

A man with a beard is working on a solar inverter. He is using a red and yellow screwdriver to adjust a component on the bottom of the inverter. The inverter is silver and has a vertical ribbed design. The word "ferroamp" is printed in white on the top of the inverter. The background is dark.

ferroamp

Interim Report Q3

1 January – 30 September 2023

Ferroamp AB (publ)



Financial Overview

	Jul-Sep 2023	Jan-Sep 2023
Net sales	42,980 kSEK (47,965)	281,241 kSEK (141,908)
EBITDA	-20,465 kSEK (-8,272)	-51,403 kSEK (-18,818)
EBITDA, %	-48 (-17)	-18 (-13)
Profit after financial items	-29,698 kSEK (-11,100)	-68,244 kSEK (-25,820)
Balance sheet total	398,592 kSEK (249,766)	398,592 kSEK (249,766)
Equity ratio, %	73 (76)	73 (76)
Earnings per share, before and after dilution	-1.30 (-0.76)	-2.99 (-1.83)
Cash flow from operating activities	-119,619 (-9,492)	-177,831 (-25,701)

“Net sales decreased by 10 percent during the third quarter of the year, but the accumulated net sales for the first three quarters amounted to 281 MSEK (142 MSEK), which is an increase of 98 percent compared to the previous year.”

Kent Jonsson, CEO Ferroamp

Multi-year review for the Group

kSEK	Jul-Sep 2023*	Jul-Sep 2022	Jan-Sep 2023**	Jan-Sep 2022	Full year 2022	Full year 2021	Full year 2020
Net sales	42,980	47,965	281,241	141,908	205,112	110,218	76,772
Gross margin (%)	28	21	18	22	19	16	19
EBITDA	-20,465	-8,272	-51,403	-18,818	-46,238	-35,729	-27,776
EBITDA (%)	-48	-17	-18	-13	-23	-32	-36
Profit/loss after financial items	-29,698	-11,100	-68,244	-25,820	-54,262	-41,102	-33,138
Balance sheet total	398,592	249,766	398,592	249,766	236,952	188,913	144,778
Equity ratio (%)	73	76	73	76	68	80	80
Earnings per share, before and after dilution	-1.30	-0.76	-2.99	-1.83	-3.84	-3.19	-3.10
Cash flow from operating activities	-119,619	-9,492	-177,831	-25,701	-61,658	-42,065	-25,790

*Items affecting comparability had a negative impact of 2,957 kSEK.

** Items affecting comparability had a negative impact of 2,280 kSEK.

Strengthened gross margin but decline in sales in the third quarter

The gross margin is moving in the right direction and our work continues to achieve a satisfactory level of profitability for the company. The market for solar energy slowed down after the summer, driven by lower electricity prices, but the underlying trends for long-term growth remain unchanged. We believe that the downturn in the market is temporary and does not affect the ability to reach our long-term target for 2026.

Accumulated net sales for the first three quarters amounted to 283 MSEK (142 MSEK), which is an increase of 98 percent compared to the previous year. The unusually high order book at the beginning of the year led to high turnover in the first half of the year. During the quarter, sales to our customers – wholesalers and installers – decreased, and they are now adjusting and reducing their inventory levels.

Net sales for the quarter amounted to 43 MSEK, which is a decrease of 10 percent compared to the third quarter of 2022. We were surprised by the slowdown in the market, which has led to increased inventory levels and made a major impact on cash flow. The rate of production has been adjusted and we see that inventory levels will normalise during the first half of next year. We are already seeing some recovery in sales in the current quarter, and in the medium and long term we continue to have a positive view of the development.

During the rapid growth that the company has experienced, the work on the cost side has been neglected. To strengthen our profitability, we intensified our cost review during the quarter. We can see some effect of this already in the fourth quarter and in 2024 we will reduce our operating expenses by just over 30 MSEK. Our efforts to reduce product costs have given us a gross margin that is the highest to date for a quarter. We are, however, not at all satisfied with this level. We have projects at an advanced stage that will lead to a significant reduction in product costs next year.

An evolving organization

Since I took office in April, we have continued to focus on driving innovation and growth, but we are now also addressing the growing pains that have arisen. Mainly, we have had challenges regarding software quality, sales and support to our important installers. With a newly established quality function and significantly strengthened support, we have seen positive effects during the quarter. Thanks to our investment in the supply chain and our production processes, we have also achieved a satisfactory production capacity that allows us to deliver a good volume when the market turns.

We now have a well-functioning management team and will continue to strengthen the company in all



Our efforts to reduce product costs have resulted in a gross margin that is the highest to date for a quarter.

aspects. The plan of what needs to be done to become a profitable company is clear and now it's about getting it done. Personally, I am very much looking forward to the journey we have ahead of us.

A Swedish innovation company

Our vision is a world powered by 100 percent renewable and reliable electricity. We will continue with a focus on being at the forefront of selected areas of energy and power optimization for properties. We will work even more with packaging of our products to solve future customer needs. Society is only at the beginning of electrification and the transition to fossil-free energy. Our market will undergo fluctuations along the way, but the long-term trend is positive. Despite a temporary economic downturn, the need for Ferroamp's products and services will increase in the new energy landscape. Our flexible and smart systems are exactly what both property and car owners as well as the electricity grid need.

Kent Jonsson, CEO, Ferroamp

Important events

Events during the third quarter



Bronze medal by EcoVadis

In the first evaluation of Ferroamp by international sustainability assessment company EcoVadis, the company was awarded a bronze medal. The evaluation is based on 21 criteria in the areas of environment, HR, ethics and sustainable purchasing. The bronze medal means that the company has a better result in the evaluation than 50 percent of the companies in the same industry.



Application for FCR-D to Svenska kraftnät

Ferroamp, in collaboration with the software company Ntricity, has developed a technical solution that makes it possible for battery owners to earn money on the ancillary service FCR-D while at the same time using the battery for the property's needs. The pilot project was carried out together with Varberg Energi and the application for pre-qualification was sent to Svenska kraftnät in July.



