INTERIM REPORT Q3 2023

Midsummer AB (publ)

midsummer
discreet solar roofs

Midsummer in brief

Midsummer manufactures and sells solar cells to stakeholders in construction, roofing and solar cell installation and manufactures, sells and installs solar cell roofs directly to end customers. The company also develops and sells equipment for the production of flexible thin-film solar cells to strategically selected partners and machines for research purposes to universities and research institutes.

The company was founded in 2004 and Midsummer owns the entire chain from the manufacturing equipment to the installed solar roofs. Manufacturing takes place in Sweden and will also start in Italy at the beginning of 2024. These are CIGS solar cells (consisting of copper, indium, gallium, selenium) that are thin, lightweight, flexible, discreet, easy to install and have a minimal carbon footprint compared to other solar panels.

Midsummer's technology and products are considered to be well-positioned to meet future needs and expectations on a market that has experienced strong, global growth, at a time when aesthetics and a minimal carbon footprint has become increasingly important among discerning customers. Midsummer's subsidiary, Midsummer Italia, has built a factory in Bari, which is the largest producer of thin-film solar cells in Europe with a production capacity of 50 MW. The company's shares are listed on Nasdaq First North Premier Growth Market.

Interim Report Q3 2023

Midsummer AB (Publ) Nasdaq First North Premier Growth Market

Notable events July–September 2023

▶ Net sales for the Group during the third quarter of 2023 were TSEK 11,898 (TSEK 11,881). Earnings per share for the Group during the quarter were SEK -0.57/share (SEK -0.68/share) before dilution and SEK -0.52/share (SEK -0.68/share) after dilution. Net sales for the first nine months of the year were TSEK 34,938 (TSEK 35,534).

▶ During the third quarter, sales of solar panels grew by 52 per cent, while sales via our own solar panel installations dropped by 45 per cent, as a result of an increased focus on sales via European roofing material companies and solar cell installers.

▶ Midsummer begins an extensive and long-term collaboration with Finland's leading supplier of roofing materials Katepal. Katepal will be offering Midsummer's thin and light solar panels to its customers in Finland.

▶ The launch of Scania's solar-powered globally-unique hybrid lorry for which Midsummer is the supplier of solar panels. It is the first lorry in the world to use solar panels to power the lorry's powertrain. The truck's self-produced solar energy is expected to bring down operating costs and emissions significantly.

▶ Midsummer has been selected by the EU Innovation Fund to receive a conditional grant of some MSEK 375 for a new 200 MW mega-factory in Sweden for the manufacture of thin-film solar cells.

▶ Midsummer has succeeded in making inroads in the solar roof market in The Hamptons, USA, one of the world's most exclusive residential areas.

Notable events January–September 2023

▶ Midsummer held an extraordinary general meeting on 24 January, during which a new share issue to the Turkish industrial Group Murel was approved with a consequent change in the number of shares and votes.

▶ Midsummer announces a research collaboration with the University of California, Los Angeles: Using the company's DUO machine, researchers at UCLA have succeeded in developing a perovskite/CIGS tandem solar cell with 24.9 per cent efficiency.

Scania's solar-powered hybrid truck for which Midsummer is the exclusive supplier of solar panels.

Sweden's ambassador to Italy, Jan Björklund, on a tour of Midsummer's new factory in Bari.

▶ Midsummer attracts in the region of MSEK 180 before issue costs in a rights issue that was completed in May. The net proceeds are intended to be used primarily for the production of DUO machines, other manufacturing equipment and the adaptation of factory facilities primarily for the factory in Bari, Italy.

▶ The terms and conditions for the green bond loan of MSEK 200 were updated in connection with the issue, which meant, among other things, a three-year extension of the term.

▶ In April, Midsummer Italia received a first grant payment of around MSEK 75 from the Italian investment authority Invitalia for the establishment of the factory in Bari, Italy.

▶ Three new board members with experience from global consumer products, the property market and purchasing/negotiation management were elected at the company's annual general meeting in June: Robert Sjöström (also the new Chairman of the Board), Mikael Nicander and Christel Prinsén.

▶ Together with the University of New South Wales (UNSW) and the world's three largest solar panel manufacturers, Midsummer has been granted funding for a research project to develop a silicon/CIGS tandem solar cell with 30 per cent efficiency. This research will be conducted on Midsummer's UNO research machine, and the aim is to develop a highly efficient and stable tandem solar cell with over 30 per cent efficiency.

▶ Midsummer takes part in the Chalmers project for eco-friendly recycling of solar cells, which shows that efficient recycling of precious metals from thin-film solar cells is possible.

▶ Midsummer receives an order for a 500 sq m solar cell roof from Pioneer Knitwears, one of the leading textile companies in Bangladesh. The roof covers a small part of Pioneer's textile factory and is funded by its customer, one of the world's largest clothing retail chains.

▶ Midsummer receives an order for solar cell roofs for more than 25 holiday homes in a golf village in Ekerum on the island of Öland. The association decided to only allow Midsummer's Wave solar panels for aesthetic reasons.

▶ Midsummer carries out its second largest installation of solar cell roofs ever, for wall manufacturer Saxi in western Sweden. The roof is about 1,450 square metres in size and covers the Saxi factory and head office in Stenkullen.

Notable events after the end of the period

▶ Midsummer launches an efficiency program which, among other things, involves the reorganisation of the Group and lay-offs of some staff as well as a strategic review of the Group's short and long-term financing. The program is estimated to generate savings of just over MSEK 40 on an annual basis and also short-term improvements in terms of capital employed.

▶ The factory in Bari, Italy, was equipped with a new screen printer, a new laminator and an additional DUO machine. Sweden's ambassador to Italy Jan Björklund visited the factory and got to see the new equipment, including the very first module produced in Bari.

The comparison figures presented in this report relate to the previous year unless otherwise specified.

