



Interim report July – September 2023

The third quarter in brief

- Net sales remained essentially unchanged compared with the corresponding period in the preceding year.
- Operating profit before depreciation/ amortisation (EBITDA) totalled SEK 7.0 million (3.3), corresponding to a margin of 16 percent (7).
- Operating loss totalled SEK -18.6 million (-22.3)

	July – September		January – September	
	2023	2022	2023	2022
Net sales, SEK thousand	45,169	44,989	145,652	129,247
Operating profit before depreciation and amortisation (EBITDA) (SEK thousand)	7,024	3,308	29,247	4,939
Operating profit/loss (EBIT) (SEK thousand)	-18,597	-22,292	-45,165	-96,919
Earnings/loss per share (SEK)	-0.39	0.00	-1.48	-2.22

Events:

During the third quarter

- No significant events occurred

After the end of the third quarter

- Acuvi announced the introduction of a new robotics solution for the Neurotech market
- Acuvi announced a strategic partnership with the company, IVF2.0

The CEO's view

ACTION AND ENTREPRENEURSHIP

Step by step, we are promoting Acuvi as a supplier of high-precision movement and smart positioning solutions.

– Olof Stranding, CEO



Nearly a year has passed since I was given the opportunity to take on the role of CEO of Acuvi. The Board of Directors was clear that it was a high priority that we lower the Company's risks by reducing our overall costs and focusing on profitability and cash flow. I also saw the need to move away from a certain big-company mindset with elements of micromanagement, to an environment where concrete actions and entrepreneurship are better rewarded.

Although there has been no growth in the third quarter compared to the corresponding period in 2022, what is important is that we generate growth going forward, and that we maintain strict cost controls. It is also important that tied-up capital be reduced. It will be easier to balance growth and tied-up capital as we grow, but this will require stringent measures and tough priorities from time to time.

In terms of overall costs, we have succeeded in creating a well-functioning group of companies that is delivering rising profits at the EBITDA level. Our ambition is to further increase profit margins, but this is a gradual process. However, we have an interesting leverage on profitability – we can support increased sales levels with relatively unchanged resources. In late May, the company published an assessment of sales and profits for the whole of 2023. We are staying on course to achieve this.

As I see it, the lack of sales growth is due to several key factors. Firstly, a large share of our sales is driven by customer-specific projects, in which sales are not always highly scaleable. This is mainly true for our American subsidiaries, where sales have risen over time, but some individual years can end up plateauing without growth. Although our operations are generating solid profitability, the Group's overall growth may be muted periodically. The Acuvi divisions that sell standard products to industrial customers, primarily the subsidiary PiezoMotor, have shown higher growth. Historically, our growth has been more than 30 percent annually and we are seeing some high activity

among new and existing customers. Our instrument business also has good prospects for further growth moving forward.

Step by step, we are promoting Acuvi as a supplier of high-precision movement technology and smart positioning solutions. A preview of what is to come is available on our website, which was recently updated with products aimed at industrial players. By presenting a wider product range in the same place, we will achieve a greater impact across the different parts of the Acuvi Group.

To conclude my comments: the way that we conduct our marketing work clearly shows how Acuvi has become a company that is highly action oriented and how we can cooperate well between the Group's various functions. Achieving this aim requires the right type of individuals and an environment where positive and constructive actions are encouraged and rewarded. We have come a long way in the past year and I look forward to continuing our work together.

Olof Stranding, CEO

The Group's third quarter

Net sales for the Group during the third quarter of 2023 amounted to SEK 45.2 million (45.0). Other operating income during the quarter amounted to SEK 3.8 million (0.1).

The Group's total depreciation and amortisation during the quarter was SEK 25.6 million (25.6), of which amortisation of goodwill accounted for SEK 24.3 million (24.2), and other depreciation/amortisation SEK 1.3 million (1.4).

Gross profit excluding depreciation/amortisation totalled SEK 13.2 million (15.0), corresponding to a gross margin of 29 percent (33). Operating profit before depreciation/amortisation (EBITDA) totalled SEK 7.0 million (3.3), corresponding to a margin of 16 percent (7).