Congestion in electricity grids threatens solar cell expansion

In an opinion piece in Dagens Industri, Ferroamp's Mats Karlström highlights the problem that property owners are increasingly having to wait to connect their

photovoltaic installations to the electricity grid due to congestion. The problem can be addressed with the increased controllability and flexibility that the Ferroamp system offers.

Secured production capacity

The target for the production rate of the residential system EnergyHub Wall 14 at the supplier Kitron was achieved during the summer. Production capacity for both smaller and larger systems is thus secured.

Management changes at Ferroamp

Fredrik Breitung has chosen to move on to new challenges and will leave his role as CFO at Ferroamp AB on 15 November. William Ryan, who is currently responsible for Business Control, will step in as acting CFO until a permanent replacement has been appointed.



Slowing solar PV market

According to a compilation of industry figures from the Swedish Solar Energy Association, the market for solar cell installations is now slowing down. The sharp increase in the past year has been interrupted as a result of the recent low electricity price. Preliminary registrations in July to September decreased by 26 per cent compared to the previous quarter.

Events after the end of the period



Faster service with local service technicians

In order to offer a fast and high-quality service to installers on site, Ferroamp is now signing a service partner agreement. This means that a number of installers with extensive experience of the Ferroamp system will complement Ferroamp's own technicians and perform services for installation, troubleshooting and servicing of the products that Ferroamp sells.

All press releases are available on www.ferroamp.com

Ferroamp in brief

Our vision

Our vision is a world powered by 100 percent renewable and reliable electricity.

What we do

Ferroamp offers property owners a sustainable solution to the electricity supply of the future through a unique patented technology for energy and power optimisation. The Ferroamp system integrates solar power, energy storage and charging of electric vehicles in a DC grid with intelligent control and real-time monitoring. With PowerShare technology, several systems can also be connected and share solar power production between buildings.

Our customers

Our end customers are property owners in the segments of private homes, tenant-owner associations and public housing, private and commercial property owners, industry and agriculture.

In cooperation with

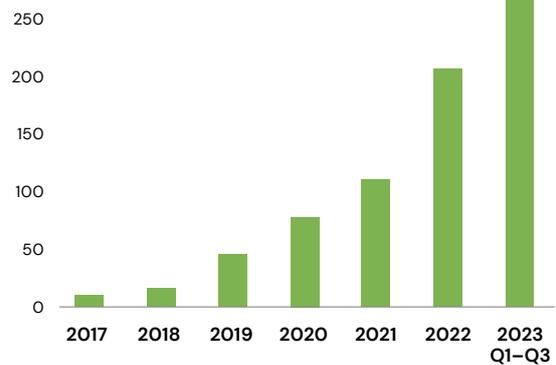
Ferroamp works closely with integrators, wholesalers, installers, energy advisors and energy companies to create a flexible solution for the end customer.

How we make a difference

The Ferroamp system gives property owners control over their production and use of electricity in a changing market. The flexible and modular system can be expanded and adapted to the needs and opportunities created in the energy system. At the same time, the system contributes to solving the capacity problems in the electricity grid and thereby contributes to the energy transition in society.

Net sales

(MSEK)



The Ferroamp system



HARDWARE

- EnergyHub
- SSO (Solar String Optimizer)
- Energy storage

SOFTWARE

- EnergyCloud

FEATURES

- Smart control and optimization of electricity by connecting solar cells, batteries and electric cars.

TECHNOLOGY

- Fasbalansering
- PowerShare
- Likströmsnät

The Ferroamp system

– Future-proof and flexible

The brain of the property's power system

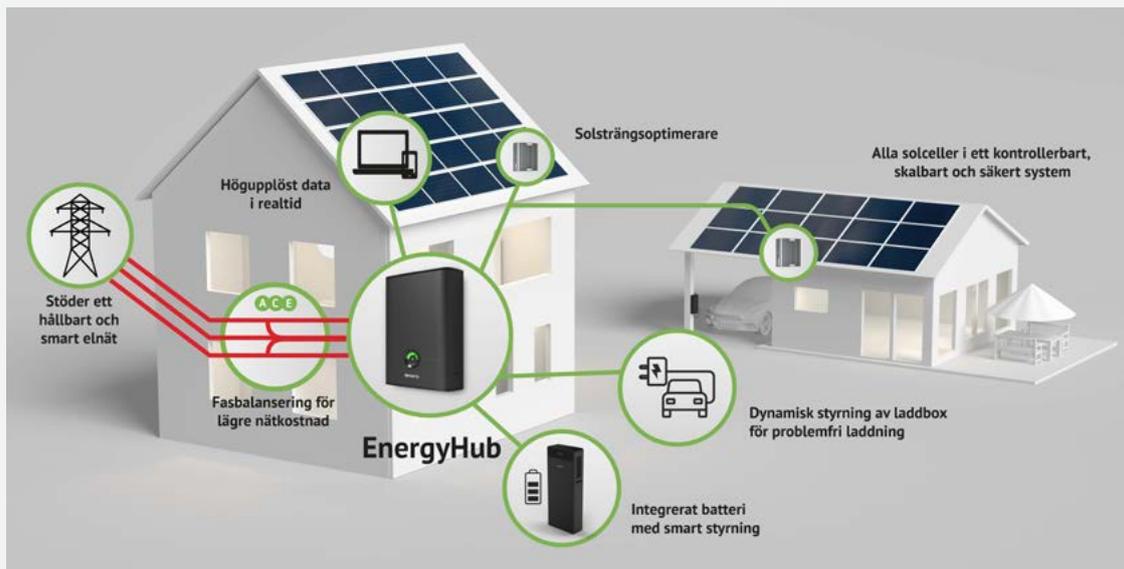
EnergyHub is a smart inverter and the brain of an intelligent electricity system where solar cells, electric car charging and energy storage in batteries can easily be connected via a DC grid with intelligent control and real-time monitoring. The system optimizes electricity use and solar power production in and between properties. The scalability and the ability to update the system over the network provides unique flexibility so that property owners can meet both current and future needs.

