

Interim report Q1 '22/23

November 9, 2022

Anders Jonson COO and Acting CEO
Susanne Andersson Interim CFO

Q1 highlights



Revenue

Revenue of 68.1 mEUR (97.1), affected by lower activity among merchants, increasing trend towards end of quarter

Gross margin

Gross margin of 4.2% (3.7%), up as a result of favorable product and market mix, and cost efficiencies

Acquisition of product platforms

Two B2B product platforms were acquired complementing the B2B offering, Quickbit Checkout and a new and improved Affiliate solution

High productivity and new releases

B2C: Earn Wallet launched in July

B2B: Quickbit Pay - crypto payments from Quickbit App

B2B: Quickbit Checkout - crypto payments from any crypto wallet

Geographic expansion & presence

Consumer offering launched in Finland in Q1 & Netherlands after Q1

Revenue mEUR

68.1 (97.1)

Gross margin

4.2% (3.7%)

Quickbit B2B – Affiliate & Merchant



Transaction volumes

ADV in Q1 of 0.7 mEUR (1.1) - affected by lower activity among merchants, increasing trend towards end of quarter

Merchants

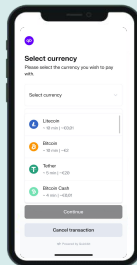
of merchants up to 84 - an increase of 2 during quarter

Growing margin

Favorable product and market mix within Affiliate, we will continue to strengthen profitability - margin profile will change with new Merchant products

Quickbit Merchant product suite

Quickbit Checkout and Quickbit Pay are fully developed and have entered a phase of both testing and soft launch to ensure functionality



Quickbit B2C – App & Card

Highlights

Earn Wallet launched with possibility to lend Bitcoin via third party - the only Swedish crypto company to offer this capability

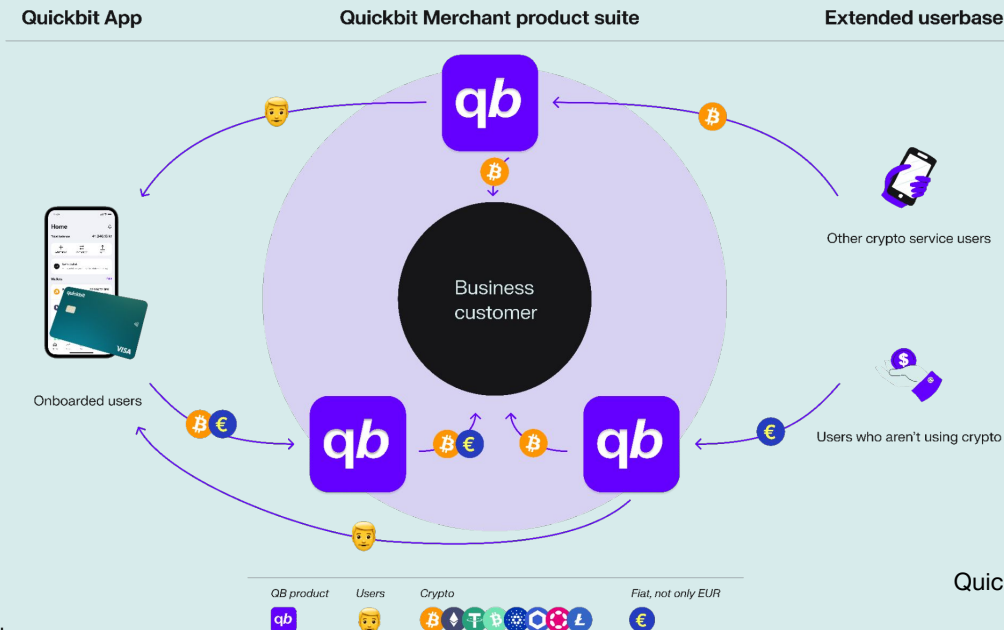
Consumer offering released in Finland in Q1 and in Netherlands after quarter

Future opportunities and geographical expansion

Geographic expansion - Quickbit App along with Earn Wallet and Quickbit Card

Quickbit Pay, within our B2B offering, will provide for customer acquisition and enhanced user experience and thus direct business to our B2C segment.





