

QuickBit

Q1

INTERIM REPORT
July–September 2019

SEK
982,9
MILLION

Net sales Q1 2019/2020

SEK
32,6
MILLION

Operating profit Q1 2019/2020

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 person below, on Friday 22 November 2019 at 8.00 CET.

Contact

Serod Nasrat, CEO Quickbit eu AB (publ)
Phone +46 73 157 63 33
E-mail: serod.nasrat@quickbit.eu

Financial calendar

Annual General Meeting 2019	18 December 2019
Interim Report Q2 (October–December)	19 February 2020
Interim Report Q3 (January–March)	20 May 2020
Year-end Report 2019/2020	19 August 2020

Interim Report Quarter 1, July–September 2019

BEST QUARTER IN QUICKBIT'S HISTORY

The first quarter 2019/2020 was the best to date in the company's history with strong increases in sales, profits and cash flow. Compared to the previous quarter, sales increased by about 21 percent. Profit after tax also showed a strong development and increased by 35 percent in total compared to the previous quarter.

The first quarter, 1 July–30 September 2019 in summary

- Net sales amounted to SEK 982.9 million (74.2).
- Operating profit amounted to SEK 32.6 million (-1.3).
- Earnings per share before dilution amounted to SEK 0.45 (-0.02).
- During the present quarter, Sven Hattenhauer was elected as the new Chairman of QuickBit eu AB. At the end of the quarter, Bengt Lagergren left the Board of QuickBit eu AB at his own request.
- QuickBit's share was listed on NGM Nordic MTF with its first day of trading on 11 July 2019. The listing price was SEK 3.20 per share.
- On 23 August 2019, QuickBit appointed Serod Nasrat as the new CEO of QuickBit eu AB. In connection with this, the previous CEO Jörgen Eriksson took over the role of President.

SEK million	First quarter		Rolling 12 months	Full-year
	Jul–Sep 2019	Jul–Sep 2018	Oct 2018–Sep 2019	2018/2019
Net sales	982.9	74.2	3,267.3	2,353.9
Operating profit	32.6	-1.3	82.0	48.2
Equity/assets ratio, %	79.8	40.8	79.8 ¹	82.9
Earnings per share before dilution, SEK	0.45	-0.02	1.13	0.66
Earnings per share after dilution, SEK	0.34	-0.02	0.91	0.59

¹ As of 30 September 2019

Comments from the CEO

I want to start my first interim report as CEO of QuickBit by stating that our growth journey is continuing and that we are presenting our best quarter to date by far.

The first quarter in our new financial year was record strong and we delivered better numbers on all fronts compared to the previous quarter. Sales during the first quarter amounted to almost SEK 1 billion, which was an increase of just over 20 percent from the previous quarter. Profit after tax for the quarter amounted to almost SEK 30 million, which is equivalent to an improvement of about 35 percent compared to the previous quarter. To increase both profit and sales by these numbers is an exceptional increase for most companies in a strong growth phase. For us, it is a result of the fact that the everyday use of cryptocurrencies is increasing combined with a very strong offer to our customers.

Our view today is clear – we are convinced that cryptocurrency is the future and that we have only seen the start of a sustainable long-term positive trend. Having this as a basis to work from is fantastic. For us, it is now a matter of focusing on what we see as our mission – through technology to facilitate the use of cryptocurrencies in people’s everyday lives. We are doing this by investing in the development of new products and services. In October, it was announced that QuickBit has signed a letter of intent regarding the issuance of physical and virtual VISA and Mastercard cards. This initiative is a first step in a process that aims to broaden the business model, reach more users and create more revenue streams. Investing in new solutions and products means investing in growth and in our future.

The increase in cash flow of just over SEK 20 million during our first quarter compared with the previous quarter was the strong increase I had expected. Our cash flow is affected by the collateral we need to provide to our redemption partners, which we have communicated previously and also in this report. It is important to remember that QuickBit is a company that prioritises growth and this means that our cash flow may vary from quarter to quarter. As we grow, however, our cash flow will undoubtedly improve further over time.

We operate in a strongly changing world and because of this our entire sector is facing the challenge of ensuring the supply of competence. QuickBit is growing at a high rate and to continue doing so requires



“The first quarter in our new financial year was record strong and we delivered better numbers on all fronts compared to the previous quarter.”

that we can recruit the competencies we need at the rate we want. Our employees are QuickBit’s biggest ambassadors and play a central role for QuickBit to contribute to facilitating the use of cryptocurrency in people’s everyday lives. Therefore it is totally crucial that we ensure that our employees are happy, develop and believe in our strategy and future opportunities. Having satisfied employees, combined with a better known employer brand, will mean that the supply of competence will become much easier in the future. As part of the efforts to strengthen our employer brand, a few days ago we launched a new career page on our website and we will also carry out more initiatives with the aim of becoming a better known employer brand.