A new way of thinking

Installing solar panels is just the first step in taking control of electricity usage. By thinking about the entire property's electrical system from the outset, it is possible to balance consumption and protect the main fuse while avoiding costly power peaks. Since both energy storage and electric car charging use direct current, conversion losses are avoided while maximizing controllability.

FERROAMP SYSTEM DESCRIPTION

Integrating solar panels, storage and charging solutions



Five reasons to choose Ferroamp

1 Take control
Real-time monitor and control production and electricity consumption with minimal energy losses.

2 Easy, efficient electric vehicle charging
Protect the main fuse and avoid power peaks through phase balancing and load control.

3 Get more out of solar panels
Maximize self-consumption and shorten payback time. Expand as needed.

4 Smart control of batteries
Use energy storage to harness of solar power or charge at night when electricity is cheap and discharge when it is most expensive or to cut power peaks.

5 Adapt to future needs
The system is future-proof and is updated as opportunities and challenges emerge in the electricity system. It's also easy to scale up if needs increase.

Value-creating model

Ferroamp’s DC-based platform provides the property with an infrastructure that enables property owners to take control of their electricity use in the new decentralised energy landscape.

Ferroamp’s smart inverters and the cloud-based user interface EnergyCloud connect solar power production, energy storage and electric car charging in a flexible system that benefits both the customer and the grid. The system is modular and can be expanded as needed and connected to Ferroamp systems in other buildings in an energy sharing network, PowerShare.

Together, this gives property owners the opportunity to optimize and make efficient use of their own electricity production.

The controllability, phase balancing, flexibility and modular design contribute to a future-proof solution that also reduces dependence on buying electricity from the grid. By relieving the electricity grid, it contributes to the sustainable electrification of society.

Ferroamp creates value for customers by making it financially attractive to participate in the green transition with a future-proof electricity infrastructure in and between buildings.



Three trends affecting Ferroamp

The Ferroamp system gives property owners the tools to take advantage of the opportunities created by the energy transition and avoid the pitfalls. Three societal trends that follow in the wake of the transition and reshape the entire energy market form the basis of Ferroamp's strategy.

The Solar Boom

The record in solar cell installations in Sweden set in 2022 was passed already in July. Although the market has slowed down during the autumn as a result of lower electricity prices, higher interest rates and a more difficult economic situation, it is clear that the growth of the market will continue. The International Energy Agency, IEA, forecasts that PV capacity globally will triple between 2022 and 2027, overtaking coal as the most important source of electricity generation.



Electrification of transport

The electrification of transport continues to break the dependence on fossil fuels. More than half of the cars sold are now chargeable. This poses a challenge for the electrical system in properties when many cars need charging at the same time. Ferroamp's solution for integrating electric car chargers into the Ferroamp system protects both fuses in the property and cuts consumption peaks.

Challenges in the power grid

Increased electrification together with an increased share of renewable production leads to challenges in the electricity grids. Congestion is increasing as more and more people need more and more electricity at the same time, but the expansion is costly and will take time. A faster and cheaper alternative is increased flexibility among electricity consumers. At the same time, the market is now also opening up for smaller electricity customers to contribute capacity to the ancillary services used to balance and regulate the frequency in the electricity grid. With Ferroamp's controllable resources, customers have the opportunity to fend off cost peaks and to get paid for supporting the electricity grid.





Support services are changing the battery business

The ability for property owners to contribute with ancillary services to the electricity grid can completely change the business for energy storage. Customers with Ferroamp's solution will be able to participate in the attractive market while continuing to use the battery for household needs.

Svenska kraftnät purchases capacity on the balancing market in order to maintain the frequency in the electricity grid. Production and consumption must be equal at every second, and this is made possible by trade in ancillary services.

In July, Ferroamp, together with the software company Ntricity, submitted an application for pre-qualification to Svenska kraftnät to enable customers with a Ferroamp system to participate in the lucrative market for the ancillary service FCR-D. Those who have a PSM or an ESS battery from Ferroamp connected to their Ferroamp systems will be able to sell capacity to the balancing market. It acts as an insurance policy in the electrical system. The battery owner is paid to have capacity ready, and if a disturbance occurs in the power grid, the battery charges in or out for a few seconds or minutes.

"It is only for short periods of time that the battery is activated. What you get paid for is that the battery is ready and included in what is called the frequency reserve. In this way, you help to stabilise the electricity grid and make money on your battery," says Martin Holsner, Product Manager for Batteries at Ferroamp.

With Ferroamp's solution, it is possible to continue to use the battery to increase self-consumption of solar power or cut power peaks at the same time as the support service is sold. The battery must not be

fully charged or discharged completely, there must be some capacity available, but otherwise it can be used as usual. In other words, the customer can make money on the balancing market while saving money on the functions that the battery enables in the property. The fact that the battery can be used for both ancillary services and to store solar energy means that it also entitles to the green deduction of 50 per cent. That is not the case if it is only used for support services.

Premiers with Varberg Energi

To participate in the market, the customer must connect with a partner that offers these services. The pilot project that was carried out in the spring was carried out in collaboration with Varberg Energi, which will also be the first to offer the Ferroamp system service to its customers once the technology has been approved. In this context, Ntricity acts as an aggregator, which means that they gather the capacity of several small battery systems in order to be able to bid on the balancing market.

Varberg Energi estimates that the annual compensation for the battery owner will be approximately SEK 3,900 per kW (the estimate is based on market prices over the past two years in electricity price area 3). With prices at that level, the payback time for a battery is shortened by several years.