Cash flow from operating activities, before changes in working capital, amounted to SEK 14.2 million (0.3) in the third quarter. The restriction of working capital adversely impacted cash flow by SEK -11.6 million (-2.6), mainly due to increased tied-up inventory and payments related to the acquisition of TPA Motion. During the quarter, a total of SEK 8.5 million was paid out for stay-on bonuses. Tied-up inventory was mainly due to the build up of inventory for framework orders in the fourth quarter and early 2024. Cash flow from operating activities, before changes in working capital, amounted to SEK 2.6 million (-2.4). Excluding acquisition-related payments, cash flow from operating activities after changes in working capital amounted to SEK 11.1 million (-2.4).

During the period, SEK 2.9 million was invested in intangible assets, most of which pertained to Acuvi's new micromotor platform, ULTRA.

Cash as at 30 September 2023 amounted to SEK 28.8 million, compared with SEK 20.6 million at 30 June 2023.

The Group's first nine months

Net sales for the Group during the first nine months of 2023 totalled SEK 145.7 million (129.2), corresponding to an increase of 13 percent. The figure includes a supplementary invoice of approximately SEK 8 million related to royalties. Excluding this supplementary invoice, net sales rose by 7 percent. A stronger dollar has contributed to the higher net sales figure, relative to the comparison period.

The Group's total depreciation and amortisation from January to September was SEK 74.4 million (102.7), of which amortisation of goodwill accounted for SEK 70.7 million (98.1), and other depreciation/amortisation SEK 3.7 million (4.6). Most of the depreciation/amortisation was recognised under 'Cost of goods sold'.

Gross profit excluding depreciation/amortisation totalled SEK 54.9 million (46.5), corresponding to a gross margin of 38 percent (36). Operating profit before depreciation/amortisation (EBITDA) totalled SEK 29.2 million (4.9), corresponding to a margin of 19 percent (4). Excluding the supplementary invoice for royalties during the second quarter, EBITDA was 15 percent.

Cash flow from operating activities, before changes in working capital, amounted to SEK 24.5 million (1.4). The restriction of working capital adversely impacted cash flow by SEK -28.3 million (-12.2). Cash flow from operating activities, after changes in working capital, amounted to SEK -3.8 million (-10.8). During the year, a total of SEK 16.8 million was paid out for stay-on bonuses and supplementary considerations. Excluding acquisition-related payments, cash flow from operating activities after changes in working capital amounted to SEK 13.0 million (-10.8).

Shares and share capital

Acuvi shares are traded on the Nasdaq First North Growth Market under the symbol 'ACUVI'. The last bid price on 30 September 2023 was SEK 10.66, and market capitalisation, accordingly, amounted to SEK 273 million.

Acuvi's share capital on 30 September 2023 amounted to SEK 12.8 million, distributed between 25,630,411 shares.

Shares and share capital

Shareholder	Number of shares 30 Sept 2023	Shareholding (%) 30 Sept 2023
Adam Dahlberg through companies	3,532,136	13.8%
Gaudium IVST, LLC	2,287,168	8.9%
Handelsbanken Microcap	2,100,000	8.2%
Dennis Barnes	1,581,397	6.2%
Swedbank Robur Ny Teknik	1,357,467	5.3%
Monesi Förvaltnings AB	1,305,000	5.1%
Management	918,729	3.6%
Jerry Fredriksson through companies	490,000	1.9%
Margareta Nilsson	451,030	1.8%
Gunvald Berger	388,503	1.5%
Others (approx. 3,400 individuals)	11,218,981	43.8%
Total	25,630,411	100.0%

Personnel

At the close of the third quarter of 2023, the Group had 55 employees. The average number of employees for the period was 54 (58), of whom 14 (15) were women.

Financing

At the end of the quarter, the Group had cash and cash equivalents of SEK 28.8 million. Utilisable cash and cash equivalents, along with cash flows from operating activities, are deemed to be sufficient to cover the Group's needs for the next 12 months. The Group will balance any further investments against the available financial resources at the time. The executive management team and Board of Directors are working continuously to ensure that the company has appropriate financing.