Growth is part of QuickBit’s DNA and the strong desire to achieve our vision that I have seen among the employees during my short time as CEO is impressive. The foundation that has been built with a profitable business model is a solid foundation to stand on as we continue to grow with new services and solutions into the future. I look forward to leading QuickBit on this journey.

Serod Nasrat, CEO

QuickBit in brief

QuickBit was founded in 2016 and offers a solution that makes it easier for people to use cryptocurrency in their everyday lives, by enabling users to quickly, simply and securely purchase cryptocurrency for payment during purchase of goods and services online. During 2018/2019, we generated sales of more than SEK 2.3 billion and reported a gross profit of SEK 62 million. QuickBit has been listed on NGM Nordic MTF since July 2019.

What does QuickBit do?

QuickBit offers a solution that makes it easier for people to use cryptocurrency in their everyday lives, by allowing users to quickly, simply and securely buy cryptocurrency which can then be used when paying for purchases of goods and services online. For e-merchants getting paid in cryptocurrency implies a great advantage, which makes QuickBit's solution attractive. The benefits for e-merchants to steer their customers towards cryptocurrency payments mean significantly reduced risk of fraud, no redemption fees to banks compared with cards and that the payment is immediately available unlike payments that are made with cards.

QuickBit's vision is to strive for a borderless economy.

Who are our customers?

Our customers are the persons who purchase cryptocurrency from us.

How does QuickBit make money?

QuickBit earns money on each transaction where we sell cryptocurrency. Our revenue partly consists of a transaction fee that the customer pays, and partly of the difference between what we purchase the cryptocurrency for and what we later sell it to the customers for.

How does the future look for QuickBit?

QuickBit's point of departure is that cryptocurrencies will become a bigger and bigger part of our future everyday lives. The development in recent years has clearly shown that the everyday use of cryptocurrencies has increased sharply. By facilitating an increased everyday use of cryptocurrencies, QuickBit will reach a significantly larger market and more customers.

QuickBit works continually on creating new solutions and products that facilitate the use of cryptocurrencies in everyday life for existing and future users. For example, during autumn 2020, QuickBit will launch physical and virtual VISA and Mastercard cards. Although the everyday use of cryptocurrencies is increasing, payments with cryptocurrencies are still very low compared to payments with cards. Today, for example, payments with VISA and Mastercard are accepted by more than 100 million points of sale globally, which means that there is huge potential for QuickBit within the card payments market segment.

QuickBit's mission is through technology to facilitate the use of cryptocurrencies in people's everyday lives.

Financial overview

Performance during the first quarter, 1 July – 30 September 2019

Net sales

Net sales during the first quarter amounted to SEK 982.9 million (74.2). Other operating income during the quarter amounted to SEK 0.8 million (0). Other operating income consists mainly of exchange rate differences during the quarter as well as the company's revenue sharing, which is obtained by Nordic Growth Market quarterly. Net sales refer to customers' purchases of cryptocurrency through QuickBit's automated system where cryptocurrency is sold from the company's own inventory.

Gross profit

Gross profit during the first quarter amounted to SEK 40.3 million (1.3). Compared to the previous quarter (Q4 18/19), gross profit increased by SEK 11 million, equivalent to an increase of 37.5 percent. QuickBit's gross profit consists of the difference between all revenue in the company and direct costs for generating revenue.

Profit before tax

Profit before tax for the first quarter of the year amounted to SEK 32.6 million (-1.4).

Profit after tax

Profit after tax during the first quarter amounted to SEK 29.2 million (-1.4).