A decision from Svenska kraftnät is expected in the last quarter of 2023.

Just the first step

After the service has been launched for single-family systems in energy area 3, both the area and the size of the systems that can participate will be expanded.

"Although FCR-D is the most lucrative service right now, we do not know how the market will develop in the future. The strength of the Ferroamp system is its flexibility, which means that it can be adapted to contribute new services to the electricity grid. The goal is to provide maximum benefit to the customer," says Martin Holsner.

Nor does Ferroamp want to limit the support services to batteries only. The company is looking at the possibilities of offering capacity from electric car chargers and solar cells. Being able to offer central control of solar cells can also be valuable in counteracting the congestion in the electricity grids that can arise when many solar cell installations deliver at maximum simultaneity. Being able to control production is a cost-effective alternative to strengthening the electricity grid.

Ferroamp's ambition is lead the development of ancillary services so that property owners can be paid for contributing to a stable and flexible electricity grid. ■



Ferroamp focuses on giving installers the tools they need to sell and install the Ferroamp system. With qualified service partners around the country, they can now get assistance on site faster.

The number of installed Ferroamp systems has doubled in a short period of time, which has increased the need for support and service. To complement Ferroamp’s own technicians, agreements are now being signed with a number of experienced and competent installers who will be able to offer service to other installers locally. They will be able to perform services for installation, troubleshooting, servicing and also keep stock of replacement products.

The ambition is to get around 30 service partners and first out is Nordic Energy Partner, NEPAB, in Örebro. They will be able to assist with service in the central parts of Svealand.

Filling a gap in the industry

NEPAB installed its first Ferroamp systems with batteries in and around Örebro back in 2018. Filip Fagerman is co-owner and responsible for solar energy at the company and he especially appreciates the continuous updates of the software and the scalability of the system. It provides the opportunity to acquire long term customers. NEPAB jumped at the chance to become a service partner as soon as the offer arrived.

“There is a gap throughout the solar industry when it comes to on-site services. This type of service agreement is much more common in, for example, the heat pump industry, so it feels very good to be involved in getting this started with Ferroamp,” says Filip Fagerman.

The way Ferroamp uses the DC grid differs from ordinary installations of solar cells and inverters. To give installers the chance to learn more about the system, Ferroamp launched a web-based training platform, Ferroamp Academy, last spring. There you can learn more about the installation and dimensioning of the system, but also what opportunities the technology creates.

“Of course, there will be a little more to think about when you install larger systems. The advantage of Ferroamp is that they have a competent and Swedish-speaking support team that can help,” says Filip Fagerman.

Learn from each other

On the support side, Ferroamp has strengthened staffing over the past six months and implemented several initiatives to make it easier for installers to quickly get assistance when they are out at a customer’s site.

“Our installers are our best ambassadors. We are in constant dialogue with them about how we can make their work as easy as possible. It’s a collaboration where we learn from each other in order to constantly improve the customer experience,” says Mattias Stragne, Sales Manager at Ferroamp. ■



Mattias Stragne
Sales Manager at Ferroamp

Financial overview

Financial comments and key figures refer to the parent company, Ferroamp AB (publ), where the business operations take place. The group also includes Ferroamp Incentive AB, which manages the company’s stock warrant programs.

Operating income

Total revenue for the third quarter amounted to 55,185 kSEK (58,546), of which net sales amounted to 42,980 kSEK (47,965). Net sales in the third quarter are a decrease of 10% compared to the same quarter last year.

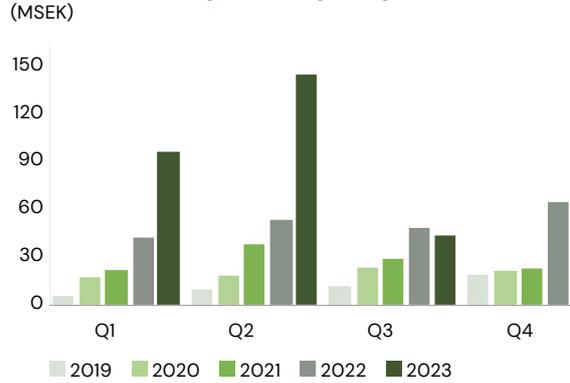
Total revenue for the first three quarters amounted to 324,704 kSEK (174,329), of which net sales amounted to 281,241 kSEK (141,908). The increase in net sales during the first three quarters of the year amounted to 98% compared with the previous year.

The increase in sales during the first three quarters of the year compared with the previous year is mainly attributable to the products EnergyHub 14 kW and EnergyHub 21-28 kW, as well as batteries.

Development work

We continue to invest and develop products to support our future revenues in the best possible way. During the third quarter of 2023, we have carried forward development work for 11,362 kSEK (10,581), an increase of 781 kSEK (7%) compared to the same quarter last year. During the first three quarters of the year, we recorded development work for 39,743 kSEK (31,402), an increase of 8,341 kSEK (27%) compared with the same period last year. The development work is mainly linked to the development of second-generation products, with the goal of commercialization in 2024.

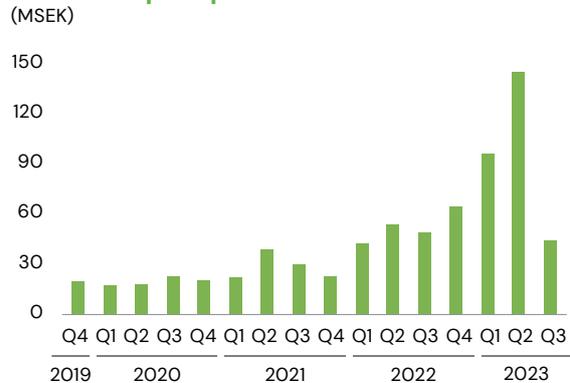
Net sales comparison per quarter



Net sales rolling 12 months



Net sales per quarter



Financial overview cont.

