

YEAR-END REPORT 2021/2022

quickbit

Q4 APRIL–JUNE 2022

€69.3 million

NET SALES Q4 '21/22

€3.0 million

GROSS PROFIT Q4 '21/22

Quickbit will present the Year-end Report through a conference call at 11.00 a.m. CEST on 21 July. Call in to register a few minutes prior to the start of the conference using any of the following numbers:

Sweden: +46 8 505 163 86
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Use the following link to follow the presentation via webcast:
<https://tv.streamfabriken.com/quickbit-interim-q4-2021-2022>

Financial calendar

Annual report '21/22	1 Nov 2022
Interim report Q1 (Jul–Sep 2022)	9 Nov 2022
Annual General Meeting	22 Nov 2022
Interim report Q2 (Oct–Dec 2022)	8 Feb 2023
Interim Report Q3 (Jan–Mar 2023)	26 Apr 2023

This report is published in Swedish and English. In the event of any differences between the English version and the Swedish original, the Swedish version takes precedence.

Quickbit reports a temporary decline in sales, at €69.3 million, while the product mix and cost-efficiency improvements resulted in a higher gross margin of 4.3% in the fourth quarter. Quickbit's strong financial position enables continued investments in future growth, despite the increase in economic and geopolitical uncertainty in the business environment.

Summary of the fourth quarter, April – June 2022

- Net sales totalled €69.3 million (83.1).
- Gross profit amounted to €3.0 million (3.0) with a gross margin of 4.3% (3.6).
- Adjusted EBITDA was €0.7 million (-0.2).
- EBIT totalled €-0.5 million (-0.3).
- Basic earnings per share amounted to €-0.00 (-0.01).

Full-year summary for July 2021 – June 2022

- Net sales totalled €346.7 million (250.6).
- Gross profit amounted to €13.6 million (10.5) with a gross margin of 3.9% (4.2).
- Adjusted EBITDA was €2.4 million (2.3).
- EBIT totalled €-0.9 million (1.6).
- Basic earnings per share amounted to €-0.0 (-0.01).

Events during the quarter

- In April, Karin Burgaz, at her own request and for personal reasons, chose to step down from Quickbit's Board of Directors.
- In May, Quickbit launched a VISA card, the Quickbit Card, for the general public in Sweden, thereby making Quickbit the first Swedish crypto company to offer a debit card in Sweden. The Quickbit Card was also launched in Norway at the end of the quarter.
- In May, Simon Afeworki announced his departure from Quickbit. Susanne Andersson was appointed as the interim CFO and will join Quickbit's management team.
- In June, Quickbit announced that they would strengthen the management team with the addition of Anders Jonsson in a newly created role as Chief Operating Officer (COO).
- In June, Quickbit received the final repayment of the outstanding receivable comprising deposited collateral in the form of €3.9 million in cash and cash equivalents. The payment is intended to be used for acquisitions and investments in growth.

Events after the quarter

- In July, Earn Wallet was launched – a feature that allows users of Quickbit App to lend cryptocurrency and earn a yield via a third party. Earn Wallet is initially being launched for the lending of Bitcoin and is available for users in Sweden and Norway.

Financial summary

€ million	Fourth quarter		12 months	
	Apr–Jun 2022	Apr–Jun 2021	Jul 2021–Jun 2022	Jul 2020–Jun 2021
Net sales	69.3	83.1	346.7	250.6
Sales growth (%)	-17%	-3%	38%	-44%
Gross profit	3.0	3.0	13.6	10.5
Gross margin (%)	4.3%	3.6%	3.9%	4.2%
Adjusted EBITDA	0.7	-0.2	2.4	2.3
Adjusted EBITDA margin (%)	1.0%	-0.3%	0.7%	0.9%
Average daily volume (ADV)	0.8	0.9	1.0	0.7
No. of merchants	82	57	82	57

See pages 15–16 for the definitions and derivation of the above alternative performance measures.

Comments by the CEO

In the fourth quarter of '21/22, we noted a turbulent business environment with considerable financial and geopolitical uncertainty, high inflation and monetary tightening. Despite greater uncertainties about the economy, we are noting sustained robust demand for Quickbit's services. Consequently, we are investing in the further development of new and existing products in order to increase the acceptance of cryptocurrency and further strengthen our growth potential.

