

INTERIM MANAGEMENT STATEMENT  
1 JANUARY-30 SEPTEMBER

# 2024



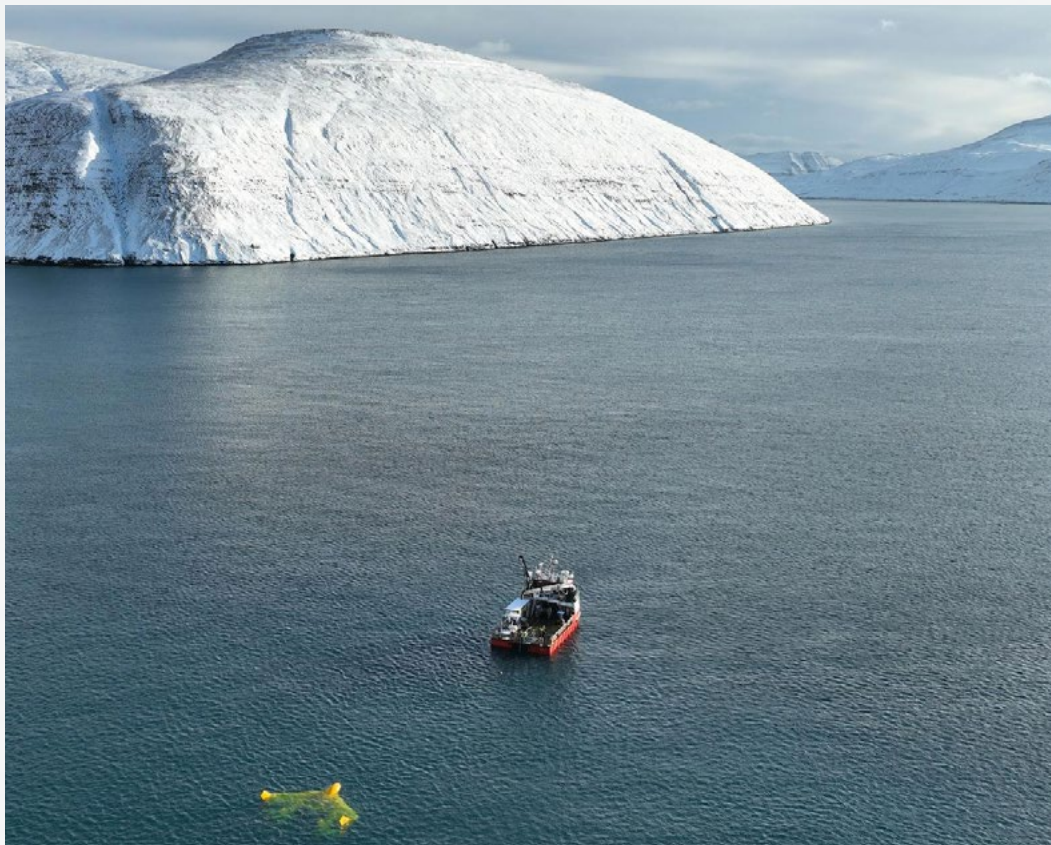


# Significant events July–September 2024

No significant events during the period.

## After the end of the period

- In the North Atlantic, leading ocean energy developer Minesto is moving forward with the pioneering build-out of a tidal energy site. The Hestfjord Dragon Farm is a first-of-a-kind tidal energy array with Minesto Dragon 12-kites with a total capacity of 10 MW in a first phase. Following the successful utility-scale installation of the Dragon 12 in Vestmanna and corresponding interest by various parties in the technology, Minesto assigns strategic advisor Ernst & Young (EY) to the unique Dragon Farm Project, with focus on investments.





## Minesto in short

Minesto develops technology for plannable generation of renewable electricity from the ocean. With patented technology, tidal and ocean currents with low-flow velocities are exploited. The technology can be installed in areas where no other known technology can operate cost effectively.

The Group consists of the parent company Minesto AB, which is headquartered in Gothenburg and the sub-sidiaries Minesto UK Ltd, Minesto Taiwan Ltd, Sp/f Minesto Føroyar, Minesto Warrants One AB and Holy-head Deep Ltd.

The Group's registered office is in Gothenburg and the parent company's share (MINEST) is the subject of trading on Nasdaq First North Growth Market in Stockholm with G&W Fondkommission as Certified Adviser.

Read more at [www.minesto.com](http://www.minesto.com).

This document is a translation of Minesto AB's Interim Management Statement 1 January–30 September in Swedish that was published on 24 October 2024. In the event of any inconsistency between the English and the Swedish versions, the latter shall prevail.

# The Group in summary

## 1 January–30 September 2024

- Total operating income amounted to SEK 19,320 thousand (34,791) and mainly included capitalised development work. Net sales amounted to SEK 75 thousand (390).
- Operating loss amounted to SEK –32,884 thousand (–18,735). The negative result is largely attributable to business development and administration related to technology development. Of the personnel costs, SEK 19,222 thousand (31,649) has been capitalised as development work.
- At the end of the period, intangible assets amounted to SEK 531,569 thousand (451,924), of which capitalised development costs amounted to SEK 514,633 thousand (435,991) and capitalised patent expenses amounted to SEK 16,937 thousand (15,932).
- Grants of SEK 716 thousand (25,849) were accrued during the period, of which SEK 716 thousand (23,612) has reduced the acquisition value of the capitalised development costs. During the period, payments of SEK 27,803 thousand (40,533) were received from public funding schemes, of which SEK 26,474 thousand (40,533) is approved claims and the remaining part is advance payments.
- Cash flow amounted to SEK 39,418 thousand (24,724). At the end of the period, cash and cash equivalents amounted to SEK 54,790 thousand (60,078).
- At the end of the period, equity amounted to SEK 571,836 thousand (533,164) divided into 194,116,040 shares (160,732,694), of which net loss for the period amounted to SEK –32,731 thousand (–16,635).