Operating costs

Operating costs for the third quarter amounted to 82,505 kSEK (69,525). Raw material and consumables have been reduced to 30,956 kSEK (37,999). Other external costs amounted to 24,055 kSEK (13,312).

Personnel costs amounted to 22,625 kSEK (14,240). During the quarter, spot purchases of components had a positive impact on cost for raw material and consumables due to credit notes of -246 kSEK (4,244). The share of spot costs in relation to net sales in the third quarter was a positive 0.6%.

Raw material and consumables accounted for 72% (79) of net sales. Gross margin, including spot purchases, amounted to 28% (21) compared to the previous year.

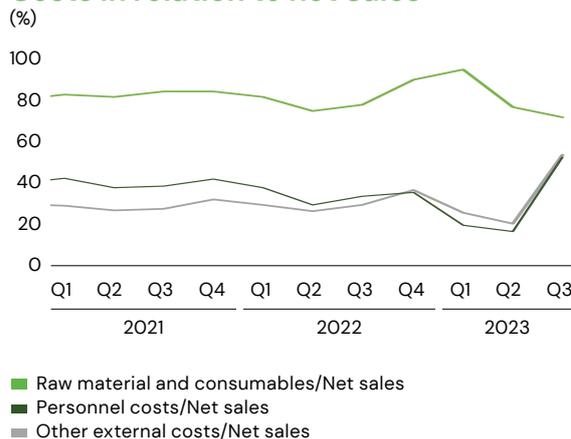
During the third quarter, the company made a provision of 2,957 kSEK for personnel costs arising from employees who left the company. This is part of the cost reduction mentioned in the statement by the CEO.

Other external costs are increasing mainly due to increased consultancy costs that support the development of second-generation products.

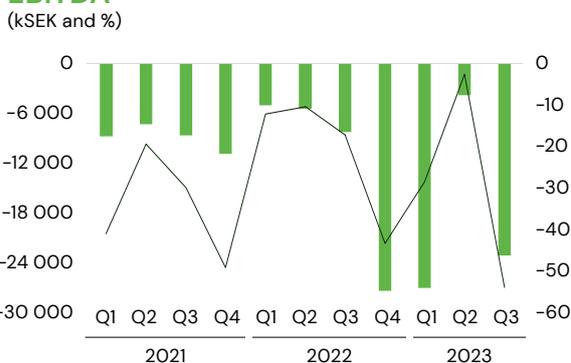
Operating costs for the first three quarters amounted to 390,375 kSEK (200,009). Commodities have increased to 231,397 kSEK (110,484). Other external costs amounted to 79,358 kSEK (38,094). Personnel costs amounted to 66,358 kSEK (43,271).

We work proactively with cost efficiencies in our products and there is a constant effort to redesign and replace electronic components to reduce costs.

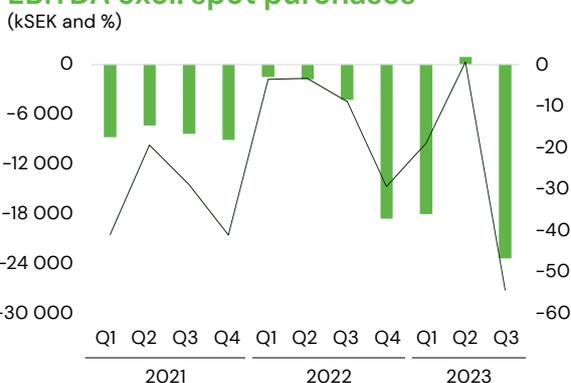
Costs in relation to net Sales



EBITDA



EBITDA excl. spot purchases



Financial overview cont.

Net income for the period

Earnings before interest and tax (EBIT) for Q3 2023 amounted to -27,320 kSEK (-10,979) and the profit margin was -67 percent (-23). Profit for the quarter was negatively affected by personnel costs arising from employees who left the company in the amount of 2,957 kSEK (0.0). This is part of the cost reduction that the company is implementing.

EBIT for the first three quarters of 2023 amounted to -65,671 kSEK (-25,680) and the profit margin is -24% (-18%). Earnings for the first three quarters were negatively affected by spot purchases of components that impacted earnings by 13,554 kSEK (11,756), and negatively by items affecting comparability of 2,280 kSEK (0.0).

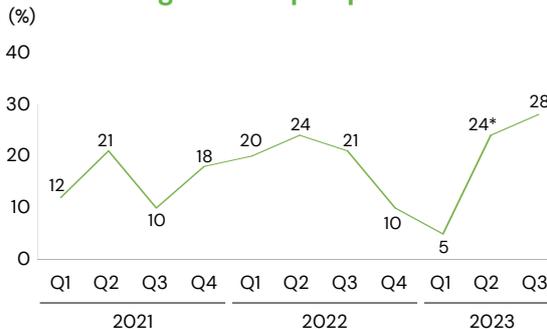
Financial position, liquidity

Fixed assets amounted to 113,534 kSEK (66,854), of which 102,714 kSEK (64,608) pertains to intangible fixed assets, mainly capitalised work.

Current receivables decreased to 49,562 (56,231). Inventories at the end of the quarter amounted to 111,319 kSEK (23,685), which is due to a rapid ramp-up of production. Current interest-bearing liabilities have increased by 24,030 kSEK since year-end, which is attributable to granted tax deferrals. The company uses factoring. Long-term liabilities include leasing commitments, which relate to the company's leased cars.

The company's cash and cash equivalents amounted to 120,698 kSEK (103,005) on the balance sheet date. Shareholders' equity amounted to 292 608 kSEK compared to 190 358 kSEK per September 30, 2022. The equity ratio was 74 percent (76). As of 30 September 2023, the total assets amounted to 395,113 kSEK (249,775). The company carried out a rights issue during Q2 2023, which provided the company with approximately 198,000 kSEK net in cash and cash equivalents, which increased Equity and the balance sheet total.