Net sales for the quarter totalled €69.3 million, down 17% year-on-year. ADV totalled €0.8 million. The decline in revenue is temporary and primarily attributable to a lower conversion rate within Quickbit Affiliate, which resulted in expedited system upgrades to a more flexible product solution with a capacity for processing greater volumes. Upgrading efforts will continue initially into the next quarter and will strengthen our offering in anticipation of a stronger winter season. The decline in sales was also attributable to lower activity among merchants in comparison with the preceding year. The number of merchants rose by 8 to total 82 during the quarter.

The gross margin strengthened to 4.3% (3.6%), as a consequence of the product mix and improvements in cost-efficiency from renegotiated supplier agreements. We have a strong financial position with net cash of 10 million and no loans.

Despite a year upset by the pandemic, inflation and macro-economic uncertainty, we have increased our sales by 38% in the past year and laid a solid foundation for a scalable business model, as well as expanded our offering, which will result in more diversified revenue streams over time. Today, Quickbit has an established platform for e-merchants operating within a growing segment, where our solution is in demand. During the year, we also acquired several licenses, which is a clear indication of the company's maturity and a critical component of our strategy for sustainable growth. Our licenses in Sweden, the Netherlands, Finland and Norway provide us with a solid foundation to further expand and establish our consumer platform within Europe.

As a company, we have also matured in our processes and during the year, we strengthened our establishment in Gibraltar and built a tech hub in Serbia. Our innovations and development processes are beginning to show results, with a series of future product launches. Our capacity to develop and adapt our products in an agile and precise manner, will be important for staying at the leading edge of future consumer needs.

During the year, we launched several new products for consumer platforms: The Quickbit App in Norway, the Quickbit Card and, following the close of the quarter, Earn Wallet.

We are making progress in the development of the Merchant platform and we are in the final phase of our first product launch, which we are looking forward to in the autumn. The first Merchant product will involve an integrated payment solution provided by e-merchants that allow cryptocurrency wallets. The customer will have the option of choosing Quickbit as one of several payment options. Discussions are under way with major actors who could provide the product with increased visibility among several merchants.

With our current business mix (B2B) comprising: Quickbit Affiliate, soon to include Quickbit Merchant and within (B2C): Quickbit App, Quickbit Card and Earn Wallet – we have a unique ecosystem of services and a thus ready to establish ourselves as a strong European actor in cryptocurrencies.

Looking ahead, we will continue to invest in our products and organisation, and establish new global business partnerships. Despite the current macro-economic uncertainties, we are noting good opportunities for recovery and to increase sales within Quickbit Affiliate as well as to expand with new revenue streams in our consumer offering. The goal is to achieve sustainable and profitable growth with an improved gross margin, driven by our future business mix and further improvements to cost-efficiency.

Finally, I would like to thank our customers, business partners and our fantastic organisation for a successful year, and look forward to leading Quickbit toward new goals.

Hammad Abuseifan
CEO

Financial overview

Net sales and gross profit

Fourth quarter '21/22

Fourth quarter net sales totalled €69.3 million (83.1), down 17% year-on-year. The decline in revenue is temporary and primarily attributable to a lower conversion rate within Quickbit Affiliate, which resulted in accelerated system upgrades to a more flexible product solution with a capacity for processing greater volumes. Upgrading efforts will continue initially into the next quarter and will strengthen our offering in anticipation of a stronger winter season. The decline in sales was also attributable to lower activity among merchants in comparison with the preceding year. The number of merchants rose by 8 to total 82 on 30 June 2022, compared with 57 at the close of the preceding year.

Gross profit totalled €3.0 million (3.0) and the gross margin rose to 4.3% (3.6%), positively impacted by the product mix and cost-efficiency enhancements from renegotiated supplier agreements.

The period of July – June '21/22

Net sales for the 12-month period totalled €346.7 million (250.6), corresponding to an increase of 38%. The positive trend was primarily driven by a higher ADV, additional merchants and the positive effects of the preceding year's restructuring of transaction flows with the aim of lowering risk levels and reducing tied-up capital.