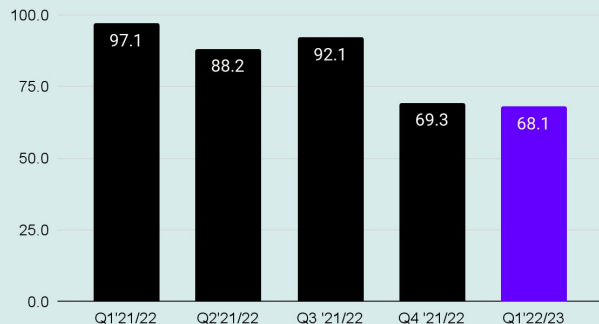
Quickbit App, Card & Earn

- Digital wallet: Send/Buy/Sell/Receive, etc
- Platform to tap P2P and DeFi opportunities
- Quickbit Affiliate drives user acquisition to Quickbit App at zero acquisition cost
- Increasing share of users' finances for Quickbit

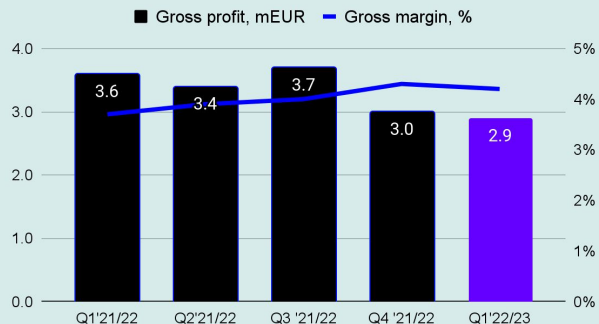
Quickbit Merchant

- Seamless plug & play e-merchant integration
- Get paid & pay out with crypto-to-crypto trx
- Closed eco-system together w/ Quickbit App
- Settle instant, no middle-men for merchants
- Two revenue streams & higher margins for Quickbit

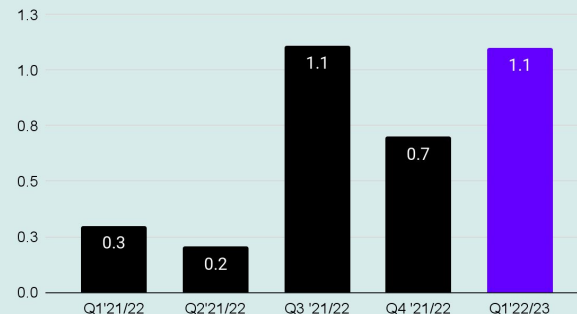
Revenue, mEUR



Profitability



Adjusted EBITDA, mEUR



Revenue development

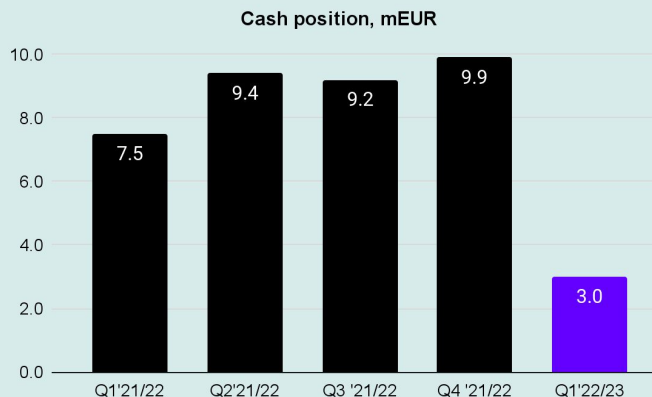
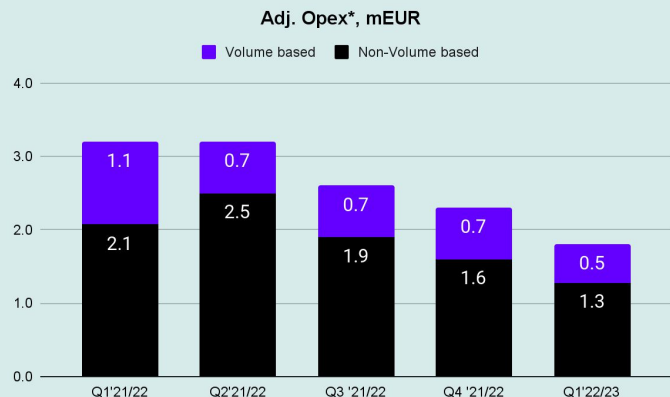
- Revenue of 68.1 mEUR
- ADV of 0.7 mEUR
- Temporary decrease primarily due to lower activity level at merchants
- Uptake at the end of the quarter, trend to continue in Q2

Gross profit and margin development

- Gross profit of 2.9 mEUR
- Gross margin of 4.2% (3.7%), up as a result of favorable product mix and cost efficiencies

Underlying profitability

- Positive Adj EBITDA of 1.1 mEUR
- Continue work on cost efficiencies



* Adjusted for items affecting comparability related to FX, warranty programs and other non-recurring costs and excl depreciations.