Cash flow and financial position

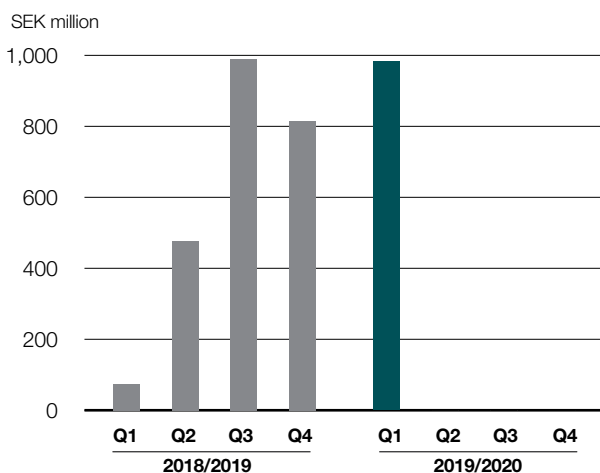
Consolidated cash flow amounted to SEK 23.3 million (4.1) during the first quarter. Compared to the previous quarter (Q4 18/19), the cash flow improved by SEK 20.1 million. Consolidated equity on 30 September amounted to SEK 99.6 million (9.3), which was equivalent to SEK 1.55 per share (0.16).

Cash balances and working capital

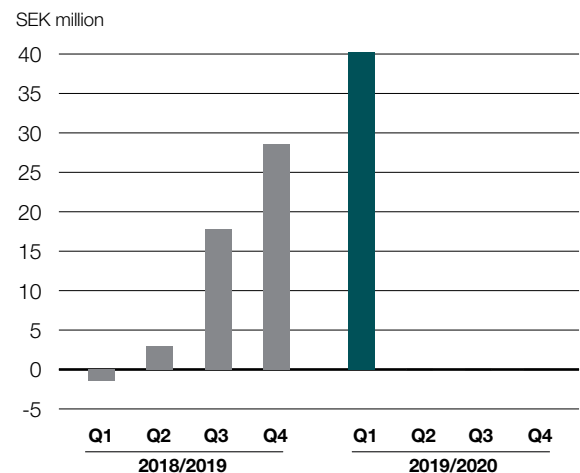
QuickBit has working capital in three forms - cash in bank accounts, inventories of cryptocurrency and the balance sheet item Other receivables. The balance sheet item Other receivables is explained below.

QuickBit gets paid by customers through card payments online, mainly VISA and MasterCard. In order to handle transactions between QuickBit and the customers, QuickBit needs agreements with redemption partners who are members in both VISA and MasterCard. Since QuickBit handles a very large number of transactions, these redemption partners require the deposit of collateral in the form of liquid assets. This collateral is called a rolling reserve and is booked as an asset in the item Other receivables in the consolidated balance sheet. The rolling reserve, varies in size over time as parts of the collateral are continually paid to the company but new collateral arises as a result of the company's strong sales growth. To some extent, the size of the rolling reserve can also be affected by negotiations about terms between QuickBit and our redemption partners.

Net sales per quarter



Gross profit per quarter



Investments and depreciation/amortisation

During the first quarter 2019/2020, QuickBit moved into new premises and has thus invested in property, plant and equipment, which is depreciated over five years. The company's employees mainly consist of developers who are working on improving current and future software. Costs directly attributable to software development are capitalised as an intangible non-current asset in the balance sheet. Costs that are capitalised for software development are amortised over five years.

Changes in the value of cryptocurrencies

The company sells cryptocurrency from its own inventory. Purchase of cryptocurrency is recognised as a cost and sales are recognised as net sales. This is a result of the fact that the trade occurs from our own inventory and therefore passes through the company's balance sheet. Rapid fluctuations in rates for the cryptocurrencies QuickBit has traded during the quarter, primarily Litecoin and Bitcoin Cash, entail a risk to the value of the Company's inventories. In order to minimise this risk exposure, the technical platform has been developed so that cryptocurrencies are automatically bought and sold through established marketplaces in such a way that the trading inventory is always kept to the lowest possible practical level. The inventory is generally traded a number of times per day and QuickBit's system maintains an average inventory for about three hours of sales. However, the size of the inventory should not be seen as an indicator of the company's sales and may vary over time based on what mix of cryptocurrencies is used, the market volatility, the number of sales channels and other technical factors.

Significant events during the quarter

- On 3 July 2019, Sven Hattenhauer was elected as Chairman of QuickBit eu AB. Sven Hattenhauer since November 2018 has held the position of Board member of QuickBit eu AB. Sven Hattenhauer is CEO of Abelco Investment Group AB.
- QuickBit's share was listed on NGM Nordic MTF with its first day of trading on 11 July 2019. The listing price was SEK 3.20 per share.
- On 23 August 2019, QuickBit's Board appointed Serod Nasrat as the new CEO of QuickBit eu AB. In connection with this, the previous CEO Jörgen Eriksson took over the role of President.
- On 27 September 2019, Bengt Lagergren, left the Board of QuickBit eu AB at his own request.