Key performance indicators

TSEK	Jan.-Sep. 2023	Jan.-Sep. 2022	Jul.-Sep. 2023	Jul.-Sep. 2022
Net sales	34 938	35 534	11 898	11 881
Operating profit	-148 483	-35 710	-40 926	-41 171
EBITDA	-121 682	-10 278	-32 481	-32 429
Profit before tax	-152 362	-48 430	-51 984	-46 127
Comprehensive income for the period	-142 408	-24 208	-60 958	-38 612
Operating margin	Negative	Negative	Negative	Negative
EBITDA margin	Negative	Negative	Negative	Negative
Equity/assets ratio	41,76%	46,46%	41,76%	46,46%
Cash flow for the period	67 420	-133 424	-73 800	-21 407
Earnings by share				
-before dilution (SEK)	-1,66	-0,71	-0,57	-0,68
-after dilution (SEK)	-1,66	-0,71	-0,57	-0,68

CEO's statement

Sales of solar panels rose during the quarter by 52 per cent, while sales of our own installations dropped by 45 per cent, which results in only marginally higher turnover for the quarter but is according to plan as we are now focusing on selling solar panels via partners. This is where we can scale up in the quickest way and where the key to our success lies: mass production of solar panels for flat roofs that are installed by one of our many and renowned European partners in roofing, construction and solar cell installation.

We are implementing an efficiency program within the Group to save MSEK 40 on an annual basis. A reduced cost base gives us better conditions for continued expansion in the near future with the start up of the Italian factory, which will start delivering panels principally to the Italian market early next year.

In October, Sweden's ambassador to Italy, Jan Björklund, visited our factory to witness the installation of new machinery in the form of a screen printer, a laminator and yet another DUO machine, as well as the manufacture of the very first solar panel in this factory: a unique six metre long panel that provides 1 kW of solar energy.

Midsummer's factory in Bari will be a state-of-the-art facility with the most advanced equipment available for the manufacture of next-generation solar cells. We place ourselves in the European top class not only in terms of quantity of thin film solar cells produced, but also in quality, and with the best process to do so.

Our solar cells have by far the lowest climate footprint on the market, which is a factor that is becoming increasingly important for both our partners and our end customers. They require only one-tenth as much energy to manufacture compared to traditional silicon panels, and with significantly less production material and they are also recyclable.

With the ramp-up at the modern factory in Italy, the manufacturing cost of our solar cells will be reduced over time to 60 per cent of the current production cost, which of course further strengthens the competitiveness of our products. We assess that the Italian factory will be profitable at the turn of next year, which gives us a good platform for continued expansion with new factories.

There are now six DUO machines installed in Bari. Before the new year, another four are to be shipped

Sven Lindström, Midsummer's CEO

there at the same time as the automated module line is delivered at the beginning of December, which means that we will be ready for a fully automated production start in the first quarter of 2024. We can then start delivering solar panels to the seven Italian customers in construction with whom we have signed letters of intent regarding the delivery of large volumes of solar panels. We thereby also meet the conditions for payment of the next part of our investment contribution from the Italian investment authority Invitalia of around MSEK 100.

Midsummer does not compete directly with Chinese solar panels, but works in segments where our unique lightweight and environmentally friendly solar panels are sold to customers who value the origin and carbon footprint of the products. The fact that we have a unique product with unique properties will pay off in the long run. It is therefore pleasing to see that our volumes of panels sold are increasing strongly.

As I mentioned in my previous CEO statement, we received word in mid-July from the EU Innovation Fund, one of the world's largest funding programs for innovative technologies that contribute to reducing greenhouse gas emissions, announcing it had selected Midsummer for conditional support of around MSEK 375 for a new 200 MW mega-factory for the manufacture of solar cells in Sweden. This is something of the industry's "Olympic gold" to pass through the fund's eye of the needle in support of what it considers to be Europe's most promising technologies to break the continent's import dependence on solar cells. We have now finalised the terms of the agreement, which are in line with what we previously communicated with the planned signature from the EU in mid-December.

"We assess that the Italian factory will be profitable at the turn of the next year, which gives us a good platform for continued expansion with new factories."

Scania's hybrid truck with solar panels from Midsummer was launched in August. It is a unique truck, the world's first to use solar energy for the vehicle's powertrain. The launch has garnered great international attention. All the world's vehicle manufacturers are looking for solutions for electrified vehicles and it is a gigantic market, in which Midsummer is an attractive partner thanks to our advanced products. We are most proud of the reactions from the haulage companies and truck drivers: "It works incredibly well" they say after initial test runs.

Europe is currently being flooded with solar panels from China. This is a result of the US introducing legislation blocking imports of goods made or mined in the western Chinese province of Xinjiang over concerns about forced labour. This has not only resulted in an oversupply of Chinese solar panels in the EU, where there is no similar legislation, but also to price dumping of the panels by up to 50 per cent.

There are estimated to be around 80 GW of unsold Chinese solar panels in stock in the EU, which should be compared to the 40 GW that were installed in 2022. Importers with large stocks of older and more expensive panels will now incur major losses, including in Sweden, and this could be the start of a wave of bankruptcies among installers.

The arena is primed for rapid growth with many times greater production capacity. We will be delivering attractive products to a large and fast-growing global market. Our ambition is for there to be solar panels on all roofs throughout the world, preferably our thin and flexible panels that can be installed on basically any roof. We are well positioned for the electrical transition with well-functioning environmentally friendly and sustainable technology for the future.

Sven Lindström
Midsummer's CEO

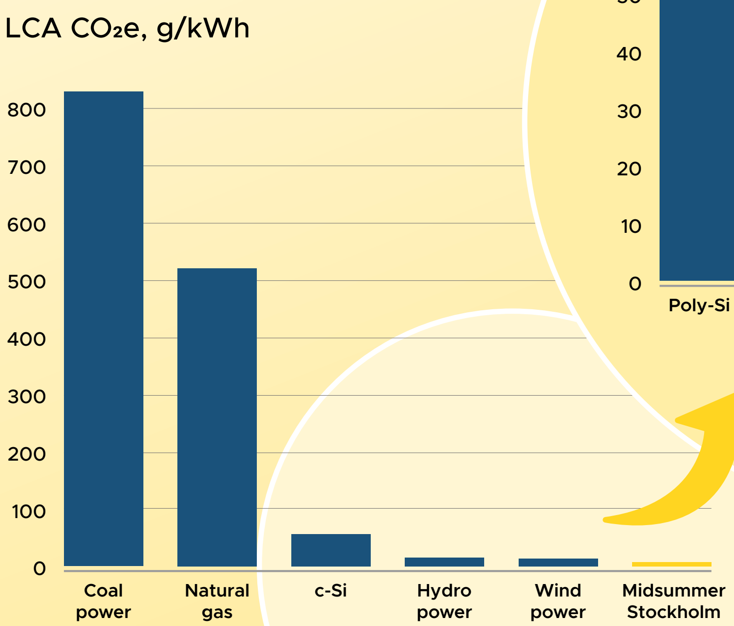
Midsummer is ready to lead the green transition