SEK thousand	Jan–Sep 2024	Jan–Sep 2023	Full Year 2023
Net sales	75	390	391
Operating profit/loss	–32,884	–18,735	–28,680
Net profit/loss for the period	–32,731	–16,635	–27,123
Cash flow for the period	39,418	24,724	–20,015





## CEO comment

# Sight set on realizing Hestfjord Dragon Farm



During third quarter we have completed the business case for project investment in Hestfjord Phase 1 (Faroe Islands) based on Dragon 12 test results. We have also hosted numerous visits from both local and international partners at our facility in Vestmanna.

We have carried out inspection and service of Dragon 12 and initiated a third-party evaluation of the technology together with DNV. Third-party verification of the technology entails high demands on documentation, data and analysis of product, processes and production data. This extensive documentation is also necessary as input to customers and project investors for the Hestfjord case.

On the sales and marketing front, we have held several meetings with investors and project players both onsite in Vestmanna and internationally. We have also had a high rate of application processes for public funding. The intensity and precision of these activities are made possible by an upgraded commercial organizational and collaboration with EY as a financial advisor.

Implemented initiatives include:

- Business meetings and initiated investor dialogues with strong players in the Faroe Islands business community
- High-level meetings in Taipei in the context of the EU-Taiwan partnership
- Meeting with governmental representatives in Malaysia, through a Swedish delegation in connection with BAPSEA (Business Acceleration Program Southeast Asia)
- Meeting with governmental representatives from the Indonesian energy council
- Presentation at ICOE (International Conference Ocean Energy) in Melbourne

At the time of writing, we are preparing for one of the world's largest energy fairs on energy transition, Enlit Europe, which takes place this year in Milan. Participating in this context is part of putting Minesto's unique technology on the map in one of the world's largest industries – the energy industry.

Our message in global and political contexts is clear: For the world to meet the set climate goals, more solutions are needed in the toolbox. Established solutions are not enough – Minesto's innovative technology is much needed.

Martin Edlund, CEO

## Group

## Financial information in summary

## Income

SEK thousand	Jan-Sep 2024	Jan-Sep 2023	Full Year 2023
Operating income	19,320	34,791	45,590
Operating costs	-52,205	-53,526	-74,270
<b>Operating profit/loss</b>	<b>-32,884</b>	<b>-18,735</b>	<b>-28,680</b>
Financial items	154	2,099	1,558
Tax	—	—	-1
<b>Net profit/loss for the period</b>	<b>-32,731</b>	<b>-16,635</b>	<b>-27,123</b>
Earnings per share before dilution, SEK	-0.18	-0.10	-0.17
Earnings per share after full dilution, SEK	-0.17	-0.10	-0.17

## Balance

SEK thousand	Jan-Sep 2024	Jan-Sep 2023	Full Year 2023
Total non-current assets	532,238	453,030	493,753
Total current assets	62,501	99,652	58,388
Total equity	571,836	533,164	522,746
Total liabilities	22,903	19,518	29,396
Equity ratio, %	96	96	95

## Cash flow

SEK thousand	Jan-Sep 2024	Jan-Sep 2023	Full Year 2023
Cash flow from operating activities before changes in working capital	-33,973	-18,780	-27,596
Changes in working capital	30,194	6,313	11,394
Cash flow from investing activities	-38,674	-59,538	-100,543
Cash flow from financing activities	81,871	96,729	96,729
Cash and cash equivalents at beginning of period	15,160	34,579	34,579
Cash flow for the period	39,418	24,724	-20,015
Exchange rate difference for cash equivalents	213	775	596
Cash and cash equivalents at end of period	54,790	60,078	15,160

# About the Interim Management Statement

Minesto has chosen to disclose Interim Management Statements for the first and third quarters of the financial year in accordance with Nasdaq's Guidance for preparing interim management statements, instead of disclosing quarterly financial reports in accordance with IAS 34.

Minesto does not include information on revenue, earnings and assets per segment as this is not applicable to the business.

# Accounting principles

The Interim Management statement has been prepared in accordance with the Swedish Annual Accounts Act and Swedish Accounting Standards Board standard BFNAR 2012:1 – Annual Reports and Consolidated Reports (K3). Please see the Company's Annual Report 2023 for more detailed principles.

Due to rounding, figures presented in this report might not in some cases add up to the total.

The Interim Management statement has not been reviewed by the company's auditor.

# Future information

2025-02-27	Year-End Report 2024
2025-03-13	Annual Report 2024

Gothenburg on 24 October 2024

**Martin Edlund**  
CEO

# Definitions

**Operating income**

All income, including capitalised development work.

**Operating profit/loss**

Result after depreciation.

**Net profit/loss for the period**

Result after tax.

**Equity ratio**

Equity in relation to total assets.

**Earnings per share before dilution**

Net profit/loss in relation to the weighted average number of shares that have been outstanding during the period before dilution.

**Earnings per share after full dilution**

Net profit/loss in relation to the weighted average number of shares during the period after full dilution.

# Contact

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