Gross profit for the period totalled €13.6 million (10.5), corresponding to a gross margin of 3.9% (4.2). The lower gross margin was attributable to high sales with a lower margin at the beginning of the financial year, before cost optimizations from renegotiated supplier agreements began to yield results.

Expenses

Fourth quarter '21/22

Other external expenses totalled €-1.2 million (-2.4) for the fourth quarter. The decrease was attributable to variable transaction costs totalling €-0.7 million (-1.1) during the quarter, of which introducer fees for Quickbit's partners were reduced to €0.0 million (-0.2), and to a cutback of consulting and other external services as part of gradual improvements to cost-efficiency.

Personnel expenses totalled €-1.4 million (-0.8). The increase was primarily attributable to an increase in the number of employees to 64 (40) and the conversion of consultants into employees as an investment in future long-term growth. Total costs for consultants and personnel have decreased.

The period of July – June '21/22

Other external expenses for the 12-month period amounted to €-7.3 million (-6.1) and pertained to variable expenses arising from higher sales, as well as administrative and legal costs related to registration applications in new countries.

Personnel expenses totalled €-4.6 million (-2.2) and were attributable to an increased number of employees and the conversion of consultants into employees.

Earnings

Fourth quarter '21/22

Adjusted EBITDA was €0.7 million (-0.2), corresponding to an adjusted EBITDA margin of 1.0% (-0.3). Adjustments encompassed items affecting comparability related to exchange differences and other non-recurring personnel expenses, which amounted net to €-0.5 million (0.1).

Depreciation and amortisation of PPE and intangible assets amounted to €-0.7 million (-0.2) and mainly pertained to amortisation of capitalised expenditure on product development.

EBIT totalled €-0.5 million (-0.3).

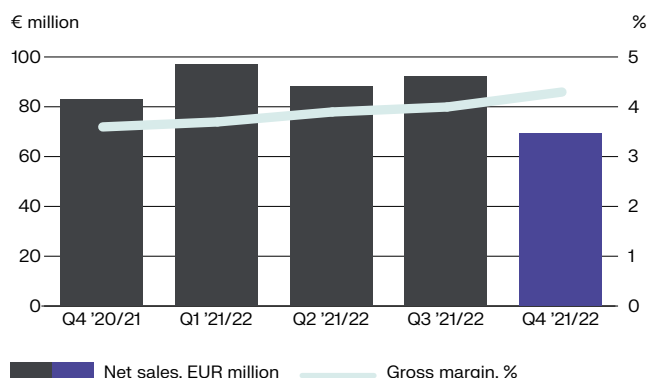
The tax expense was €0.5 million (-0.3). The positive tax item was attributable to an updated internal transfer-pricing model, which has resulted in a non-recurring item related to historical periods. Net profit for the fourth quarter of the 21/22 financial year was €-0.1 million (-0.6).

The period of July – June '21/22

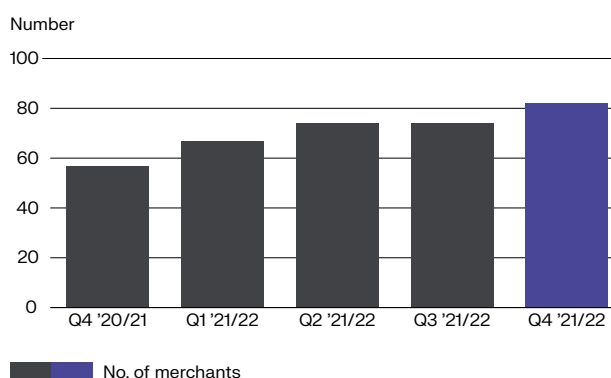
Adjusted EBITDA for the period was €2.4 million (2.3), corresponding to an adjusted EBITDA margin of 0.7% (0.9). Adjustments encompassed items affecting comparability related to exchange differences and other non-recurring expenses corresponding to €-0.9 million (0.0).

All figures in parentheses refer to the corresponding year-earlier period unless otherwise indicated.

Net sales and gross margin per quarter



No. of merchants



Depreciation and amortization of PPE and intangible assets amounted to €-2.4 million (-0.7) and mainly pertained to amortization of capitalised expenditure on product development.

EBIT totalled €-0.9 million (1.6).