Principles for the preparation of the interim report

The financial statements in this interim report have been drawn up in accordance with the same principles as the company's most recent annual report for 2022, that is to say, in accordance with the Swedish Annual Accounts Act and BFNAR [the Swedish Accounting Standards Board] regulation 2012:1 Annual Reports.

Annual report and annual general meeting

Interim reports and the annual report will be made available via <https://acuvi.com/financial-reports/>

Financial calendar

Year-end report January –
December 2023

7 Mar 2024

Certified Adviser

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Submission of interim report

The Board of Directors and the CEO affirm that this interim report, to the best of their knowledge, gives a true and fair presentation of the Company's operations, position and results.

Uppsala, 10 November 2023

Adam Dahlberg, Chairman of the Board

Ping Faulhaber, Board Member

Dennis Barnes, Board Member

Henrik Nittmar, Board Member

Joakim Stenberg, Board Member

Olof Stranding, CEO

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

Contact point

If you have any questions, please contact:

Olof Stranding, CEO

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Consolidated income statement (SEK thousand)

	July – September		January – September	
	2023	2022	2023	2022
Net sales	45,169	44,989	145,652	129,247
Cost of goods sold	-57,614	-55,589	- 165,144	- 185,439
Gross profit/loss	-12,445	-10,600	-19,492	-56,192
Selling expenses	-4,136	-2,579	-12,878	-7,769
Administrative expenses	-4,645	- 6,837	-15,939	-23,461
R&D expenses	-577	-2,200	-2,047	-9,487
Other operating income	3,820	141	5,374	1,453
Other operating expenses	-614	-218	-183	-1,463
Operating profit/loss	- 18,597	-22,293	-45,165	-96,919
Interest income and similar financial income	9,046	21,679	9,931	35,594
Interest expenses and similar financial expenses	-833	-94	-4,041	-1,688
Profit/loss after financial expenses	-10,384	-708	-39,275	-62,013
Deferred tax	467	689	1,435	7,197
Net profit/loss for the year	-9,917	-19	-37,840	-54,816
Basic earnings/loss per share	-0.39	0.00	-1.48	-2.22
Diluted earnings/loss per share	-0.39	0.00	-1.48	-2.22
Average number of shares (thousand)	25,630	25,016	25,630	24,709
Number of shares at end of period (thousand)	25,630	25,016	25,630	25,016

Consolidated balance sheet (SEK thousand)

ASSETS	30 Sept 2023	31 Dec 2022	30 Sept 2022
Non-current assets			
Intangible assets			
Capitalised research and development expenditure	43,372	45,812	45,881
Patents	2,983	2,788	3,150
Other intangible assets	2,657	1,231	1,353
Goodwill	275,755	330,903	368,390
Total intangible assets	324,767	380,734	418,774
Property, plant and equipment			
Plant, machinery and equipment	15,564	15,689	17,181
Total property, plant and equipment	15,564	15,689	17,181
Financial assets			
Other non-current receivables	546	529	0
Total financial assets	546	529	0
Total non-current assets	340,877	396,952	435,955
Current assets			
Inventories	52,697	42,929	41,753
Current receivables			
Accounts receivable	27,434	25,826	18,884
Other receivables	19,638	7,834	11,035
Prepaid expenses and accrued income	2,514	6,429	2,805
Total current receivables	49,586	40,089	32,724
Cash and bank balances	28,822	15,222	14,807
Total current assets	131,105	98,240	89,284
Total assets	471,982	495,192	525,239

EQUITY AND LIABILITIES	Note	30 Sept 2023	31 Dec 2022	30 Sept 2022
Equity	1			
Share capital		12,815	12,508	12,508
Other capital contributions		476,214	471,495	472,949
Retained earnings including loss for the period		-182,199	-144,276	-102,674
Total equity		306,830	339,727	382,783
Provisions				
Deferred tax		6,091	6,785	7,294
Other provisions		17,471	20,874	22,245
Total provisions		23,562	27,659	29,539
Non-current liabilities to credit institutions		10,509	7,078	10,198
Other non-current liabilities		30,405	64,509	17,796
Total non-current liabilities		40,914	71,587	27,994
Bank overdraft facilities utilised		23,218	5,263	0
Current liabilities to credit institutions		0	1,631	23,876
Advances from customers		1,569	396	0
Accounts payable		17,713	19,422	18,218
Other current liabilities		37,901	16,265	38,309
Accrued expenses and prepaid income		20,275	13,242	4,520
Total current liabilities		100,676	56,219	84,923
Total equity and liabilities		471,982	495,192	525,239

Consolidated statement of cash flows (SEK thousand)

In this report, only the consolidated cash flow for the group is recognised.