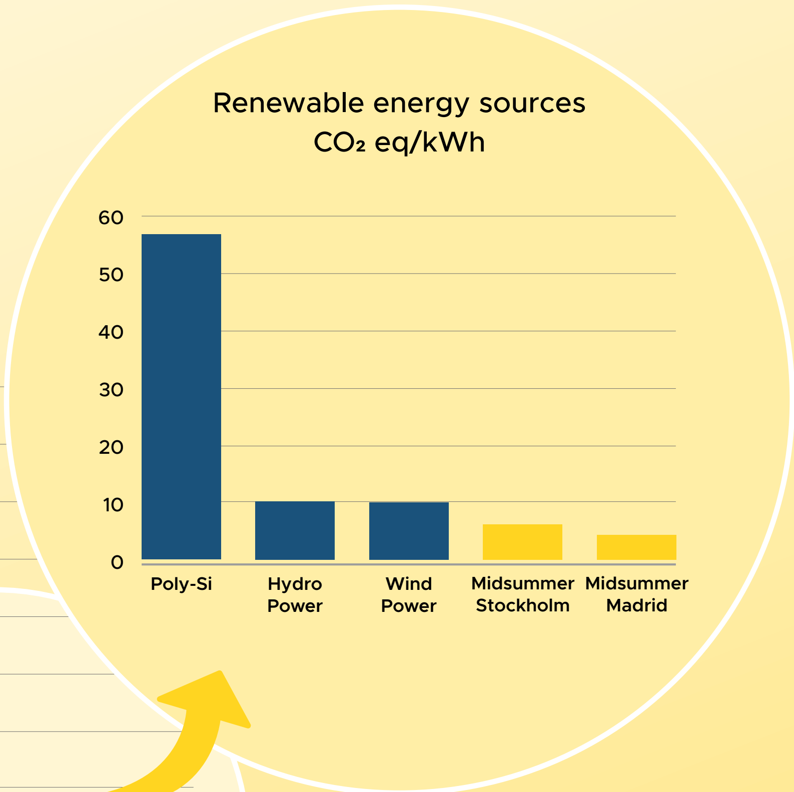
Demand for solar panels and solar roofs is extremely high in Sweden and the rest of Europe, and is increasing rapidly. Midsummer sees the same kind of high demand for panels as many other companies. Its order books are full and capacity has been expanded through a factory in Italy; the hope is for an even bigger factory to be built in Sweden in the near future. Our long-term goal is a minimum of 1 GW of annual production in Europe by 2030.

At the end of the day it is the end customers, private and commercial property owners, as well as other actors in the value chain that are behind this demand and the strong growth on the market, as our products are not only seen as attractive and useful, but are also known for creating value.

Market forces are also further enhanced by national and supranational measures. REPowerEU is one of several ambitious EU programmes that aim to radically and rapidly change the way Europe produces and consumes its energy. The aim is to move away from unsustainable fossil fuels and the harmful dependency we have on imported energy. The solution is called renewable energy and one important ingredient is solar power; the EU has stated that 25 per cent of its energy will come from the sun in the future. The European Union is also looking to break the dependence on imported solar panels, primarily from China, by building up a domestic industry for the manufacture of solar cells, something that Midsummer is excellently positioned to participate in.

Currently the most sustainable method of producing electrical energy





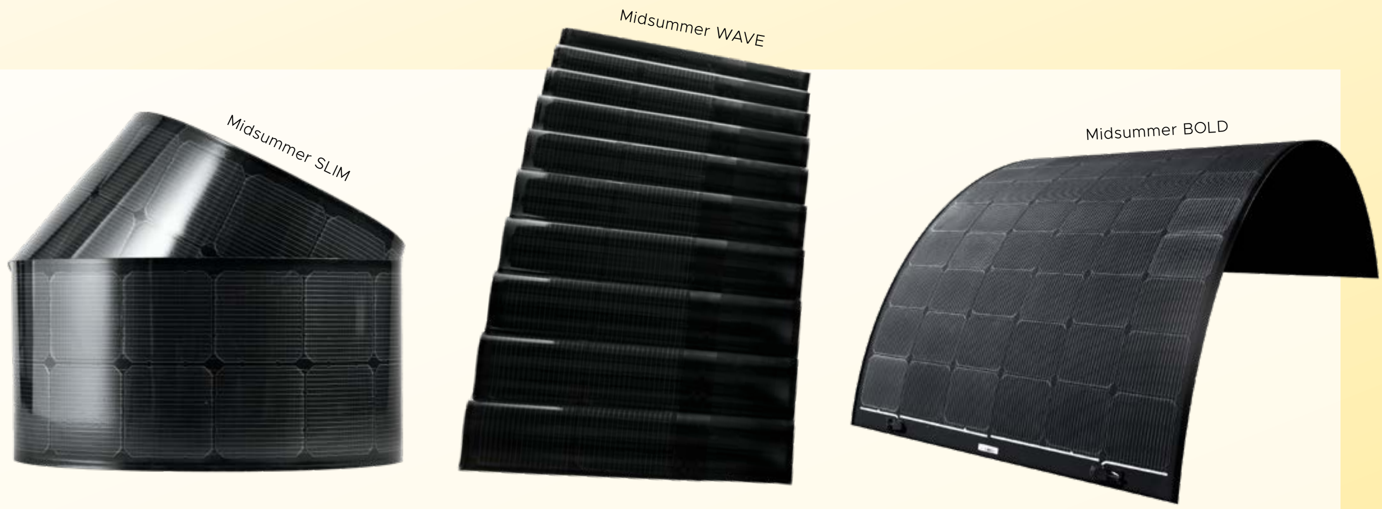
The EU's Recovery and Resilience Facility has already been launched, totalling more than EUR 670 billion, and Midsummer has received a share of this through its investment in Italy. The EU also wants to introduce or raise tariffs on products that are not considered to be environmentally friendly, to provide direct support for solar roof installations through the European Solar Rooftops Initiative, and to phase in laws requiring solar panels on new buildings. An increasing number of proposals have been presented in Swedish political circles for requirements to install solar panels on public buildings.