The tax expense totalled €-0.5 million (-0.9).

Net profit for the period was €-1.5 million (0.7).

Financial position

On 30 June 2022, other receivables in the consolidated balance sheet amounted to €5.9 million (12.9). Other receivables have historically, to some extent, comprised previous deposits of collateral in the form of liquid assets that Quickbit needed to make to its previous acquiring partner. From 31 August 2020, the company no longer needs to deposit liquid assets as collateral. During the quarter, Quickbit's deposited collateral of €3.9 million was repaid in its entirety.

Cash flow

Fourth quarter '21/22

Changes in working capital mainly arise from changes in other receivables, accrued income and expenses. Cash flow from operating activities amounted to €1.7 million (1.9).

This includes the reimbursement to Quickbit of a €3.9 million collateral deposit and a payment of €0.8 million in corporate tax in Gibraltar for the '20/21 financial year. Cash flow from investing activities amounted to €-0.6 million (-0.9) and related mainly to capitalised expenditure for product development.

Cash flow from financing activities totalled €-0.2 million (-0.0) and was primarily attributable to principal elements of lease payments on lease liabilities.

On 30 June 2022, the Group's cash and cash equivalents amounted to €9.9 million (12.5).

The period of July – June '21/22

Cash flow from operating activities for the 12-month period amounted to €1.6 million (6.5). This included a €5.3 million repayment received for deposited collateral.

Cash flow from investing activities amounted to €-3.5 million (-2.5) and pertained mainly to capitalised expenditure for product development.

Cash flow from financing activities totalled €-0.3 million (6.4) and was primarily attributable to principal elements of lease payments on lease liabilities. In the third quarter of '20/21, a new share issue of €6.6 million was implemented.

Other information

Parent Company

Fourth quarter '21/22

The Parent Company's net sales amounted to SEK 67.8 million (3.7), and mainly related to intra-group services. The increase was primarily attributable to an updated internal transfer-pricing model, which has resulted in the Parent Company invoicing its subsidiaries during the quarter for historical costs incurred by the Parent Company on behalf of the subsidiaries. Intra-group services are eliminated in the consolidated accounts and are thus eliminated from the consolidated income statement. Other operating income amounted to SEK 2.6 million (2.7). EBIT totalled SEK 40.4 million (-27.0). Profit for the period totalled SEK 92.1 million (-27.0). Cash and cash equivalents amounted to SEK 46.0 million (126.0) on 30 June 2022.

The period of July – June '21/22

The Parent Company's net sales for the 12-month period amounted to SEK 79.3 million (12.9), and primarily related to intra-group services. The increase comprised the invoicing of subsidiaries for historical costs incurred by the Parent Company on behalf of the subsidiaries. Other operating income amounted to SEK 19.5 million (4.5). EBIT totalled SEK -42.4 million (-67.4). Profit for the period totalled SEK 62.1 million (-67.5).

Employees

During the fourth quarter the average number of employees was 57 (33) and the average number of consultants was 12 (26). The overall average number of employees and consultants was 69 (59) during the fourth quarter. The number of employees on 30 June 2022 was 64 (40) and the number of consultants with valid contracts on 30 June 2022 was 12 (31).

During the year, Quickbit reduced its overall costs for employees and consultants, despite an increase in the average number of Group employees. The streamlining was due to replacing consultants with employees, with the aim of future long-term growth.

Risks and uncertainties

Quickbit faces a number of risks and uncertainties that may directly or indirectly impact the company's operations. These uncertainties include regulatory risks linked to changes in regulations and legislation in various countries. Although Quickbit does not operate in or have exposure to Ukraine, Russia or Belarus, the war in Ukraine has accentuated the risk profile of the global economy and could impact Quickbit. Global macro-economic uncertainty and inflation has also increased during the quarter. Quickbit is monitoring developments closely. Risks and uncertainties are described in more detail in Quickbit's most recently published annual report, available at www.quickbit.com.

Related-party transactions

Chairman of the Board Mikael Karlsson invoiced the company for SEK 0.1 million during the fourth quarter, and SEK 0.4 million for the full year of '21/22.