	July – September		January – September	
	2023	2022	2023	2022
Profit/loss before financial items	-18,597	-22,293	- 45,165	- 96,919
Amortisation/depreciation/impairment	25,293	23,943	66,932	72,161
Interest paid	-1,225	-426	-6,069	-1,688
Other	8,768	-962	8,731	27,636
Adjustment for non-cash items	32,836	22,554	69,594	98,109
Interest received	0	3	60	96
Income tax paid	0	0	0	132
Cash flow from operating activities before changes in working capital	14,239	265	24,489	1,418
Inventories	-9,652	-5,373	-11,268	-13,700
Operating receivables	5,826	-1,946	-9,981	-2,974
Operating liabilities	-7,772	4,679	-7,050	4,460
Changes in working capital	- 11,598	-2,640	-28,299	-12,214
Cash flow from operating activities after changes in working capital	2,641	-2,375	- 3,810	-10,796
Investing activities				
Acquisition of intangible assets	- 2,940	-249	-5,439	-2,926
Property, plant and equipment sold	0	0	0	8,435
Acquisition of property, plant and equipment	-240	-546	-4,465	-889
Cash flow from investing activities	-3,180	-795	-9,904	4,620
Financing activities				
Newly taken out loans	0	13,000	0	18,000
Amortisation of loans	0	0	0	-7,114
New share issue	0	0	11,037	0
Increase in current financial liabilities	8,762	0	16,277	0
Cash flow from financing activities	8,762	13,000	27,314	10,886
Cash flow for the period	8,223	9,830	13,600	4,710
Opening cash and cash equivalents	20,599	3,591	15,222	8,571
Exchange-rate differences and other changes in value of cash and cash equivalents	0	1,386	0	1,526
Closing cash and cash equivalents	28,822	14,807	28,822	14,807

Parent Company's consolidated income statement (SEK thousand)

	Note	July – September		January – September	
		2023	2022	2023	2022
Net sales		5,601	6,045	14,853	22,154
Cost of goods sold		1,839	-8,182	25	-22,375
Gross profit/loss		7,440	-2,137	14,878	-221
Selling expenses		-2,325	-1,914	-3,297	-4,912
Administrative expenses		-6,009	-6,259	-9,298	-17,996
R&D expenses		-9,172	-1,136	-9,515	-5,957
Other operating income		1,316	21,486	3,948	36,569
Other operating expenses		0	-129	-663	-534
Operating profit/loss		-8,750	9,911	-3,947	6,949
Interest income and similar financial income		6,465	0	12,361	0
Interest expense and similar financial expenses		- 5,185	-333	-4,665	-1,292
Profit/loss from financial investments		1,280	-333	7,696	-1,292
Net profit/loss for the year		-7,470	9,578	3,749	5,657

Parent Company's balance sheet (SEK thousand)

ASSETS	Note	30 Sept 2023	31 Dec 2022	30 Sept 2022
Non-current assets				
Intangible assets				
Capitalised research and development expenditure		18,388	18,921	17,078
Patents		2,680	2,489	2,826
Other intangible assets		2,649	1,231	1,353
Total intangible assets		23,717	22,641	21,257
Property, plant and equipment				
Plant, machinery and equipment		259	386	4,615
Total property, plant and equipment		259	386	4,615
Financial assets				
Shares in subsidiaries		288,615	228,681	226,181
Loans to subsidiaries		161,634	199,966	190,691
Total financial assets		450,249	428,647	416,872
Total non-current assets		474,225	451,674	442,744
Current assets				
Inventories		0	0	18,478
Current receivables				
Accounts receivable		436	6,627	5,446
Income earned but not yet invoiced		3,250	3,250	0
Receivables from Group companies		38,082	33,156	4,234
Other receivables		1,279	4,538	4,384
Prepaid expenses and accrued income		975	1,522	2,609
Total current receivables		44,022	49,093	16,673
Cash and bank balances		606	1,512	1,309
Total current assets		44,628	50,605	36,460
Total assets		518,853	502,279	479,204