Bloomberg estimates that the installed capacity of solar roofs could reach 700 GW by the year 2030 in the EU, which is the equivalent to 60 GW installations per year on average. It believes that there is a potential for 7,900 km2 of solar roofs in the EU and it agrees with the EU that 25 per cent of the EU's electricity needs could be met by solar power.

Midsummer wants to have a significant share of this market. The company is well equipped for rapid expansion with a technologically proven product, an enhanced organisation that is perfectly sized for future growth, significant economies of scale, and a number of strong competitive advantages in its range of products:

As production increases, Midsummer will make the most of our economies of scale in purchasing, automation and installation, which will reduce our production costs. Our internal cost models show that Midsummer's solar installations will eventually reach parity with or even be less than the cost of silicon panels installed on European roofs.

Midsummer owns the entire value chain and has decades of experience as a producer of unique production lines. The technology, processes and deals have been proven commercially. This lays the



- **Sustainability.** Our unique production technology and process result in a climate footprint for Midsummer's products that is up to 90 per cent lower over their lifecycle than traditional panels, and also lower than wind power and hydropower. See the tables on page 7.

- **Weight.** Midsummer's panels are 85–95 per cent lighter than silicon panels including the stands and ballast, making installation easier and the only option for some weaker (usually commercial) roofs.

- **Installation.** The installation of Midsummer's panels is easier than for traditional panels and is simple for installers to learn. No penetration of the roof waterproofing is required and the products are robust.

- **Installed power per roof.** Midsummer's panels can cover up to 90 per cent of the roof, compared to 50–70 per cent for silicon panels.

- **Appearance.** Midsummer's solar panels are thin and lightweight, and blend in or replace existing roofs in an aesthetically attractive way.

Sweden's ambassador to Italy, Jan Björklund, in conversation with Midsummer's CEO Sven Lindström.

The very first solar panel produced in Bari in front of the newly installed laminator.

foundation for continued accelerated expansion. In the coming months, Midsummer will make a huge amount of progress in its work on completion of the factory in Bari, Italy. This factory will soon supply solar cells with a final maximum production capacity of 50 MW, of which 35 MW is already mortgaged by seven Italian customers.

Cell and module manufacturing equipment in the form of laminators, screen printers, DUO machines, etc. have been installed in Bari. At the same time, work is underway with the running of electricity, and the installation of cooling water, transformers, climate control, clean rooms, etc.

The first solar panels will be manufactured at the end of this year and a fully automated production start will take place in the first quarter of 2024. With this, Midsummer Italia has fulfilled the conditions for payment of the second investment grant from Invitalia, amounting to around MSEK 100.

With a production capacity of 50 MW, the Bari factory will be many times bigger than the Swedish factory in Järfälla and Europe's biggest facility for the manufacture of thin-film solar cells. This will eliminate the limitations we encounter in production and sales at present and herald the start of rapid global growth.

For a new Swedish factory of 200 MW, the EU Innovation Fund has decided to allocate a grant of around MSEK 375. This fund is one of the world's largest funding programmes for innovative technology that helps to reduce greenhouse gas emissions, and very few Swedish companies have been selected for this funding over the years. Not only is this funding a welcome contribution to the funding of the factory, but also a quality hallmark for our operations, products and plans, as the EU's expertise scrutinises every application and grants funding only to the most reputable and professional projects with the greatest potential to contribute to the continent's green transition.

Development of earnings and position in Q3 2023

Sales and earnings

▶ Net sales for the Group for the first three quarters of 2023 were TSEK 34,938 (TSEK 35,534). For the Solar cell roof product line, net sales amounted to TSEK 29,889 (TSEK 28,807), of which sales of solar panels amounted to TSEK 22,615 (TSEK 16,744) and solar cell installation TSEK 7,274 (TSEK 12,063). Net sales for the Production Equipment product line amounted to TSEK 5,049 (TSEK 6,727).

▶ Net sales for the Group for the third quarter of 2023 amounted to TSEK 11,898 (TSEK 11,881). For the Solar cell roof product line, net sales amounted to TSEK 12,175 (TSEK 11,077), of which sales of solar panels amounted to TSEK 9,519 (TSEK 6,253) and solar cell installation TSEK 2,656 (TSEK 4,809); and net sales for the Production equipment product line amounted to TSEK -276 (TSEK 804).

▶ Other operating income for the Group for the first three quarters consisted of grants of TSEK 8,114 (TSEK 97,076), and a currency gain of TSEK 7,801 (TSEK 13,309).

▶ Other operating income for the Group for the third quarter consisted of contributions of TSEK 1,821 (TSEK 0), and a currency gain of TSEK 2,897 (TSEK 4,106).

▶ The operating profit for the Group for the first three quarters of 2023 was TSEK -148,483 (TSEK -35,710), and the profit before tax ended up at TSEK -152,362 (TSEK -48,430). The major difference between the periods is due to the fact that in 2022, TSEK 96,790 was recognised as revenue in terms of the Invitalia grant, while only TSEK 19,551 was recognised as revenue during the same period in 2023.

▶ Operating profit for the Group for the third quarter of 2023 was TSEK -40,926 (TSEK -41,171), and profit before tax ended at TSEK -51,984 (TSEK -46,127).
Net sales for the parent company for the first three quarters of 2023 were TSEK 88,880 (TSEK 383,954). The operating profit for the parent company was TSEK -88,179 (TSEK 109,827). The major difference between the periods is due to the fact that in 2022 the parent company sold DUO machines to the subsidiary at a market price. These revenues are eliminated in the Group but are present in the net sales for the parent company and explain why sales in the parent company were much lower compared to the same period last year.

▶ Net sales in the parent company for the third quarter of 2023 were TSEK 66,338 (TSEK 11,771). Operating profit for the parent company was TSEK 19,524 (TSEK -42,127).

▶ Financial costs for the Group for the third quarter of 2023 were TSEK -11,062 (TSEK -5,111). This negative effect is due to exchange rate changes in EUR on unrealised receivables.

