The issues have in material respects been solved after the end of the quarter.
- Production lines 5-6 being installed.
- On track to be fully built-out in Gävle by end-2021 with eight production lines.
- Estonian subsidiary established. The work of completing the facility is in progress. Recruitment of key personnel ongoing.
- On track to deliver on the long-term financial plan.

## Covid-19

---

- The market outlook remains positive despite Covid-19 challenges.
- Covid-19 induced strictures, like complete separation of shifts and the need to close down all production processes between shifts reduces uptime in production process.
- Sourcing issues of critical components being handled in the short-term. Searching for alternative products and components cannibalize on the company's resources in an expansionary phase.

## Market outlook

- Continued very high demand for sustainable and environmentally friendly batteries.
- The government subsidies offered on the Swedish market have now begun to show effect. The market for household energy storage is growing.
- The demand for Nilar's solutions continues to be significantly higher than our production capacity. We have delivered everything that has been produced and we see that the price level in the market is stable.
- Industry trade shows being resumed after Covid-shutdown since spring 2020 (EES Europe, Solar & Storage, Solar Solutions). World Trade Fair Expo 2020: Nilar exhibits with partners.

## Products

- Energy+



- ReOx



MSEK	Q2		Period 2020 jan-jun	12 months jul 2020- jun 2021	Full year 2020 jan-dec
	2021 apr-jun	2020 apr-jun			
Revenue	7,2	7,5	12,6	12,1	25,7
Cost of sales	-92,0	-47,2	-167,0	-93,4	-298,1
<b>Gross profit</b>	<b>-84,8</b>	<b>-39,7</b>	<b>-154,4</b>	<b>-81,2</b>	<b>-272,4</b>
Research and development expenses	-8,2	-6,0	-16,6	-12,5	-29,1
Distribution and selling costs	-13,1	-6,6	-23,3	-12,5	-40,9
Administrative expenses	-13,1	-10,9	-20,9	-18,0	-33,4
Other operating income	0,4	0,1	0,4	0,4	1,0
<b>Operating profit / EBIT</b>	<b>-118,7</b>	<b>-63,1</b>	<b>-214,8</b>	<b>-124,0</b>	<b>-374,8</b>
Finance income	-1,4	-0,1	0,0	-0,1	2,7
Finance costs	-14,5	-22,9	-34,3	-30,1	-65,7
<b>Finance costs - net</b>	<b>-15,9</b>	<b>-23,0</b>	<b>-34,3</b>	<b>-30,1</b>	<b>-63,1</b>
<b>Profit before income tax</b>	<b>-134,7</b>	<b>-86,0</b>	<b>-249,1</b>	<b>-154,1</b>	<b>-437,9</b>
Income tax	-	-	-	-	-
<b>Net profit/loss after tax</b>	<b>-134,7</b>	<b>-86,0</b>	<b>-249,1</b>	<b>-154,1</b>	<b>-437,9</b>
<b>Attributable to:</b>					
Parent Company shareholders	-134,7	-86,0	-249,1	-154,1	-437,9
Non-controlling interests	-	-	-	-	-
<b>Earnings per share</b>					
Profit after tax	-134,7	-86,0	-249,1	-154,1	-437,9
No of shares at end of period ('000)	45 511,8	4 431,9	45 511,8	4 431,9	45 511,8
No of share options at end of period ('000)	260,3	10,0	260,3	10,0	260,3
Wght no of ord. shares bef. Dilution ('000)	33 440,1	4 431,9	19 258,5	4 431,9	12 014,8
Earnings p share before/after dilution, SEK	-4,03	-19,42	-12,93	-34,76	-36,45

- Group revenue decreased by 5% to 7.2 (7.5) MSEK
  - Production was 3.3 MWh
  - Delivered energy storages increased by 62% to 220 (136)
  - Average size per energy storage was 7 (12) kWh, as volumes of smaller systems such as Home Box were delivered in larger numbers

MSEK	Q2		Period 2020 jan-jun	12 months apr 2020- mar 2021	Full year 2020 jan-dec
	2021 apr-jun	2020 apr-jun			
Revenue	7,2	7,5	12,6	12,1	25,7
Sweden	5,8	3,3	9,5	5,0	17,8
EU	-	4,0	-	4,1	-0,3
Outside EU	1,3	0,3	3,1	3,0	8,2
<b>Total</b>	<b>7,2</b>	<b>7,5</b>	<b>12,6</b>	<b>12,1</b>	<b>25,7</b>

- Gross profit decreased to -84.8 (-39.7) MSEK
- EBITDA decreased to -100.6 (-48.5) MSEK
- EBIT of -118.7 (-63.1) MSEK
- Net loss -134.7 (-86.0) MSEK
- Earnings per share before/after dilution -4.03 SEK