Significant events after the end of the first quarter

- After the end of the first quarter, it was announced that QuickBit has entered into strategic cooperation with Intergiro regarding the issuance of physical and virtual VISA and Mastercard cards. The cooperation is a first step in broadening the business model and an important way to reach more users and create more revenue streams, generating increased opportunities for sustainable long-term and high growth.

Other information

Tax

The tax expense for the quarter amounted to SEK 3.4 million (0). During the previous quarter, the company carried out an investigation regarding establishment in accordance with the CFC regulations. Following the completion of the investigation and recommendations from the company's tax lawyers, the requirements were met to tax the parent company's wholly-owned subsidiary Quickbit Ltd, domiciled in Gibraltar, according to the applicable corporate tax in Gibraltar. The current corporate tax rate in Gibraltar amounts to ten percent.

Parent Company

The parent company's net sales for the quarter 1 July–30 September 2019 amounted to SEK 3.7 million (0) and mainly related to intra-group services. Intra-group services are eliminated on consolidation and are consequently not shown in the consolidated income statement. Other operating income amounted to SEK 0.8 million (0.05). Other operating income in the parent company mainly related to exchange rate differences during the quarter as well as the company's revenue sharing, which is obtained by Nordic Growth Market quarterly. Operating profit for the first quarter of the financial year amounted to SEK -0.9 million (-2.0). Profit before tax amounted to SEK -0.9 million (-2.1) and profit after tax amounted to SEK -0.9 million (-2.1). Cash and bank balances amounted to SEK 31.9 million (4.1).

The share

The QuickBit share has been listed on Nordic Growth Market MTF since 11 July 2019. The listing price was SEK 3.20 and the final price paid on 30 September 2019 for the share was SEK 10.30, an increase of 321.9 percent since the listing.

During the period 1 July to 30 September 2019, 123,131,324 shares were traded at a value of SEK 1,538.3 million, corresponding to approximately 190 percent of QuickBit's total number of shares at the end of the period. The highest price paid during the period 1 July to 30 September 2019 was SEK 20.50 (16 August) and the lowest was SEK 6.20 (11 July). On 30 September 2019, QuickBit's share capital amounted to SEK 647,163 (583,413). At the end of the first quarter, the number of shares was 64,716,250, corresponding to a quota value of SEK 0.01 per share.

Shareholders

On 30 September 2019, QuickBit had 5,689 shareholders, which is an increase of 5,619 since the listing of the company's share.

Transactions with related parties

During the quarter, no transactions were conducted between the Group and related parties, which have materially impacted the Group's financial position and results.

Accounting principles

This report is prepared in accordance with the provisions of the Swedish Annual Accounts Act and in accordance with the rules of Nordic Growth Market Nordic MTF. Otherwise, the same accounting principles and calculation methods have been used in the interim report as in the latest annual report, according to the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 Annual Accounts and Consolidated Accounts (K3).

Review

This report has not been subject to review by the company's auditors.

The Board of Directors and the CEO declare that the interim report provides a true and fair overview of the parent company and the Group's operations, financial position and earnings and also describes material risks and uncertainties facing the parent company and the other companies in the Group.

Stockholm, 22 November 2019

Serod Nasrat
Chief Executive Officer
Quickbit eu AB (publ)

Consolidated income statement

Amounts in SEK '000	NOTE	First quarter		Rolling 12 months	Full-year
		Jul-Sep 2019	Jul-Sep 2018	Oct 2018– Sep 2019	2018/2019
Net sales		982,894,6	74,207,5	3,267,327,7	2,353,916,6
Other operating income		795,4	0,0	3,692,9	1,651,1
Purchase of cryptocurrency and other transaction costs		-943,325,6	-72,945,6	-3,163,989,9	-2,293,609,9
Gross profit		40,364,4	1,261,8	107,030,7	61,957,8
Operating expenses					
Other external expenses		-5,178,3	-1,275,1	-16,506,2	-7,879,1
Personnel expenses		-1,632,6	-541,2	-3,832,9	-2,741,5
Depreciation and amortisation of property, plant and equipment and intangible non-current assets		-979,8	-715,0	-3,440,9	-3,176,1
Other operating expenses		0,0	-2,5	-1,243,9	0,0
Operating profit/loss		32,573,7	-1,272,1	82,006,9	48,161,1
Profit/loss from financial items					
Interest expenses and similar profit/loss items		-3,9	-162,4	-23,8	-182,3
Profit/loss after financial items		32,569,9	-1,434,4	81,983,1	47,978,8
Tax on net profit/loss for the period		-3,357,5		-123,308,6	-8,973,4
Net profit/loss for the period		29,212,4	-1,434,4	69,652,2	39,005,4
Earnings per share, SEK					
Before dilution		0.45	-0.02	1.13	0.66
After dilution		0.34	-0.02	0.91	0.59