In the first three quarters of 2023, sales of solar panels have risen by 35%, while sales of solar panel installations have fallen by 40%. For the third quarter, sales of solar panels grew by 52% while sales of solar panel installations dropped by 45%. This is explained by the fact that the company performs installations of fewer of its own solar cells. During the first half of the year, the sales organisation has focused on the onboarding of the customers with whom the company has signed offtake agreements. These customers, who are primarily European roofing material companies and solar cell installers, have varying degrees of previous experience in selling and installing panels to end customers. The goal is to integrate Midsummer's panels into our customers' own customer offerings. In the onboarding process, we focus on educating customers' marketing and installation organisations and developing joint business plans for launch.

We have also worked together with a number of international customers on certifications in the local markets, such as carbon dioxide calculations, fire safety tests and wind load tests. This is important, as Midsummer's panels are integrated with the customers' roofing materials, which together with the fact that our production is running at full capacity, means that we have reduced the focus on our own direct sales during the quarter.

During the first three quarters of 2023, we have accrued TSEK 19,551 (TSEK 132,380), of which TSEK 6,289 (TSEK 96,790) has had a positive effect on profit. The contribution from Invitalia, a state institution for investment and economic development, owned by the Italian Ministry of Economy and Finance, is recognised on an ongoing basis in relation to the supply of equipment. TSEK 13,262 (TSEK 35,590) has been offset against tangible fixed assets, which will reduce future depreciation costs. During the second quarter, Invitalia paid out TSEK 74,281, which was recognised as income in the previous year, in an initial partial payment of the grant, which thereby reduces accrued contract income by the same amount.

Cash flow and financing

▶ During the first three quarters of 2023, the cash flow was TSEK 67,420 (TSEK -133,424) due, among other factors, to the payment from Invitalia and the new issue that was carried out in the spring. Cash and cash equivalents amounted to TSEK 69,448 at the end of the quarter (TSEK 26,831 at the end of Q3, 2022).

▶ During the third quarter of 2023, the cash flow was TSEK -73,800 (TSEK -21,407). Cash and cash equivalents amounted to TSEK 69,448 at the end of the quarter (TSEK 26,831 at the end of Q3, 2022).

▶ The inventory in the Group grew slightly during the first three quarters from TSEK 20,471 to TSEK 30,857 (TSEK 28,731 at the end of Q3, 2022).

The cash flow was negative during the third quarter with TSEK 73,800 due to the work on the completion of the factory in Italy. Since the parent company manufactures the machines to be shipped to Italy, the investments end up as inventory at the parent company until delivery is made. The assets are then recognised as inventory in the subsidiary.

Investments

The total investments in tangible fixed assets during the first three quarters of 2023 for the Group were TSEK 23,409 (TSEK 43,804). Most of these total investments have been made in the new factory in Italy.

The total investments in tangible fixed assets during the first three quarters of 2023 for the parent company were TSEK 968 (TSEK 247).

Significant risks and uncertainties

Midsummer's operations comprise the development and manufacture of equipment for the production of flexible thin-film solar cells, as well as the production and sale of solar panels and integrated solar roofs. Midsummer's business is therefore associated with commercial and operational risks, legal and regulatory risks, and financial risks.

A detailed description of Midsummer's significant risks is available in the Directors' Report in the 2022 Annual Report.

This information also applies to the parent company.

Transactions with associates

No transactions with associates have taken place in the Group. However, associate transactions have taken place in the parent company.

In Q3, 2023, the parent company has not lent funds to the subsidiary, but has charged interest on existing loans of a total of TSEK 2,094 (TSEK 0) for the period and accumulated per balance sheet date 30/09/2023, TSEK 6,527 (TSEK 0) interest has been charged. For the previous year, intra-Group interest was charged on an annual basis. The parent company's total claim on the subsidiary at the end of the third quarter is TSEK 256,847 (TSEK 426,807). The reduction from the previous period is made up of repayment of debited interest from the subsidiary for the 2022 financial year and payments from Invitalia.

Ownership structure as at 30 September 2023

H. Waldaeus AB	13,660,955	10.56%
Nordea Fonder	8,890,968	6.87%
Jan Lombach privately and via company	8,525,939	6.59%
Brown Brothers Harriman & Co	8,444,634	6.53%
Philip Gao	6,305,400	4.87%
Avanza Pension	5,570,501	4.30%
Jörgen Persson privately and via company	5,350,000	4.13%
Infologix (BVI) Ltd.	3,384,893	2.62%
Liang Gao	2,648,304	2.05%
SEB Life International	2,341,033	1.81%
Other shareholders (12,985 owners)	64,277,318	49.67%
Total number of shares	**129,399,945**	**100.00%**

Consolidated statement of income and other comprehensive income

TSEK	Note	Jan.-Sep. 2023	Jan.-Sep. 2022	Jul.-Sep. 2023	Jul.-Sep. 2022
Net sales	3	34 938	35 534	11 898	11 881
Other operating income		15 914	110 384	4 718	4 106
		50 852	**145 918**	**16 616**	**15 987**
Own work capitalised		14 078	15 382	4 473	4 765
Raw materials and consumables		-64 659	-65 700	-16 050	-19 853
Other external expenses		-52 853	-41 806	-10 555	-12 918
Staff expenses		-63 262	-63 051	-23 389	-20 175
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets		-26 801	-25 431	-8 445	-8 742
Other operating expenses		-5 839	-1 021	-3 575	-236
Operating profit		**-148 483**	**-35 710**	**-40 926**	**-41 171**
Financial income		15 289	1 390	4	155
Financial expenses		-19 169	-14 111	-11 062	-5 111
Net financial items		**-3 880**	**-12 721**	**-11 058**	**-4 956**
Profit before tax		**-152 362**	**-48 430**	**-51 984**	**-46 127**
Tax		-	-	-	-
Profit for the period		**-152 362**	**-48 430**	**-51 984**	**-46 127**
Other comprehensive income					
Other comprehensive income for the period		9 954	24 222	-8 974	7 515
Comprehensive income for the period		**-142 408**	**-24 208**	**-60 958**	**-38 612**
Profit for the period attributable to:					
- Owners of the parent		-152 362	-48 430	-51 984	-46 127
Comprehensive income for the period attributable to:					
- Owners of the parent		-142 408	-24 208	-60 958	-38 612
Earnings per share					
- before dilution (SEK)		-1,66	-0,71	-0,57	-0,68
- after dilution (SEK)		-1,66	-0,71	-0,57	-0,68
Number of outstanding shares at end of reporting period					
- before dilution		129 399 945	67 741 409	129 399 945	67 741 409
- after dilution		148 366 501	67 741 409	148 366 501	67 741 409
Average number of outstanding shares					
- before dilution		91 967 339	67 741 409	91 967 339	67 741 409
- after dilution		99 204 577	67 741 409	99 204 577	67 741 409