Forward-looking statements

This interim report contains statements concerning, inter alia, Quickbit's financial position and profitability, as well as statements about growth and long-term market potential that may be forward-looking. Quickbit believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions. However, forward-looking statements include risks and uncertainties, and actual results or consequences may differ materially from those stated. In addition to what is required by applicable law, forward-looking statements apply only on the day they are made and Quickbit makes no undertaking to update any of them in light of new information or future events.

Review

This report has been subject to review by the company's auditors.

Annual General Meeting and annual report

Quickbit will hold its Annual General Meeting in Stockholm on 22 November 2022 at 3:30 p.m. CET. The annual report and auditor's report for the '21/22 financial year will be available on the company's website by no later than three weeks prior to the Annual General Meeting.

Dividend

The Board proposes that no dividend be distributed for the '21/22 financial year.

Disclosure

This information is such information that Quickbit eu AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons below, on 21 July 2022 at 8:00 a.m. CEST.

Contact

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Susanne Andersson, CFO, +46 73 066 89 04
E-mail: ir@quickbit.com

Signatures

The Board of Directors and the CEO declare that the undersigned year-end report provides a true and fair overview of the Parent Company's and the Group's operations, their financial position and performance as well as describing material risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, 21 July 2022

Mikael Karlsson
Chairman of the Board

Jan Frykhammar
Board member

Hammad Abuiseifan
CEO and Board member
QuickBit eu AB (publ)

Auditors' review report

Quickbit eu AB (publ) corporate id. no. 559066-2093

Introduction

We have reviewed the condensed year-end financial information of Quickbit eu AB (publ) as of 30 June 2022 and the 12-month period that ended on this date. The Board of Directors and the CEO are responsible for the preparation and presentation of this financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this year-end report based on our review.

The focus and scope of the review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of the year-end report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing practices.

The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that may be identified in an audit. Accordingly, the conclusion expressed based on a review does not constitute the same level of assurance as a conclusion based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the year-end report, in all material respects, is not prepared for the Group in compliance with IAS 34 and the Swedish Annual Accounts Act and for the Parent Company in compliance with the Swedish Annual Accounts Act.

Stockholm, 21 July 2022

PricewaterhouseCoopers AB

Johan Engstam
Authorised Public Accountant

Consolidated income statement, condensed

Amounts in € million	Note	Fourth quarter		12 months	
		Apr – Jun 2022	Apr – Jun 2021	Jul 2021 – Jun 2022	Jul 2020 – Jun 2021
Income					
Net sales	2	69.3	83.1	346.7	250.6
Other operating income		0.3	0.3	2.1	0.4
Total income		69.6	83.4	348.8	251.1
Operating expenses					
Purchase of cryptocurrency and other fees		-66.3	-80.1	-333.1	-240.1
Other external expenses		-1.2	-2.4	-7.3	-6.1
Personnel expenses		-1.4	-0.8	-4.6	-2.2
Depreciation and amortisation of PPE and intangible assets		-0.7	-0.2	-2.4	-0.7
Other operating expenses		-0.4	-0.2	-2.3	-0.4
EBIT		-0.5	-0.3	-0.9	1.6
Financial items					
Financial costs		-0.1	0.0	-0.1	-0.0
EBT		-0.6	-0.3	-1.0	1.6
Tax on profit for the period		0.5	-0.3	-0.5	-0.9
Net profit for the period		-0.1	-0.6	-1.5	0.7
OTHER COMPREHENSIVE INCOME					
Items that may be reclassified to profit for the period:					
Exchange differences on translation of foreign operations		1.0	0.3	1.7	0.0
Total comprehensive income for the period		0.9	-0.3	0.1	0.7
Earnings per share, €					
Basic		-0.00	-0.01	-0.02	0.01
Diluted ¹⁾		-0.00	-0.01	-0.02	0.01
Number of shares					
Weighted-average, before dilution		88,460,736	88,460,736	88,460,736	78,043,595
Weighted-average, after dilution		90,007,025	90,533,548	90,008,625	87,148,463

1) No dilutive effect arises from the conversion of warrants to ordinary shares if this would lead to an improvement in earnings per share, according to IAS 33.