Consolidated balance sheet

Amounts in SEK '000	NOTE	30 Sep 2019	30 Sep 2018	30 Jun 2019
ASSETS				
Subscribed for but not paid in capital				16,000,0
Non-current assets				
Intangible non-current assets				
Capitalised expenditure for development work and similar work	2	16,620,6	12,768,0	14,242,5
		16,620,6	12,768,0	14,242,5
Property, plant and equipment				
Equipment and tools		795,7	0,0	102,0
		795,7	0,0	102,0
Financial assets				
Other non-current receivables	3	1,622,9	73,2	73,2
		1,622,9	73,2	73,2
Total non-current assets				
		19,039,2	12,841,2	14,417,7
Current assets				
Inventories etc.				
Inventory of cryptocurrency		1,869,1	364,3	1,990,3
Current receivables				
Trade receivables				
Other receivables	4	285,8	4,635,7	0,0
Prepaid expenses and accrued income		70,883,1	732,3	43,364,6
		628,0	73,2	8,8
		71,796,9	5,441,3	43,373,4
Cash and bank balances		32,160,8	4,134,4	7,550,1
Total current assets				
		105,826,8	9,940,0	52,913,8
TOTAL ASSETS				
		124,865,9	22,781,2	83,331,5

Consolidated balance sheet

Amounts in SEK '000	NOTE	30 SEP 2019	30 SEP 2018	30 JUN 2019
EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital	5	647,2	583,4	597,2
Other contributed capital		36,367,2	4,113,2	36,442,2
Other equity including net profit for the year		62,619,9	4,588,6	32,061,0
Total equity		99,634,3	9,285,2	69,100,3
Current liabilities				
Trade payables				
		1,342,8	3,025,4	1,509,1
Current tax liabilities		11,886,5		8,973,4
Other current liabilities		9,429,0	4,269,0	2,361,7
Accrued expenses and deferred income		2,573,3	6,201,5	1,387,0
Total current liabilities		25,231,7	13,496,0	14,231,2
TOTAL EQUITY AND LIABILITIES		124,865,9	22,781,2	83,331,5
SUMMA EGET KAPITAL OCH SKULDER		124 865,9	22 781,2	83 331,5

Consolidated statement of changes in equity

Amounts in SEK '000	Share capital	Other contributed capital	Other equity and net profit/loss for the year	Total	Total equity
Equity, 30 June 2018	583,4	17 981,3	-7 898,1	10 666,6	10 666,6
Change in translation difference relating to existing subsidiaries			53,0	53,0	53,0
Profit/loss for the period			-1 434,4	-1 434,4	-1 434,4
Equity, 30 Sep 2018	583,4	17,981,3	-9,279,5	9,285,2	9,285,2
New issue in progress		16,000,0		16,000,0	16,000,0
New issue	13,8	3,286,3		3,300,0	3,300,0
Expenses related to issue		-825,4		-825,4	-825,4
Change in translation difference relating to existing subsidiaries			738,2	738,2	738,2
Issue of subscription warrants			162,5	162,5	162,5
Profit/loss for the period			40,439,8	40,439,8	40,439,8
Equity, 30 June 2019	597,2	36,442,2	32,061,0	69,100,3	69,100,3
New issue	50,0	-50,0		0,0	0,0
Expenses related to issue		-25,0		-25,0	-25,0
Change in translation difference relating to existing subsidiaries			1,346,6	1,346,6	1,346,6
Profit/loss for the period			29,212,4	29,212,4	29,212,4
Equity, 30 Sep 2019	647,2	36,367,2	62,619,9	99,634,3	99,634,3