# Q2 2021 Balance sheet

MSEK	2021-06-30	2020-12-31	2020-06-30
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
Intangible fixed assets	181,7	184,8	187,6
Tangible fixed assets	254,3	197,0	153,9
Other fixed assets	40,1	39,3	41,1
<b>Total fixed assets</b>	<b>476,2</b>	<b>421,0</b>	<b>382,6</b>
<b>CURRENT ASSETS</b>			
Inventories	60,2	42,0	27,8
Accounts receivable - trade	12,6	15,0	10,0
Tax assets	1,5	1,4	1,3
Other receivables	14,2	22,3	5,3
Prepaid expenses and accrued income	1,4	0,6	0,7
Cash and cash equivalents	604,3	73,9	7,8
<b>Total current assets</b>	<b>694,2</b>	<b>155,3</b>	<b>53,0</b>
<b>Total assets</b>	<b>1 170,4</b>	<b>576,4</b>	<b>435,7</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>Total equity</b>	<b>829,2</b>	<b>103,1</b>	<b>121,8</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term interest-bearing lease liabilities	34,6	34,6	35,8
Borrowings	184,2	84,6	-
<b>Total non-current liabilities</b>	<b>218,9</b>	<b>119,1</b>	<b>35,8</b>
<b>Current liabilities</b>			
Borrowings	-	204,4	186,6
Current lease liabilities, interest-bearing	5,9	4,8	5,0
Provisions of warranty	1,8	15,6	11,6
Accounts payable - trade	34,3	76,9	22,3
Other liabilities	48,9	12,2	11,5
Accrued expenses and deferred income	31,4	40,2	41,1
<b>Total current liabilities</b>	<b>122,4</b>	<b>354,1</b>	<b>278,1</b>
<b>Total equity and liabilities</b>	<b>1 170,4</b>	<b>576,4</b>	<b>435,7</b>

- The Company's shares were listed at Nasdaq First North Premier Growth Market on 30 April.
- In connection with the listing, the Company carried out a new share issue which brought in a total of 763 MSEK before costs and the Company's convertible loan was converted into equity through a new share issue to the convertible holders.
- Of the warranty provision of 14.3 MSEK made as of 31 December 2020 linked to identified software errors, 14.1 MSEK was reversed during the period when warranty exchanges took place.



MSEK	Q2		Period 2020 jan-jun	12 months jul 2020- jun 2021	Full year 2020 jan-dec	
	2021 apr-jun	2020 apr-jun				2021 jan-jun
<b>Cash flows from operating activities</b>						
<b>Cash flow from operating activities before chgs in working capital</b>	<b>-111,3</b>	<b>-50,3</b>	<b>-201,4</b>	<b>-102,2</b>	<b>-318,8</b>	<b>-219,6</b>
<b>Cash flow from chgs in working capital</b>						
Increase (-) /decrease (+) in inventories	-18,2	-3,7	-18,2	-10,2	-32,3	-24,4
Increase (-) /decrease (+) in op. receivables	4,6	-3,6	9,7	-2,8	-12,4	-24,9
Increase (+) /decrease (-) in op. liabilities	4,3	16,3	5,8	14,0	49,0	57,3
<b>Total changes in working capital</b>	<b>-9,4</b>	<b>9,0</b>	<b>-2,7</b>	<b>1,0</b>	<b>4,3</b>	<b>8,0</b>
<b>Cash flow from operating activities</b>	<b>-120,7</b>	<b>-41,3</b>	<b>-204,2</b>	<b>-101,2</b>	<b>-314,5</b>	<b>-211,6</b>
<b>Investing activities</b>						
Investments in intangible assets	-5,7	-5,4	-12,4	-10,7	-32,2	-30,4
Investments in tangible fixed assets	-45,4	-9,4	-75,3	-22,7	-133,6	-81,1
<b>Cash flow from investing activities</b>	<b>-51,2</b>	<b>-14,7</b>	<b>-87,7</b>	<b>-33,4</b>	<b>-165,8</b>	<b>-111,5</b>
<b>Financing activities</b>						
New share issue	714,7	-	733,3	-	903,3	170,0
Option programme	1,8	-	1,8	-	1,8	-
Repayment of debt	-1,1	-1,0	-2,2	-22,2	-4,3	-24,3
Loans raised	-0,0	-	89,4	1,3	176,1	88,0
<b>Cash flow from financing activities</b>	<b>715,4</b>	<b>-1,0</b>	<b>822,3</b>	<b>-20,9</b>	<b>1 076,8</b>	<b>233,6</b>
<b>Reconciliation of cash and cash equiv.</b>						
<b>Cash equiv. as of beginning of the period</b>	<b>60,8</b>	<b>64,9</b>	<b>73,9</b>	<b>163,4</b>	<b>7,8</b>	<b>163,4</b>
<b>Cash flow for the period</b>	<b>543,5</b>	<b>-57,0</b>	<b>530,4</b>	<b>-155,6</b>	<b>596,5</b>	<b>-89,4</b>
Exchg rate diff. in cash and cash equiv.	-0,0	-0,0	0,0	0,0	-0,0	-0,0
<b>Cash and cash equiv. at end of period</b>	<b>604,3</b>	<b>7,8</b>	<b>604,3</b>	<b>7,8</b>	<b>604,3</b>	<b>73,9</b>

- Operating activities: -111.3 (-50.3) MSEK
- Investing activities: -51.2 (-14.7) MSEK
  - -45.4 (-9.4) MSEK tangibles: factory expansion Gävle
  - -5.7 (-5.4) MSEK intangibles: ReOx, BMS, production processes
- Financing activities: 715.4 MSEK
  - 714.7 MSEK new share issue in connection to IPO, post-fees
  - 1.8 MSEK share options / long-term incentive program