Consolidated balance sheet, condensed

Amounts in € million	Note	30 Jun 2022	30 Jun 2021
ASSETS			
Non-current assets			
Capitalised expenditure on development and similar work		6.1	5.1
Other intangible assets		3.1	3.4
Right-of-use assets		0.7	0.2
Equipment and tools		0.2	0.1
Other non-current receivables		0.7	0.3
Deferred tax assets		0.0	0.0
Total non-current assets		10.8	9.2
Current assets			
Inventory of cryptocurrency		0.0	0.1
Trade receivables		0.0	0.0
Current tax assets		0.7	–
Other receivables		5.9	12.9
Prepaid expenses and accrued income		2.4	2.1
Cash and bank balances		9.9	12.5
Total current assets		19.1	27.7
TOTAL ASSETS		29.9	36.8
EQUITY AND LIABILITIES			
Equity			
Share capital		0.1	0.1
Other contributed capital		13.0	13.8
Reserves		0.5	-1.2
Other equity including net profit for the period		10.3	12.4
Total equity		23.9	25.1
Non-current liabilities			
Deferred tax liability		0.0	0.0
Non-current lease liabilities		0.1	0.0
Other non-current liabilities		0.1	–
Total non-current liabilities		0.2	0.0
Current liabilities			
Trade payables		0.5	1.2
Current tax liabilities		0.0	0.9
Current lease liabilities		0.4	0.2
Other current liabilities		0.7	1.4
Accrued expenses and deferred income		4.2	8.1
Total current liabilities		5.7	11.7
TOTAL EQUITY AND LIABILITIES		29.9	36.8

Consolidated changes in equity, condensed

Amounts in € million	Note	Share capital	Other contributed capital	Retained earnings (incl. net profit for the period)	Total equity
OPENING BALANCE ON 1 JULY 2020		0.1	7.0	11.2	18.2
Transition to euro (€)		0.0	0.3	-0.2	0.1
Net profit for the period		-	-	0.7	0.7
Reserves		-	-	-0.2	-0.2
Total comprehensive income for the period		0.1	7.3	11.4	18.8
Transactions with shareholders					
Contingent consideration		0.0	0.0	-0.3	-0.3
Conversion of warrants, TO1		0.0	6.6	0.0	6.6
Expenses related to the conversion of warrants TO1		0.0	0.0	-0.0	-0.0
Share-based payments to personnel		0.0	0.0	0.1	0.1
Total transactions with shareholders		0.0	6.6	-0.3	6.3
CLOSING BALANCE ON 30 JUNE 2021		0.1	13.8	11.2	25.1
OPENING BALANCE ON 1 JULY 2021		0.1	13.8	11.2	25.1
FX on calculation to €		0.0	-0.9	-0.4	-1.3
Net profit for the period		0.0	0.0	-1.5	-1.5
Reserves		0.0	0.0	1.7	1.7
Total comprehensive income for the period		0.1	13.0	11.0	24.0
Transactions with shareholders					
Share-based payments to personnel		0.0	0.0	-0.1	-0.1
Total transactions with shareholders		0.0	0.0	-0.1	-0.1
CLOSING BALANCE ON 30 JUNE 2022		0.1	13.0	10.8	23.9

Consolidated statement of cash flows, condensed

Amounts in € million	Note	Fourth quarter		12 months	
		Apr – Jun 2022	Apr – Jun 2021	Jul 2021 – Jun 2022	Jul 2020 – Jun 2021
Operating activities					
EBIT		-0.5	-0.3	-0.9	1.6
Non-cash items		0.6	0.2	2.8	0.8
Tax paid		-0.8	–	-1.9	–
Interest paid		-0.1	–	-0.1	-0.0
		-0.7	-0.1	-0.2	2.4
Change in working capital					
Increase/decrease in operating receivables		4.4	-3.9	6.7	-3.0
Increase/decrease in operating liabilities		-1.9	5.9	-4.9	7.1
		1.7	1.9	1.6	6.5
Investing activities					
Investments in non-current intangible assets		-0.6	-0.8	-2.7	-2.3
Investments in PPE		0.0	-0.0	-0.1	-0.1
Acquisition of subsidiaries		-0.0	–	-0.3	–
Investments in non-current financial assets		0.0	-0.1	-0.4	-0.1
		-0.6	-0.9	-3.5	-2.5
Financing activities					
Increase/decrease in other financial liabilities		0.0	–	0.0	–
Incentive programme		0.0	–	0.1	–
New issue		0.0	–	0.0	6.6
Principal elements of lease payments		-0.2	-0.0	-0.4	-0.2
		-0.2	-0.0	-0.3	6.4
Cash flow for the period		0.9	1.0	-2.2	10.4
Opening cash and cash equivalents		9.2	11.4	12.5	2.1
Exchange difference in cash and cash equivalents		-0.2	0.1	-0.4	-0.0
Closing cash and cash equivalents		9.9	12.5	9.9	12.5