Gross margin incl. spot purchases



*Q2-2023 excl. items affecting comparability of 1.2 MSEK

Equity ratio



The Share

The Ferroamp share and owner distribution

Ferroamp AB (publ) has been listed on Nasdaq First North Growth Market since 22 March 2019 under the ticker FERRO. The number of outstanding shares at the end of the quarter amounts to 30,871,997. A preference rights issue of 16,171,046 shares was carried out during the second quarter of 2023. All shares carry equal voting rights. The closing share price for the quarter was SEK 11.86 per share. The highest price during the quarter was SEK 14.80 per share on 2 August and the lowest price during the quarter was SEK 11.18 per share on 31 July. The highest price for the whole of 2023 was SEK 71.40 per share on 15 February and the lowest price was SEK 11.18 per share on 31 July.

Ownership as of 30-09-2023

Owner	Number of shares	Share of votes and capital, %
Nordea Fonder	2,914,298	9.44
Första AP-Fonden	2,864,757	9.28
Wallenstam Aktier AB	2,257,500	7.31
Swedbank Robur Ny Teknik BTI	1,892,100	6.13
Andra AP-Fonden	1,428,000	4.63
Jernström, Björn	1,427,440	4.62
Avanza Pension	1,146,152	3.71
Mellgren, Claes	1,025,841	3.32
Nordnet Pensionsförsäkring	723,080	2.34
SEB Life International Assurance	699,338	2.27
Jonsson, Kent	493,147	1.60
Cicero Hållbar Mix	450,309	1.46
ABN Amro Sweden Client Non-Treaty	412,836	1.34
Pension, Futur	353,871	1.15
Rehnman, Åke	333,363	1.08
Sum 15 largest shareholders	18,422,032	59.67
Other Shareholders (approx. 9,860)	12,449,965	40.33
Sum	30,871,997	100.00

Stock warrant programs

	Year decided	Number of warrants	Number of shares	Subscription period	Subscription price, SEK	Target group
Stock warrant program 2021/2024-1	2020	36,500	36,500	150324-150424	93.64	Employees
Stock warrant program 2021/2024-2	2021	101,900	101,900	151124-151224	77.69	Employees
Stock warrant program 2023/2026	2023	214,000	214,000	010623-310823	31.93	Employees
Sum		352 400	352 400			

Share price development, SEK



Other information

Risks and uncertain factors in the operations

The executive management makes assumptions, assessments and estimates that affect the content of the financial reports. For a detailed description of risk exposure and risk management, see the 2022 Annual Report, which was published on 19 April 2023. It is available on Ferroamp's website: ferroamp.se

Accounting principles

The company's interim report has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act and the same accounting principles have been applied as in the latest Annual Report. From 2023, the company is a larger group according to the Swedish Annual Accounts Act and thus also reports in group format with consolidation of the subsidiary Ferroamp Incentive AB (559229-0430). Ferroamp Incentive AB has no operations and only manages warrants.

The information was submitted for publication on November 9, 2023.

The Board of Directors and the CEO provide assurance that this interim report constitutes a fair overview of the company's business operations, financial position and earnings for the relevant period.

Auditing by auditors

This report has not been reviewed by the company's auditor.

Certified Advisor

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Related party transactions

Until August 2023, Ferroamp leased extra office space from Convendum, which is partly owned by Wallenstam, in Umami Park in Sundbyberg. The cost to Convendum for the third quarter amounted to 160 kSEK (132). During the third quarter of 2023, the company moved into brand new premises in Sundbyberg. The lease agreement has been signed with Wallenstam. This at a monthly cost of approximately 220 kSEK. During the third quarter of 2023, 243 kSEK (0) was expensed. All these transactions are carried out on market terms.

Financial Calendar

Year-end report Q4 2023 16-02-2024

Financial reports



Income statement

The Group

kSEK	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022	Full year 2022
OPERATING INCOME					
Net sales	42,980	47,965	281,241	141,908	205,112
Capitalized work for own account	11,362	10,581	39,743	31,402	43,235
Other operating income	844	-	3,721	1,019	314
SUM	55,186	58,546	324,705	174,329	248,661
OPERATING COSTS					
Raw material and consumables	-30,957	-37,999	-231,398	-110,484	-167,120
Other external costs	-21,356	-13,312	-76,659	-38,094	-61,471
Cost of personnel	-22,625	-14,240	-66,358	-43,271	-66,081
Depreciation of tangible and intangible fixed assets	-7,769	-2,707	-15,182	-6,862	-7,868
Other operating costs	-713	-1,267	-1,693	-1,298	-227
	-83,420	-69,525	-391,290	-200,009	-302,767
EBIT	-28,234	-10,979	-66,585	-25,680	-54,106
Financial income	1,269	-	1,429	-	14
Financial expenses	-2,733	-121	-3,088	-142	-178
PROFIT/LOSS AFTER FINANCIAL ITEMS	-29,698	-11,100	-68,244	-25,820	-54,270
NET INCOME	-29,698	-11,100	-68,244	-25,820	-54,270
Data per share					
Earnings per share, before and after dilution SEK	-1.30	-0.76	-2.99	-1.83	-3.84
Number of outstanding shares, closing of the period	30,871,997	14,700,951	30,871,997	14,700,951	14,700,951
Number of outstanding shares after full dilution	31,224,397	15,093,351	31,224,397	14,513,876	14,908,351
Weighted average of outstanding shares during the period	22,786,474	14,700,951	22,786,474	14,121,476	14,121,476