Consolidated statement of financial position

TSEK	Note	2023-09-30	2022-12-31
TSEKAssets			
Intangible assets		53 794	54 332
Property, plant and equipment		163 237	145 387
Right-of-use asset		18 827	20 679
Non-current receivables		175	220
Total non-current assets		**236 032**	**220 618**
Inventories		30 857	20 471
Contract assets		76 252	73 921
Tax assets		3 812	2 833
Accounts receivable		20 248	16 041
Prepayments and accrued income		76 255	131 509
Other receivables		5 425	1 642
Cash and cash equivalents		69 449	2 389
Total current assets		**282 299**	**248 806**
Total assets		**518 331**	**469 424**
Equity			
Share capital		5 176	2 710
Other paid-in capital		702 931	530 037
Reserves in equity		28 543	18 588
Retained earnings incl. profit/loss for the period		-520 215	-367 853
Equity attributable to owners of parent		**216 435**	**183 482**
Total equity		**216 435**	**183 482**
Liabilities			
Non-current interest-bearing liabilities		210 000	10 000
Leasing liabilities		10 638	14 692
Other provisions		2 891	2 315
Total non-current liabilities		**223 529**	**27 007**
Current interest-bearing liabilities		8 943	215 215
Leasing liabilities		7 182	5 006
Trade payables		22 515	20 806
Tax liabilities		-	244
Other current liabilities		31 209	7 139
Accruals and deferred income		8 518	10 525
Total current liabilities		**78 367**	**258 935**
Total liabilities		**301 896**	**285 942**
Total equity and liabilities		**518 331**	**469 424**

Consolidated changes in equity – Group

Equity attributable to owners of parent

TSEK	Share capital	Other paid-in capital	Translation reserve	Retained earnings incl. profit/ loss for the period	Total	Non-controlling interests	Total equity
Opening equity 1 Jan 2023	**2 710**	**530 037**	**18 588**	**- 367 853**	**183 482**	**-**	**183 482**
Comprehensive income for the period							**-**
Profit for the period	**-**	**-**	**-**	**- 152 362**	**- 152 362**	**-**	**- 152 362**
Other comprehensive income for the period	-	-	9 954	-	9 954	-	9 954
Comprehensive income for the period	**-**	**-**	**9 954**	**- 152 362**	**- 142 408**	**-**	**- 142 408**
New issue	2 466	172 895	-	-	175 361	-	175 361
Closing equity 30 Jun 2023	**5 176**	**702 931**	**28 543**	**- 520 215**	**216 435**	**-**	**216 435**

TSEK	Share capital	Other paid-in capital	Translation reserve	Retained earnings incl. profit/ loss for the period	Total	Non-controlling interests	Total equity
Opening equity 1 Jan 2022	**2 710**	**530 037**	**224**	**- 280 015**	**252 956**	**-**	**252 956**
Comprehensive income for the period	-	-	-	-	-	-	-
Profit for the period	**-**	**-**	**-**	**- 87 836**	**- 87 836**	**-**	**- 87 836**
Other comprehensive income for the period	-	-	18 364	-	18 364	-	18 364
Comprehensive income for the period	**-**	**-**	**18 364**	**- 87 836**	**- 69 471**	**-**	**- 69 471**
New issue	-	-	-	-	-	-	-
Closing equity 31 Dec 2022	**2 710**	**530 037**	**18 588**	**- 367 853**	**183 482**	**-**	**183 482**

Consolidated cash flow

TSEK	Note	Jan.-Sep. 2023	Jan.-Sep. 2022	Apr. -Sep. 2023	Apr.-Sep. 2022
Operating activities					
Comprehensive income for the period		-152 372	-48 430	-59 182	-46 127
Adjustment for non-cash items		90 276	-43 463	-2 697	5 310
Income tax paid		-	-	-	-
			-	-	-
Increase (-)/Decrease (+) in inventories		-10 386	1 653	-3 951	-170
Increase (-)/Decrease (+) in operating receivables		-10 777	-10 085	-7 266	-1 961
Increase (+)/Decrease (-) in operating liabilities		27 410	11 333	-697	9 977
Cash flow from operating activities		**-55 848**	**-88 950**	**-73 792**	**-32 971**
			-	-	-
Investing activities			-	-	-
Acquisitions of property, plant and equipment		-23 409	-43 804	8 328	-1 741
Acquisition of intangible assets		-15 371	-15 434	2 822	-4 787
Cash flow from investing activities		**-38 779**	**-59 238**	**11 150**	**-6 528**
			-	-	-
Financing activities			-	-	-
Share issue		175 361	-	-	-
New loans		20 000	20 000	-	20 000
Repayment of loans		-28 125	-	-9 375	-
Repayment of leasing liabilities		-5 188	-5 236	-1 782	-1 908
Cash flow from financing activities		**162 048**	**14 764**	**-11 157**	**18 092**
			-	-	-
Cash flow for the period		**67 420**	**-133 424**	**-73 800**	**-21 407**
Cash and cash equivalents at start of period		2 389	159 161	143 557	48 216
Exchange difference in cash and cash equivalents		-361	1 094	-308	23
Cash and cash equivalents at end of period		**69 448**	**26 831**	**69 448**	**26 831**