Consolidated cash flow statement

Amounts in SEK '000	NOTE	First quarter		Rolling 12 months	Full-year
		Jul-Sep 2019	Jul-Sep 2018	Oct 2018– Sep 2019	2018/2019
Operating activities					
Profit/loss before financial items		32,573,7	-1,272,1	82,069,7	48,161,0
Adjustment of items not included in the cash flow		979,8	715,0	3,440,9	3,176,1
Interest paid		-3,9	-162,3	-23,8	-182,3
Cash flow before changes in working capital		33,549,6	-719,4	85,486,8	51,154,8
Cash flow from changes in working capital					
Increase/decrease operating receivables		-28,302,2	-2,765,5	-67,697,9	-42,161,1
Increase/decrease operating liabilities		7,633,9	8,001,0	710,0	-922,9
Cash flow from operating activities		12,881,4	4,516,1	18,498,9	8,070,8
Investing activities					
Investments in non-current intangible assets		-3,358,0	-438,3	-7,290,0	-4,370,4
Investments in property, plant and equipment		-709,6	52,9	-815,2	-105,5
Disposal/amortisation of other financial non-current assets		0,0	0,0	0,0	0,0
Cash flow from investing activities		-4,067,6	-385,4	-8,105,2	-4,475,9
Financing activities					
Increase/decrease other financial liabilities		-1,549,7	0,0	-389,3	3,160,3
New issue		16,000,0	0,0	16,000,0	0,0
Cash flow from financing activities		14,450,3	0,0	15,610,7	3,160,3
Cash flow for the period		23,264,1	4,130,7	26,004,4	6,755,2
Cash and cash equivalents at the beginning of the period		7,550,1	3,7	4,134,2	3,7
Exchange differences in cash and cash equivalents		1,346,6	0,0	2,021,9	791,2
Cash and cash equivalents at the end of the period		32,160,8	4,134,4	32,160,8	7,550,0

Parent Company income statement

Amounts in SEK '000	NOTE	First quarter		Full-year
		Jul-Sep 2019	Jul-Sep 2018	2018/2019
Net sales		3,733,6	0,0	10,189,6
Other operating income		795,4	47,4	
Purchase of cryptocurrency and other transaction costs				-1,534,4
Gross profit		4,528,9	47,4	8,655,2
Operating expenses				
Other external expenses		-3,533,5	-1,232,6	-6,494,2
Personnel expenses		-1,443,3	-541,2	-2,700,1
Depreciation and amortisation of property, plant and equipment and intangible non-current assets		-490,5	-235,4	-1,227,2
Other operating expenses		0,0	0,0	-154,5
Operating profit/loss		-938,4	-1,961,7	-1,920,8
Profit/loss from financial items				
Interest expenses and similar profit/loss items		-3,9	-152,8	-172,7
Profit/loss after financial items		-942,3	-2,114,5	-2,093,5
Profit/loss before tax		-942,3	-2,114,5	-2,093,5
Tax on net profit/loss for the period				-8,973,4
Net profit/loss for the period		-942,3	-2,114,5	-11,066,9

Parent Company balance sheet

Amounts in SEK '000	NOTE	30 Sep 2019	30 Sep 2018	30 Jun 2019
ASSETS				
Subscribed for but not paid in capital				16,000,0
Non-current assets				
Intangible non-current assets				
Capitalised expenditure for development work and similar work	2	9,763,5	4,113,2	6,896,0
		9,763,5	4,113,2	6,896,0
Property, plant and equipment				
Equipment and tools		795,7		102,0
		795,7	0,0	102,0
Financial assets				
Participations in Group companies		9,650,0	9,600,0	9,650,0
Other non-current receivables	3	550,0	73,2	73,2
		10,200,0	9,673,2	9,723,2
Total non-current assets		20,759,1	13,786,4	16,721,2
Current assets				
Current receivables				
Trade receivables		285,8	0,0	0,0
Receivables from group companies			0,0	0,0
Other receivables		2,226,2	714,8	1,058,3
Prepaid expenses and accrued income		623,9	73,2	4,2
		3,135,8	788,0	1,062,4
Cash and bank balances		31,944,1	4,134,4	7,500,1
Total current assets		35,080,0	4,922,5	8,562,5
TOTAL ASSETS		55,839,1	18,708,8	41,283,7