Balance sheet

Group

kSEK	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS			
FIXED ASSETS			
Intangible assets	102,714	64,608	74,978
Tangible fixed assets	14,267	2,197	2,869
Financial fixed assets	-	-	-
	116,981	66,804	77,847
CURRENT ASSETS			
Inventory	111,319	23,685	41,973
Current receivables	49,563	54,512	62,126
Cash and cash equivalents	120,729	104,765	54,988
	281,611	182,962	159,087
SUM ASSETS	398,592	249,766	236,934
EQUITY AND LIABILITIES			
EQUITY			
Share capital	3,087	1,470	1,470
Other contributed capital	601,318	405,284	405,282
Accumulated profit including profit for the year	-313,097	-216,304	-244,853
	291,558	190,351	161,899
PROVISIONS			
Provision for warranty costs	4,605	2,476	4,605
	4,605	2,476	4,605
LONG-TERM LIABILITIES			
Long-term liabilities, interest-bearing	4,528	-	-
Long-term liabilities, non-interest-bearing	818	90	116
	5,346	90	116
CURRENT LIABILITIES			
Current liabilities, interest-bearing	24,205	249	175
Current liabilities, non-interest-bearing	72,878	56,600	70,139
	97,083	56,846	70,314
TOTAL EQUITY AND LIABILITIES	398,592	249,766	236,934

Consolidated cash flow statement

The Group

kSEK	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Full year 2022
OPERATING ACTIVITIES					
Profit/loss after financial items	-28,896	-11,100	-67,442	-25,830	-54,270
Adjustments for non-cash items	5,635	2,707	13,048	6,745	7,750
Paid taxes	-244	-122	-310	-605	-727
	-23,505	-8,515	-54,704	-19,690	-47,247
CASH FLOW FROM CHANGES IN WORKING CAPITAL					
Change in inventory	-62,788	-8,058	-69,346	-4,863	-23,151
Changes in account receivables	-11,530	-1,933	-52,205	-25,403	-21,381
Changes in current receivables	1,154	-830	-5,027	-1,305	-11,105
Changes in trade payables	-22,372	11,478	-15,758	9,736	14,596
Changes in current liabilities	-578	-1,634	19,209	15,824	24,900
	-119,619	-9,492	-177,831	-25,701	-63,388
CASH FLOW FROM INVESTING ACTIVITIES					
Investments in intangible fixed assets	-11,368	-9,909	-38,195	-30,481	-41,642
Investments in tangible fixed assets	-4,763	-125	-9,088	-755	-1,639
	-16,131	-10,034	-47,283	-31,236	-43,281
CASH FLOW FROM FINANCING ACTIVITIES					
New share issue	-	-44	219,926	68,281	68,281
Costs of issue	-15	-	-22,288	-4,165	-4,165
Warrants	265	-	265	-	-
Change in non-current lease liabilities	-1,251	-	-1,251	-	-
Borrowings	-	33	94,376	47	74
Loan repayments	-25	-2,043	-175	-2,193	-2,268
	-1,026	-2,054	290,853	61,970	61,922
CASH FLOW	-136,776	-21,580	65,738	5,033	-44,747
Liquidity at beginning of period	257,505	126,344	54,988	99,733	99,733
LIQUIDITY CLOSING DAY OF THE PERIOD	120,729	104,765	120,729	104,765	54,988

Statement of changes in equity

The Group

30 SEPTEMBER 2023

kSEK	Share capital	Other contributed capital	Accumulated profit incl. profit for the year	Total equity
Equity 01-01-2023	1,470	405,282	-244,853	161,899
New share issues	1,617	218,309	–	219,926
Costs of issue	–	-22,288	–	-22,288
Warrants	–	–	–	265
Net income for the period	–	–	-68,244	-68,244
CLOSING BALANCE 30 SEPTEMBER 2023	3,087	601,568	-313,097	291,558

30 SEPTEMBER 2022

kSEK	Share capital	Other contributed capital	Accumulated profit incl. profit for the year	Total equity
Equity 01-01-2022	1,354	341,284	-190,583	152,055
New share issues	116	68,165	–	68,281
Costs of issue	–	-4,165	–	-4,165
Net income for the period	–	–	-25,820	-25,820
CLOSING BALANCE 30 SEPTEMBER 2022	1,470	405,284	-216,403	190,351

FULL YEAR 2022

kSEK	Share capital	Other contributed capital	Accumulated profit incl. profit for the year	Total equity
Equity 01-01-2022	1,354	341,284	-190,583	152,055
New share issues	116	68,165	–	68,281
Costs of issue	–	-4,166	–	-4,166
Net income for the period	–	–	-54,270	-54,270
CLOSING BALANCE 31 DECEMBER 2022	1,470	405,282	-244,853	161,899

Income statement

The Parent company

kSEK	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022	Full year 2022
OPERATING INCOME					
Net sales	42,980	47,965	281,241	141,908	205,112
Capitalized work for own account	11,362	10,581	39,743	31,402	43,235
Other operating income	843	-	3,720	1,019	314
	55,185	58,546	324,704	174,329	248,661
OPERATING COSTS					
Raw material and consumables	-30,956	-37,999	-231,397	-110,484	-167,120
Other external costs	-24,055	-13,312	-79,358	-38,094	-61,471
Cost of personnel	-22,625	-14,240	-66,358	-43,271	-66,081
Depreciation of tangible and intangible fixed assets	-4,156	-2,707	-11,569	-6,862	-7,868
Other operating costs	-713	-1,267	-1,693	-1,298	-227
	-82,505	-69,525	-390,375	-200,009	-302,767
EBIT	-27,320	-10,979	-65,671	-25,680	-54,106
Financial income	724	-	884	-	14
Financial costs	-2,072	-121	-2,426	-142	-170
PROFIT/LOSS AFTER FINANCIAL ITEMS	-28,668	-11,100	-67,213	-25,820	-54,262
NET INCOME	-28,668	-11,100	-67,213	-25,820	-54,262