Parent Company income statement, condensed

Amounts in SEK million	Note	Fourth quarter		12 months	
		Apr – Jun 2022	Apr – Jun 2021	Jul 2021 – Jun 2022	Jul 2020 – Jun 2021
Income					
Net sales		67.8	3.7	79.3	12.9
Other operating income		2.6	2.7	19.5	4.5
Total income		70.4	6.4	98.8	17.4
Operating expenses					
Other external expenses		-10.8	-22.0	-63.0	-54.5
Personnel expenses		-11.0	-8.0	-42.5	-21.1
Depreciation and amortisation of PPE and intangible assets		-3.8	-1.3	-12.8	-4.7
Other operating expenses		-4.3	-2.1	-22.7	-4.5
EBIT		40.4	-27.0	-42.4	-67.4
Financial items					
Profit from participations in Group companies		51.7	–	104.5	–
Interest expense and similar profit/loss items		-0.0	–	-0.0	-0.1
EBT		92.1	-27.0	62.1	-67.5
Tax on profit for the period		–	–	–	–
Net profit for the period		92.1	-27.0	62.1	-67.5

No items in the Parent Company are recognised as other comprehensive income and, accordingly, total comprehensive income for the period corresponds to net profit for the period.

Parent Company balance sheet, condensed

Amounts in SEK million	Note	30 Jun 2022	30 Jun 2021
ASSETS			
Non-current assets			
Capitalised expenditure on development and similar work		50.2	48.5
Other intangible assets		0.1	0.1
Equipment and tools		1.4	1.3
Participations in Group companies		9.9	47.0
Other non-current receivables		3.2	1.2
Total non-current assets		64.6	98.1
Current assets			
Trade receivables		0.1	0.4
Receivables from Group companies		8.7	0.9
Other receivables		0.3	3.4
Prepaid expenses and accrued income		2.1	1.4
Cash and bank balances		46.0	126.0
Total current assets		57.1	132.1
TOTAL ASSETS		121.8	230.1
EQUITY AND LIABILITIES			
Equity			
Share capital		0.9	0.9
Fund for development expenditure		50.2	48.5
Share premium reserve		139.5	139.5
Retained earnings		-154.9	-84.7
Net profit for the period		62.1	-67.5
Total equity		97.8	36.7
Non-current liabilities			
Other non-current liabilities		1.3	-
Total non-current liabilities		1.3	-
Current liabilities			
Liabilities to Group companies		3.7	170.9
Trade payables		4.1	12.2
Current tax liabilities		0.0	2.0
Other current liabilities		5.0	1.4
Accrued expenses and deferred income		10.0	6.9
Total current liabilities		22.7	193.4
TOTAL EQUITY AND LIABILITIES		121.8	230.1

Notes

NOTE 1 ACCOUNTING POLICIES

Quickbit applies the International Financial Reporting Standards (IFRS) as endorsed by the EU. This year-end report has been prepared in accordance with IAS 34, Interim Financial Reporting. The application of the accounting policies is consistent with their application in the annual report for the '20/21 financial year.

The accounts for the Parent Company have been prepared pursuant to the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The Parent Company applies the same accounting policies as the Group except in the cases listed in the section Parent Company's accounting policies in the annual report for the '20/21 financial year.

Group presentation currency

As of 1 July 2021, the Group's presentation currency is the euro (€). The Parent Company's functional currency is the Swedish krona (SEK), unchanged compared with '20/21. Unless stated otherwise, all amounts are given in million euro (€ million) for the Group and million krona (SEK million) for the Parent Company. A more detailed description of the accounting policies applied for the Group and the Parent Company in this year-end report is available in the Annual Report for the '20/21 financial year, available at www.quickbit.com.