Parent Company balance sheet

Amounts in SEK '000	NOTE	30 Sep 2019	30 Sep 2018	30 Jun 2019
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital	5	647,2	583,4	597,2
New issue in progress			0,0	50,0
Reserve for development expenditure		9,670,7	4,113,2	6,896,0
		10,317,8	4,696,6	7,543,2
Non-restricted equity				
Share premium reserve		36,367,2	18,062,6	36,392,2
Profit/loss brought forward		-28,016,9	-11,473,8	-14,175,3
Net profit/loss for the period		-942,3	-2,114,5	-11,066,9
		7,408,0	4,474,3	11,149,9
Total equity		17,725,8	9,170,9	18,693,1
Current liabilities				
Liabilities to group companies		24,077,0	1,998,9	8,483,0
Trade payables		1,342,8	3,015,6	1,385,6
Current tax liabilities		8,973,4		8,973,4
Other current liabilities		1,396,4	4,269,0	2,361,7
Accrued expenses and deferred income		2,323,8	254,4	1,387,0
Total current liabilities		38,113,3	9,537,9	22,590,6
TOTAL EQUITY AND LIABILITIES		55,839,1	18,708,8	41,283,7

Parent Company statement of changes in equity

Amounts in SEK '000	Share capital	New issue in progress	Reserve for development expenditure	Share premium reserve	Retained earnings	Total equity
Equity, 30 June 2018	583,4	0,0	3,910,1	18,062,6	-11,270,7	11,285,4
Reserve for development expenditure			203,0		-203,0	0,0
Profit/loss for the period					-2,114,5	-2,114,5
Equity, 30 Sep 2018	583,4	0,0	4,113,2	18,062,6	-13,588,3	9,170,9
New issue	13,8			3,286,3		3,300,0
New issue in progress		50,0		15,950,0		16,000,0
Expenses related to issue				-906,7	81,3	-825,4
Reserve for development expenditure			2,782,8		-2,782,8	0,0
Profit/loss for the period					-8,952,4	-8,952,4
Equity, 30 June 2019	597,2	50,0	6,896,0	36,392,2	-25,242,2	18,693,1
New issue	50,0	-50,0				0,0
Expenses related to issue				-25,0		-25,0
Reserve for development expenditure			2,774,7		-2,774,7	0,0
Profit/loss for the period					-942,3	-942,3
Equity, 30 Sep 2019	647,2	0,0	9,670,7	36,367,2	-28,959,2	17,725,8

Parent Company cash flow statement

Amounts in SEK '000	NOTE	First quarter		Full-year
		Jul-Sep 2019	Jul-Sep 2018	2018/2019
Operating activities				
Profit/loss before financial items		-938,4	-2,114,5	-1,920,8
Adjustment for items not included in the cash flow		490,5	235,4	1,227,2
Interest paid		-3,9	-152,8	-172,7
Cash flow before changes in working capital		-451,8	-2,031,9	-866,3
Cash flow from changes in working capital				
Increase/decrease operating receivables		-2,073,4	2,030,9	1,756,5
Increase/decrease operating liabilities		15,497,7	4,654,4	7,810,9
Cash flow from operating activities		12,972,5	4,653,4	8,701,1
Investing activities				
Investments in non-current intangible assets		-3,342,0	-203,0	-4,209,6
Investments in property, plant and equipment		-709,6	0,0	-105,5
Investments in subsidiaries		0,0	0,0	-50,0
Disposal/amortisation of other financial assets		0,0	-319,6	0,0
Cash flow from investing activities		-4,051,6	-522,6	-4,365,1
Financing activities				
Increase/decrease other financial liabilities		-476,8	0,0	3,160,4
New issue		16,000,0	0,0	0,0
Cash flow from financing activities		15,523,2	0,0	3,160,4
Cash flow for the period		24,444,1	4,130,8	7,496,4
Cash and cash equivalents at the beginning of the period		7,500,1	3,7	3,7
Cash and cash equivalents at the end of the period		31,944,2	4,134,5	7,500,1

Notes

NOTE 1 ACCOUNTING POLICIES

Amounts in thousands of kronor (SEK '000) unless otherwise stated

General accounting principles

The interim report is prepared in accordance with the provisions of the Swedish Annual Accounts Act and in accordance with the rules of Nordic Growth Market Nordic MTF.

Otherwise, the same accounting principles and calculation methods have been used in the interim report as in the most recent annual report, according to the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general guidelines BFAR 2012:1 Annual Accounts and Consolidated Accounts (K3).

Estimates and assessments

The Board considers that the company's system should have a depreciation period of five years. This depreciation period, the Board believes, started to apply on 1 September 2017. It is further the Board's opinion that all costs for the system shall be capitalised and the capitalised value will be recoverable in the future.

Definitions of key ratios

Equity/assets ratio: (total equity + 78% of untaxed reserves) / total assets.

Earnings per share: Net profit for the period in relation to the weighted average number of outstanding shares before and after dilution.