Balance sheet

The Parent company

kSEK	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS			
FIXED ASSETS			
Intangible fixed assets	102,714	64,608	74,978
Tangible fixed assets	10,770	2,197	2,869
Financial fixed assets	50	50	50
	113,534	66,854	77,897
CURRENT ASSETS			
Inventory	111,319	23,685	41,973
Current receivables	49,562	56,231	62,126
Cash and cash equivalents	120,698	103,005	54,956
	281,579	182,921	159,055
TOTAL ASSETS	395,113	249,775	236,952
EQUITY AND LIABILITIES			
EQUITY			
Restricted equity	105,250	66,295	75,972
Unrestricted equity	187,358	124,063	85,945
	292,608	190,358	161,917
PROVISIONS			
Provision for warranty costs	4,605	2,476	4,605
	4,605	2,476	4,605
LONG-TERM LIABILITIES			
Long-term liabilities, interest-bearing	-	-	-
Long-term liabilities, non-interest-bearing	818	90	116
	818	90	116
CURRENT LIABILITIES			
Current liabilities, interest-bearing	24,205	250	175
Current liabilities, non-interest-bearing	72,877	56,601	70,139
	97,082	56,851	70,314
TOTAL EQUITY AND LIABILITIES	395,113	249,775	236,952

Consolidated cash flow statement

The Parent company

kSEK	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022	Full year 2022
OPERATING ACTIVITIES					
Profit/Loss after financial items	-28,667	-11,100	-67,213	-25,820	-54,262
Adjustments for non-cash items	4,156	2,707	11,569	6,744	7,750
Paid taxes	-244	-122	-310	-605	-727
	-24,755	-8,515	-55,954	-19,681	-47,239
CASH FLOW FROM CHANGES IN WORKING CAPITAL					
Change in inventory	-62,788	- 8,058	-69,346	-8,058	-23,151
Changes in account receivables	-11,530	-1,933	-52,205	-1,933	-21,381
Changes in current receivables	1,154	-830	-5,027	-830	-11,105
Changes in trade payables	-22,372	11,478	-15,758	11,478	14,596
Changes in current payables	-578	-1,634	19,209	-1,634	26,621
	-120,869	-9,491	-179,081	-25,704	-61,658
CASH FLOW FROM INVESTING ACTIVITIES					
Investments in intangible fixed assets	-11,368	-9,909	-38,195	-30,480	-41,642
Investments in tangible fixed assets	-4,763	-125	-9,088	-754	-1,639
	-16,131	-10,034	-47,283	-31,234	-43,281
CASH FLOW FROM FINANCING ACTIVITIES					
New share issue	-	-44	219,926	68,281	68,281
Costs of issue	-15	-	-22,288	-4,165	-4,165
Warrants	265	-	265	-	-
Borrowings	-	33	94,376	47	74
Amortisations	-25	-2,043	-175	-2,193	-2,268
	225	-2,054	292,104	61,970	61,922
CASH FLOW	-136,775	-21,579	65,740	5,031	-43,018
Liquidity opening day of period	257,473	124,584	54,956	97,972	97,972
LIQUIDITY CLOSING DAY OF PERIOD	120,698	103,005	120,698	103,005	54,956

Statement of changes in equity

The Parent company

30 SEPTEMBER 2023

kSEK	Share capital	Developmental -fund	Unrestricted equity	Total own capital
Equity 01-01-2023	1,470	74,502	85,945	161,917
New share issues	1,617	–	218,309	219,926
Costs of issue	–	–	-22,288	-22,288
Provisions for funds	–	27,661	-27,661	–
Warrants	–	–	265	265
Net income for the period	–	–	-67,212	-67,212
CLOSING BALANCE, 30 SEPTEMBER 2023	3,087	102,163	187,093	292,608

30 SEPTEMBER 2022

kSEK	Share capital	Developmental -fund	Unrestricted equity	Total own capital
Equity 01-01-2022	1,354	40,132	110,577	152,064
New share issues	116	–	68,165	68,281
Costs of issue	–	–	-4,165	-4,165
Provisions for funds	–	24,693	-24,693	–
Net income for the period	–	–	-25,820	-25,820
CLOSING BALANCE, SEPTEMBER 30 2022	1,470	64,825	124,063	190,358

FULL YEAR 2022

kSEK	Share capital	Developmental -fund	Unrestricted equity	Total own capital
Equity 01-01-2022	1,354	40,132	110,577	152,064
New share issues	116	–	68,165	68,281
Costs of issue	–	–	-4,165	-4,165
Provisions for funds	–	34,370	-34,370	–
Net income for the period	–	–	-54,262	-54,262
CLOSING BALANCE, DECEMBER 31 2022	1,470	74,502	85,945	161,917

Definitions

Balance sheet total

The company's total assets.

Cash flow from operating activities after changes in working capital

Cash flow from operating activities including changes in working capital and before cash flow from investing and financing activities.

Net sales

Main operating income, invoiced expenses, ancillary income and revenue adjustments.

Gross margin

Gross margin is a measure of how much profit a company can get from its revenue. It is calculated by deducting the cost of all goods sold from net sales and then dividing by net sales. This provides a percentage that shows how much of the revenue the company can keep as profit.

EBIT

EBIT (Earnings Before Interest and Tax) = measures the company's operating profit before interest income and interest expense and tax.

EBIT margin

EBIT in relation to the company's net sales.

EBITDA

EBITDA stands for "earnings before interest, taxes, depreciation and amortisation", in other words earnings before interest income and expenses, taxes, depreciation of tangible assets and amortisation of intangible assets (goodwill).

EBITDA margin

EBITDA in relation to the company's net sales.

Profit after financial items

Profit after financial income and expenses, but before appropriations and taxes.

Profit margin

Profit margin is a key figure that shows how much of each krona of turnover constitutes profit.

Earnings per share, SEK

Profit for the period in relation to the average number of shares during the period.

Earnings per share after full dilution, SEK

Profit for the period in relation to the weighted average number of shares and warrants during the period.

Equity ratio (%)

Shareholders' equity in relation to total assets.

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