NOTE 2 NET SALES

The Group's net sales pertain entirely to sales of cryptocurrency and are recognised at a point in time.

Net sales by operating segment, € million

Solution for e-merchants	69.3
Total	69.3

Alternative performance measures

This report contains financial metrics and alternative performance measures (APMs), which are not defined in IFRS. The company considers that this information, together with comparable defined IFRS metrics, is useful for investors as it provides increased understanding of the company's operating results. The APMs should not be assessed in isolation from, or as a substitute for, financial information presented in the financial statements pursuant to IFRS. The reported APMs are not necessarily comparable with similar measures presented by other companies.

Quickbit uses the following APMs that are not derived from the financial statements:

- Gross profit and gross margin
- Adjusted EBITDA and Adjusted EBITDA margin

Derivation of gross profit and gross margin

Amounts in € million	Fourth quarter		12 months	
	Apr – Jun 2022	Apr – Jun 2021	Jul 2021 – Jun 2022	Jul 2020 – Jun 2021
Net sales	69.3	83.1	346.7	250.6
Purchase of cryptocurrency and other fees	-66.3	-80.1	-333.1	-240.1
Gross profit	3.0	3.0	13.6	10.5
Gross margin, %	4.3%	3.6%	3.9%	4.2%

Derivation of EBITDA and Adjusted EBITDA

Amounts in € million	Fourth quarter		12 months	
	Apr – Jun 2022	Apr – Jun 2021	Jul 2021 – Jun 2022	Jul 2020 – Jun 2021
EBIT	-0.5	-0.3	-0.9	1.6
Depreciation and amortisation of PPE and intangible assets	0.7	0.2	2.4	0.7
EBITDA	0.2	-0.1	1.5	2.3
Exchange differences	0.1	-0.1	0.2	0.0
Other non-recurring items	0.4	-	0.6	-
Share-based incentive programme	-	-	0.0	0.0
Items affecting comparability	0.5	-0.1	0.9	0.0
Adjusted EBITDA	0.7	-0.2	2.4	2.3
Adjusted EBITDA margin, %	1.0%	-0.3%	0.7%	0.9%

Definition

Alternative performance measure	Definition	Reason
Gross profit	Net sales less purchases of cryptocurrency and other fees.	The APM is used to measure the company's ability to charge for its products.
Gross margin	Gross profit in relation to net sales.	The APM is a measure of the company's earnings capacity in relation to net sales.
EBITDA	EBITDA comprises earnings before interest, tax, depreciation and amortisation.	The APM is used to measure earnings from operating activities excluding depreciation, amortisation and impairment.
Items affecting comparability	Items affecting comparability pertain to material items and events that have no clear connection to ordinary operations and are assessed as being of an extraordinary nature.	The item is excluded in the calculation of adjusted EBITDA. Separate reporting of items affecting comparability provides clarity in terms of the development of the underlying operations.
Adjusted EBITDA	EBITDA excluding items affecting comparability.	The APM is used to monitor the underlying earnings trend over time and on a comparable basis.
Adjusted EBITDA margin	Adjusted EBITDA in relation to net sales.	The APM is used to measure earnings from operating activities excluding depreciation, amortisation and impairment, and items affecting comparability in relation to net sales.
Average daily volume (ADV)	Transaction volume in relation to the number of days in the period.	The APM is used as part of the description of the sales trend within Quickbit Affiliate.
Merchants	Another word for e-merchants, i.e., companies that have marketplaces accessible online.	The APM refers to the number of active merchants at the close of the period and is used as part of the description of future sales potential.

Quickbit is a Swedish fintech company, founded in 2016 with the goal of making the integration of cryptocurrencies into the everyday lives of people and companies smoother. Our history is in payments and we are driven by our vision that it should be easy and cheap to make quick and secure payments. Quickbit's vision is a borderless economy.

Since the outset, operations have developed at a high tempo and today we offer secure solutions for e-merchants to receive payment in cryptocurrency, and for people to conveniently use cryptocurrency in their everyday lives. We are convinced that the financial services of the future will be based on blockchain technology and cryptocurrency.

quickbit

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