EQUITY AND LIABILITIES (SEK THOUSAND)	Note	30 Sept 2023	31 Dec 2022	30 Sept 2022
Equity				
Restricted equity				
Share capital		12,815	12,508	12,508
Development expenditure fund		24,162	18,921	15,631
Total restricted equity		36,977	31,429	28,139
Non-restricted equity				
Share premium reserve		726,183	715,453	686,047
Retained earnings		- 296,969	-311,386	-278,690
Profit/loss for the period		3,749	19,659	5,657
Total non-restricted equity		432,963	423,726	413,014
Total equity		469,940	455,155	441,153
Other liabilities				
Other liabilities		0	25,370	23,877
Total non-current liabilities		0	25,370	23,877
Current liabilities				
Bank overdraft facilities utilised		15,087	5,263	0
Advances from customers		0	96	0
Accounts payable		0	10,512	11,232
Liabilities to Group companies		0	0	0
Other liabilities		33,500	581	440
Accrued expenses and prepaid income		326	5,302	2,502
Total current liabilities		48,913	21,754	14,174
Total equity and liabilities		518,853	502,279	479,204

The Parent Company's statement of cash flows (SEK thousand)

	July – September		January – September	
	2023	2022	2023	2022
Profit/loss before financial items	- 8,750	9,911	- 3,947	6,949
Adjustment for non-cash items				
Amortisation/depreciation/impairment	202	442	203	884
Interest paid	-1,594	-953	-4,664	-959
Other	2,804	- 12,120	8,737	- 9,413
Adjustment for non-cash items	1,412	-12,631	4,276	-9,488
Interest received	-187	0	3,624	0
Cash flow from operating activities before changes in working capital	-7,525	-2,720	3,953	-2,539
Changes in working capital				
Inventories	0	-546	0	-6,938
Operating receivables	4,456	-6,394	9,286	-6,684
Operating liabilities	-1,103	7,992	-2,309	11,074
Changes in working capital	3,353	1,052	6,977	-2,548
Cash flow from operating activities after changes in working capital	-4,172	-1,668	10,930	-5,087
Investing activities				
Acquisition of intangible assets	-187	-614	-1,235	-1,730
Acquisition of property, plant and equipment	0	0	84	-78
Cash flow from investing activities	-187	-614	-1,151	-1,808
Financing activities				
Newly taken out loans	0	0	4,852	0
Amortisation of loans	0	0	0	-93
New share issue	0	0	11,036	0
Loans to subsidiaries	0	0	0	0
Increase in current financial liabilities	-574	0	-26,573	2,566
Cash flow from financing activities	-574	0	-10,685	2,473
Cash flow for the period	-4,933	-2,282	-906	-4,422
Opening cash and cash equivalents	5,539	3,591	1,512	5,731
Closing cash and cash equivalents	606	1,309	606	1,309

1. Change in consolidated equity GROUP (SEK thousand)

	Share capital	Other contributions	Reserves	Loss brought forward	Total
Opening balance, 1 Jan 2022	12,140	422,236	-239	-47,858	386,280
New share issue	368	29,436	0	0	29,804
Unrealised exchange differences	0	0	20,061	0	20,061
Net loss for the year	0	0	0	-96,418	-96,418
Closing balance at 31 Dec 2022	12,508	451,672	19,822	-144,276	339,726
Opening balance, 1 Jan 2023	12,508	451,672	19,822	-144,276	339,726
New share issue	307	10,730	0	0	11,037
Unrealised exchange differences	0	0	1,232	0	1,232
Net profit/loss for the year	0	0	0	-45,165	-45,165
Closing balance at 30 Sep 2023	12,815	462,402	21,054	-189,441	306,830

	Number of shares
1 Jan 2023	25,016,220
Change during the year	614,191
30 Sep 2023	25,630,411

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