Cost efficiencies

- Decreased variable costs, incl. erasing introducer fees 0.5 (1.1) mEUR
- Decreased ext. Consultant costs 0.4 (1.2) mEUR
- Personnel exp. 0.9 (0.9) mEUR, from Jul'22 incl in-house consultants.
- Personnel & in-house consultants FTE 60 (64)
- Continuous cost efficiencies creating scalability - for continued investments in new products and geographies

Financial position

- Debt free company
- Cash reduced mainly due to:
 - acquisition of -4.5 mEUR,
 - increased receivables and prepaid exp/accrued inc -1.4 mEUR
- Q2 focus collecting receivables and restoring a strong cash balance

Looking ahead

New launches - Quickbit Merchant

First two products within Quickbit Merchant product suite to be launched – Quickbit Pay and Quickbit Checkout

New B2B product

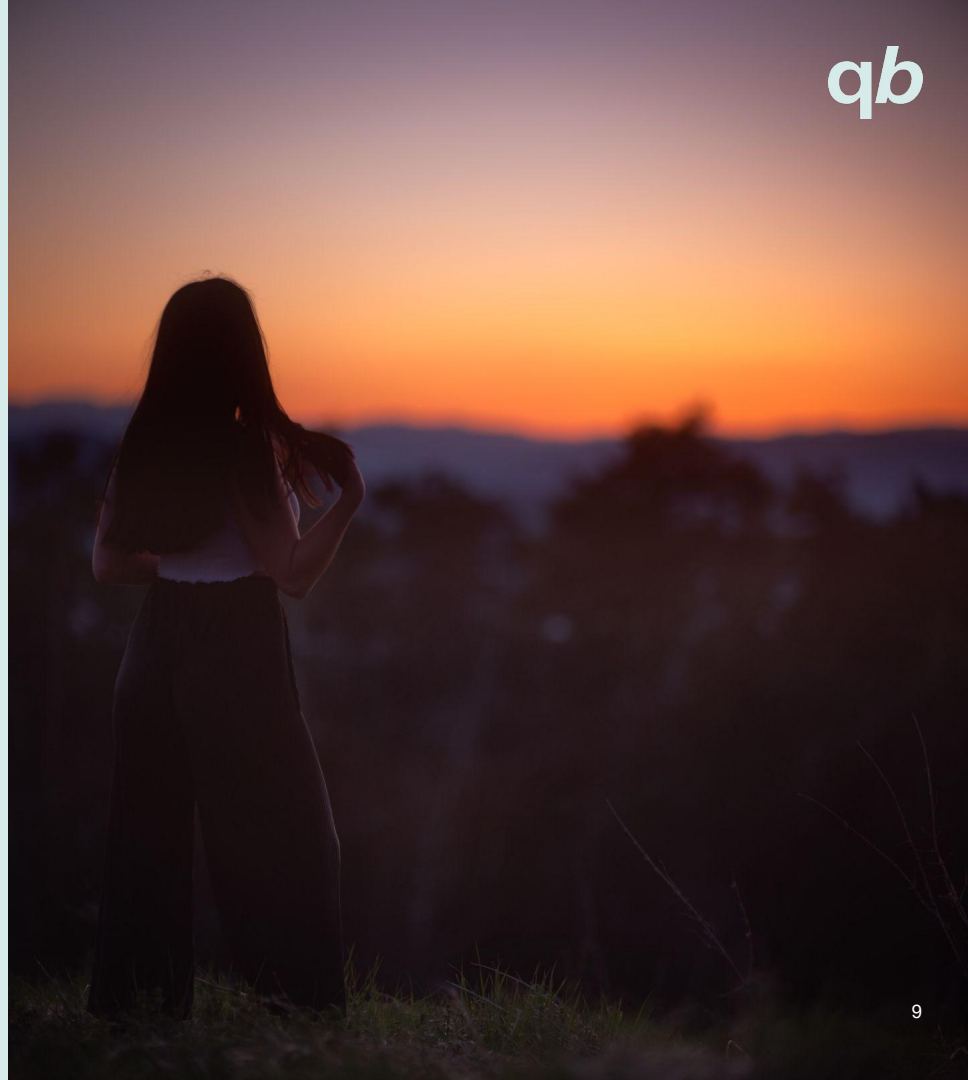
A new advanced Quickbit Affiliate product - will increase user experience for both merchants and customers

New markets

MiCA regulation potentially enters force end of 2023 - will enable faster geographical expansion within the EU

New management

Four new board members have been proposed for election ahead of Annual General Meeting 22 November



Q&A

qb