NOTE 2 CAPITALISED EXPENDITURE FOR DEVELOPMENT WORK

Group

SEK '000	30 Sep 2019	30 Sep 2018
Accumulated cost		
-At the start of the period	18,384,4	14,013,9
-Through acquisition of subsidiaries		
-Capitalised expenditure	3,358,0	438,4
At the end of the period	21,742,4	14,452,3
Accumulated amortisation		
-Opening accumulated amortisation	-4,141,9	-969,4
-Amortisation for the year	-979,8	-715,0
-Translation differences		
At the end of the period	-5,121,7	-1,684,4
Carrying amount at end of the period	16,620,6	12,767,9

Parent Company

SEK '000	30 Sep 2019	30 Sep 2018
Accumulated cost		
-At the start of the period	8,623,5	4,414,0
-Capitalised expenditure	3,342,0	438,3
At the end of the period	11,965,5	4,852,3
Accumulated amortisation		
-Opening accumulated amortisation	-1,727,5	-503,8
-Amortisation during the period	-474,5	-235,4
At the end of the period	-2,202,1	-739,2
Carrying amount at end of the period	9,763,5	4,113,1

NOTE 3 OTHER NON-CURRENT RECEIVABLES

Group

SEK '000	30 Sep 2019	30 Sep 2018
Accumulated cost:		
-At the start of the period	73,2	358,6
-Deposits	1,622,9	73,2
-Deposits during the period	-73,2	-358,6
Carrying amount at end of the period	1,622,9	73,2

Parent Company

SEK '000	30 Sep 2019	30 Sep 2018
Accumulated cost:		
-At the start of the period	73,2	358,6
-Deposits	550,0	73,2
-Deposits during the period	-73,2	-358,6
Carrying amount at end of the period	550,0	73,2

NOTE 4 OTHER RECEIVABLES

Of the asset item Other Receivables, SEK 65.2 million refers to the company's liquid assets deposited by the company as collateral with redemption partners, which by agreement are continually paid out to the company.

NOTE 5 THE NUMBER OF SHARES AT THE END OF EACH PERIOD AND WEIGHTED AVERAGE

Date	Report	Outstanding shares at the end of the period before dilution	Outstanding shares at the end of the period after dilution	Note
30 Sep 2016	Q1 16/17	5,000,000	5,000,000	The company's first operating quarter
31 Dec 2016	Q2 16/17	5,000,000	5,000,000	
31 Dec 2017	Q3 16/17	5,000,000	5,000,000	
30 Jun 2017	Q4 16/17	5,234,125	5,234,125	Issue of 234,125 shares carried out in Q4 16/17
30 Sep 2017	Q1 17/18	52,341,250	52,341,250	Split 1:10 carried out Q1 17/18
31 Dec 2017	Q2 17/18	54,341,250	55,341,250	Issue of 2 million shares and 1 million subscription warrants approved in Q2 17/18.
31 Mar 2018	Q3 17/18	54,341,250	55,341,250	
30 Jun 2018	Q4 17/18	58,341,250	59,341,250	Issue of 4 million shares carried out Q4 17/18
30 Sep 2018	Q1 18/19	58,341,250	59,341,250	Decision on extension of 1 million subscription warrants registered with the Swedish Companies Registration Office.
31 Dec 2018	Q2 18/19	58,341,250	59,341,250	
31 Mar 2019	Q3 18/19	59,716,250	76,325,375	Issue of 1,375,000 shares and 15,609,125 subscription warrants approved in Q3 18/19
30 Jun 2019	Q4 18/19	64,716,250	85,575,375	Issue of 5,000,000 shares and 4,250,000 subscription warrants approved in Q4 18/19
30 Sep 2019	Q1 19/20	64,716,250	85,575,375	Issue of 5,000,000 shares was registered at the Swedish Companies Registration Office Q1 19/20

	Jul-Sep 2019	Jul-Sep 2018	2018/2019
Number of shares			
Weighted average, before dilution	64,716,250	58,341,250	59,137,140
Weighted average, after dilution	85,575,375	58,341,250	65,826,953

QuickBit offers a solution that makes it easier for people to use cryptocurrency in their everyday lives, by enabling users to quickly, simply and securely purchase cryptocurrency for payment during purchase of goods and services online.

We want to contribute to a borderless economy, through technology, to facilitate the use of cryptocurrencies in people's everyday lives.

QuickBit

Quickbit eu AB (publ)
Norrandsgatan 12, 3rd floor, 111 43 Stockholm
investor@quickbit.eu | www.QuickBit.eu