Income statement for the parent company

TSEK	Note	Jan.-Sep. 2023	Jan.-Sep. 2022	Jul.-Sep. 2023	Jul.-Sep. 2022
Net sales	3	88 880	383 954	66 338	11 771
Change in goods in progress, finished goods and work in progress		18 351	-86 216	10 112	177
Own work capitalised		14 078	15 382	4 473	4 765
Other operating income		4 157	5 413	1 133	833
		125 466	**318 533**	**82 056**	**17 546**
Raw materials and consumables		-74 928	-64 047	-20 350	-20 022
Other external expenses		-53 133	-44 325	-11 636	-12 920
Staff expenses		-60 522	-60 598	-22 330	-19 433
Deprication/amortisation and impairment of property, plant and equipement and intangible assets		-21 505	-20 421	-6 627	-7 061
Other operating expenses		-3 558	-19 315	-1 573	-236
Operating profit		**-88 179**	**109 827**	**19 542**	**-42 127**
		-	-	-	-
Profit from financial items		-	-	-	-
Profit from other securities and receivables that are non-current assets		4	-	-1	-
Other interest income and similar profit/loss items		21 916	1 389	-6 517	154
Interest expenses and similar profit/loss items		-18 460	-13 887	-2 104	-5 045
Profit after financial items		**-84 718**	**97 328**	**10 921**	**-47 018**
Profit before tax		**-84 718**	**97 328**	**10 921**	**-47 018**
Tax		-	-	-	-
Profit for the period		**-84 718**	**97 328**	**10 921**	**-47 018**

Statement of income and other comprehensive income for the parent company

TSEK	Note	Jan.-Sep. 2023	Jan.-Sep. 2022	Jul.-Sep. 2023	Jul.-Sep. 2022
Profit for the period		-84 718	97 328	10 921	-47 018
Other comprehensive income		-	-	-	-
Comprehensive income for the period		**-84 718**	**97 328**	**10 921**	**-47 018**

Balance sheet for the parent company

TSEK	Note	2023-09-30	2022-09-30	2022-12-31
Assets				
Non-current assets				
Intangible assets		53 621	54 548	54 165
Property, plant and equipment		20 118	26 830	24 703
Financial non-current assets				
- Interests in subsidiaries		260 481	256 387	256 387
- Receivables at Group companies		135 421	180 327	191 226
- Other non-current receivables		175	235	220
Total financial non-current assets		**396 077**	**436 948**	**447 833**
Total non-current assets		**469 816**	**518 327**	**526 701**
		-	-	-
Current assets				
Inventories, etc.		71 387	59 141	53 015
Current receivables				
- Accounts receivable		20 248	18 725	16 041
- Receivables at Group companies		253 847	221 515	242 166
- Contract assets		30 813	30 550	30 343
- Other receivables		6 462	4 578	990
- Prepayments and accrued income		2 253	2 885	2 590
Total current receivables		**313 623**	**278 253**	**292 130**
Cash and bank balances		65 994	25 686	2 212
Total current assets		**451 003**	**368 080**	**347 357**
		-	-	-
Total assets		**920 819**	**881 406**	**874 058**

Balance sheet for the parent company continues on next page

Balance sheet for the parent company continued

TSEK	2023-09-30	2022-09-30	2022-12-31
Equity and liabilities			
Equity			
Restricted equity			
- Share capital	5 176	2 710	2 710
- Fund for development expenses	53 207	53 995	53 627
Non-restricted equity			
- Share premium reserve	702 931	530 037	530 037
- Retained earnings	-266 158	-344 444	-344 075
- Profit for the period	-84 718	95 965	77 497
Total equity	**410 439**	**338 263**	**319 796**
Provisions			
- Other provisions	2 891	2 026	2 315
Total provisions	**2 891**	**2 026**	**2 315**
Non-current liabilities			
-Bonds	200 000	194 000	-
- Liabilities to credit institutions	10 000	15 192	10 000
Total non-current liabilities	**210 000**	**209 192**	**10 000**
Current liabilities			
- Liabilities to credit institutions	8 942	10 000	215 192
- Trade payables	15 242	19 076	20 753
- Liabilities to Group companies	234 069	288 510	288 510
- Other liabilities	30 754	4 657	7 002
- Accruals and deferred income	8 482	9 682	10 491
Total current liabilities	**297 489**	**331 925**	**541 947**
Total equity and liabilities	**920 819**	**881 406**	**874 058**

Note 1 Accounting policies

This condensed consolidated interim report was prepared in accordance with IAS 34, Interim Financial Reporting, and applicable provisions in the Swedish Annual Accounts Act. The interim report for the parent company has been prepared in accordance with Chapter 9, Interim Financial Reports, in the Swedish Annual Accounts Act. The same accounting policies and methods of computation have been applied for the Group and the parent company as in the most recent annual report.

Disclosures in accordance with IAS 34.16A appear in the financial statements and their accompanying notes, as well as in other sections of this interim report.

Note 2 Key estimates and assessments

The company management and the Board have discussed the development, choice and information regarding the Group's important accounting policies and estimates, as well as the application of these policies and estimates.

Listed below are some important accounting assessments and estimates.

Leases

The Group has leases for both vehicles and premises. When ascertaining the size of leasing liabilities and leasing assets, assessments are required to determine whether it is reasonably certain that the Group will use the extension options. When assessing whether it is reasonably certain that extension options will be used for the premises, the Group has taken into consideration its future growth, and based on this, it has determined how long it could use the current premises. As a result, the Group has determined that it is not reasonably certain that the Group will use its extension options. However, this is something that may change in the future and would then affect the size of the leasing liability and leasing asset.

Revenue recognition

Revenue is measured based on the consideration specified in the contract with the customer. The Group recognises revenue when control over goods or services transfers to the customer. Assessments are required to determine the time when control is transferred, i.e. a point in time or a period of time. For contracts that have been signed with customers, the Group assessed that some of these contracts meet the requirements for revenue recognition over time, while others do not. Consequently, revenues from some contracts are recognised over a period of time and not at a point in time, while revenues from other contracts are recognised based on performance obligations being met at a point in time.

Note 3 Operating segments and revenue allocation

The Group's business is divided into operating segments based on the parts of the business monitored by the company's chief operating decision-maker. This is known as a management approach. The Group's internal reporting is structured so as to allow Group management to follow up on the operations in their entirety. Based on this internal reporting the Group has identified that the Group only has one segment.

Revenue streams

The Group generates revenue from its two product lines, Production Equipment and Solar Roofs. The Production Equipment product line is divided into the sale of production equipment for solar cell production, the process for solar cell production and the service of the production equipment. The Solar Roofs product line includes the sale and installation of solar panels and solar roofs, as well as replacement roofs.

