

CondAlign

Financial Statements Q1 2023
Operational update
Income statement
Balance sheet
(Unaudited)

Oslo
12.06.2023

Operational update

Progress on E-Align100 and E-Align025

CondAlign has made significant advancements on the E-Align100 product development and qualifications. Testing and quality assurance procedures are in place and tests, trials and design in processes are ongoing with multiple international clients.

Upon completion of E-Align100's launch, focus will shift to the commercial development of E-Align025.

Contract Manufacturing Organization (CMO) Negotiations

CondAlign is in active negotiations with CMOs to secure volume production for delivery of E-Align to the market in 2024. A decision on the preferred CMO partner is expected in the coming period, securing the production capacity needed for large volume deliveries.

Expanding Customer Base and Sales Efforts

CondAlign has seen substantial interest from potential customers, generating 23 new leads. The Company has received two purchase orders for commercial delivery of E-Align100 in Q2. The focus remains on converting the growing customer interest into sales orders and further expanding the customer base.

Sales organization will be strengthened in Q2 with the onboarding of a new VP Sales & Business Development.

Organization Growth and Development

CondAlign has continued to grow its team. The company has taken actions to strengthen the sales organization, and additionally hired one PhD to the technology team, both joining the team in Q2.

Over the next period CondAlign will continue to strengthen the sales, production and technology teams as needed.

Collaboration with Saint-Gobain on Thermal Interface Materials

CondAlign and Saint-Gobain are progressing well in their joint development of thermal interface materials for EV batteries and electronics applications. Work package III is expected to be successfully completed in the coming period, laying the groundwork for future commercial discussions.

Financial summary

The accounts for Q1 2023 show a negative net profit of NOK 6.6m, compared to negative net profit of NOK 5.2m in Q1 2022. Capitalized internal costs were NOK 3.2m in Q1 2023, up from NOK 2.5m in the same period in 2022, due to the Innovation Norway EL-Tape project.

The Company has a cash position of NOK 23.4m as of Q1 2023, with liquidity strengthened in March by a shareholder loan of NOK 15m and the payment of tranche 1 of Innovation Norway funding (NOK 2.4m, received in April). The Company has an undrawn credit facility of NOK 5.0m. Total liabilities at the end of the period equal NOK 13.3m, including accrued interest and leasing obligations.

The total equity is NOK 22.5m, with an equity ratio of 46%.

Revenue statement (Unaudited)

Income statement	Q1 '23	Q1 '22	YTD '23	YTD 22	FY '2022
<i>(Figures in NOK thousands)</i>					
Revenue	118	104	118	104	549
Total operating income	118	104	118	104	549
Capitalized internal development	-3,175	-2,492	-3,175	-2,492	-9,943
Personnel expenses	5,087	3,930	5,087	3,930	17,363
Depreciations and amortization	1,736	1,423	1,736	1,423	6,477
Other operating expenses	2,868	2,352	2,868	2,352	9,614
Total operating expenses	6,516	5,214	6,516	5,214	23,510
Operating profit	-6,399	-5,110	-6,399	-5,110	-22,961
Fin. income and expenses					
Other interest income	0	0	0	0	-132
Other financial income	-4	-1	-4	-1	-22
Other interest expenses	214	142	214	142	583
Other financial expenses	24	2	24	2	20
Net finance	-235	-143	-235	-143	-449
Result before taxes	-6,634	-5,253	-6,634	-23,410	-23,410
Tax on ordinary result	0	0	0	0	0
Annual net profit	-6,634	-5,253	-6,634	-23,410	-23,410



Balance sheet (Unaudited)

Assets	31.03.2023	31.03.2022	31.12.2022
<i>(Figures in NOK thousands)</i>			
Fixed assets			
Intangible assets			
Research and development	8,231	9,273	7,865
Patents and similar rights	4,699	4,115	4,674
Total intangible assets	12,930	13,389	12,540
Tangible assets			
Leased assets	4,858	5,828	5,312
Equipment and other movables	2,460	2,845	2,554
Total tangible assets	7,318	8,673	7,866
Financial fixed assets			
Investments in subsidiaries	39	30	30
Total financial fixed assets	39	30	30
Total fixed assets	20,287	22,091	20,436
Current assets			
Debtors			
Accounts receivables	0	15	0
Other short-term receivables	5,156	4,271	7,395
Total receivables	5,156	4,286	7,395
Cash and bank deposits	23,448	33,682	14,966
Total current assets	28,605	37,967	22,362
Total assets	48,892	60,058	42,798

Equity and liabilities	31.03.2023	31.03.2022	31.12.2022
<i>(Figures in NOK thousands)</i>			
Equity			
Paid-up equity			
Share capital	1,397	1,397	1,425
Other paid-up equity	27,762	51,955	27,733
Total paid-up equity	29,159	53,352	29,159
Total retained earnings	-6,634	-5,253	0
Total equity	22,525	48,099	29,159
Liabilities			
Other long-term liabilities			
Convertible debt	15,095	0	0
Liabilities to financial institutions	2,181	2,249	1,904
Other long term liabilities	4,907	6,326	3,587
Total of other long term liabilities	22,183	8,575	5,491
Current debt			
Liabilities to financial institutions	0	0	1,392
Trade creditors	1,370	761	1,257
Tax payable	0	0	0
Public duties payable	555	525	1,166
Other current debt	2,259	2,098	4,333
Total current debt	4,184	3,384	8,148
Total liabilities	26,367	11,959	13,639
Total equity and liabilities	48,892	60,058	42,798