Breakdown of revenue from contracts with customers

The breakdown of revenue from contracts with customers into major product and service areas is summarised below.

Product line	**Production Equipment**		**Solar Roofs**		**Total**	
Product/service area	**Jan.-Sep. 2023**	**Jan.-Sep. 2022**	**Jan.-Sep. 2023**	**Jan.-Sep. 2022**	**Jan.-Sep. 2023**	**Jan.-Sep. 2022**
Production equipment for solar cell production	4 552	4 707	-	-	4 552	4 707
Process for solar cell production	-	-	-	-	-	-
Service and support	497	2 020	-	-	497	2 020
Solar Roofs	-	-	29 847	28 771	29 847	28 771
Other	-	-	42	36	42	36
Total	**5 049**	**6 727**	**29 889**	**28 807**	**34 938**	**35 534**

Product line	**Production Equipment**		**Solar Roofs**		**Total**	
Product/service area	**Jul.-Sep. 2023**	**Jul.-Sep. 2022**	**Jul.-Sep. 2023**	**Jul.-Sep. 2022**	**Jul.-Sep. 2023**	**Jul.-Sep. 2022**
Production equipment for solar cell production	- 161	155	-	-	- 161	155
Process for solar cell production	-	-	-	-	-	-
Service and support	- 115	649	-	-	- 115	649
Solar Roofs	-	-	12 166	11 061	12 166	11 061
Other	-	-	9	16	9	16
Total	**- 276**	**804**	**12 175**	**11 077**	**11 899**	**11 881**

Geographic areas

Product line	Production Equipment		Solar Roofs		Total	
Geographic area	**Jan.-Sep. 2023**	**Jan.-Sep. 2022**	**Jan.-Sep. 2023**	**Jan.-Sep. 2022**	**Jan.-Sep. 2023**	**Jan.-Sep. 2022**
Sweden	40	-	24 898	27 630	24 938	27 630
China/Hong Kong	771	4 141	-	162	771	4 303
EU	-	-	795	647	795	647
Other	4 238	2 586	4 196	368	8 434	2 954
Total	**5 049**	**6 727**	**29 889**	**28 807**	**34 938**	**35 534**

Product line		Production Equipment		Solar Roofs		Total	
Geographic area		**Jul.-Sep. 2023**	**Jul.-Sep. 2022**	**Jul.-Sep. 2023**	**Jul.-Sep. 2022**	**Jul.-Sep. 2023**	**Jul.-Sep. 2022**
Sweden		-	-	9 811	10 819	9 811	10 819
China/Hong Kong		-	752	-	-	-	752
EU		-	-	518	249	518	249
Other	-	275	52	1 846	9	1 570	61
Total	**-**	**275**	**804**	**12 175**	**11 077**	**11 899**	**11 881**

Revenue from external customers refers to individual countries using the country where the customer is based.

The Group's fixed assets are primarily located in Italy to the Group's subsidiary Midsummer Italia Srl Of the Group's total fixed assets of TSEK 236,032 (TSEK 201,089), fixed assets are based in Sweden valued at TSEK 94,965 (TSEK 90,816) and in Italy at TSEK 141,067 (TSEK 110,274).

Note 4 Fair value of financial instruments

The carrying value of all financial assets and liabilities provide a reasonable approximation of fair value.

Future reporting dates

- **23/02/2024** Year-end report 2023
- **19/04/2024** Financial statements 2023
- **01/05/2024** Interim report Q1 2024
- **22/05/2024** Annual General Meeting
- **19/07/2024** Interim report Q2 2024
- **28/10/2024** Interim report Q3 2024
- **12/02/2025** Year-end report 2024

Certification

The Board of Directors and the Chief Executive Officer hereby certify that this interim report provides an accurate overview of the operations, position and earnings of the Group and the parent company and that it describes the material risks and uncertainties faced by the parent company and the Group companies.

Signatures/submission of the report

Stockholm 1 november 2023

Robert Sjöström
Board Chair

Jan Lombach
Board Member

Christel Prinsén
Board Member

Philip Gao
Board Member

Lars-Ola Lundkvist
Board Member

Mikael Nicander
Board Member

Sven Lindström
External CEO.

Eric Jaremalm
External Deputy CEO

Definitions and descriptions of alternative key performance indicators

The company presents some financial measures in this interim report that are not defined under IFRS. The company believes that these measures provide valuable supplemental information for investors and the company's management as they enable the evaluation of the company's performance.

Operating profit

Operating profit is profit before net financial items and taxes.
Operating profit is a measure that aims to show profitability in operating activities.

EBITDA

Operating profit before depreciation/amortisation and impairment.
EBITDA is a measure that the Group regards as relevant for investors who wish to understand the earnings generated before investments in non-current assets.

Operating margin

Operating profit/net sales
Operating margin is a measure that aims to show the profitability ratio in operating activities.

EBITDA margin

EBITDA/Net sales
EBITDA margin is a measure that the Group regards as relevant for investors who wish to understand the earnings generated in relation to sales before investments in non-current assets.

Equity/assets ratio

Equity in relation to total assets.
The equity/assets ratio is a key performance indicator that shows the proportion of the assets that are financed with equity and can be used as an indication of the company's long-term solvency.

New orders

The value of orders received and changes to existing orders during the current period.

Order book

The value of existing orders at the end of the current period.

Calculation of key performance indicators

EBITDA	Jan.-Sep. 2023	Jan.-Sep. 2022	Jul.-Sep. 2023	Jul.-Sep. 2022
Operating profit	-148 483	-35 710	-40 926	-41 171
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets	26 801	25 431	8 445	8 742
EBITDA	-121 682	-10 278	-32 481	-32 429

Operating margin	Jan.-Sep. 2023	Jan.-Sep. 2022	Jul.-Sep. 2023	Jul.-Sep. 2022
Operating profit	-148 483	-35 710	-40 926	-41 171
Net sales	34 938	35 534	11 898	11 881
Operating margin	Negative	Negative	Negative	Negative

EBITDA margin	Jan.-Sep. 2023	Jan.-Sep. 2022	Jul.-Sep. 2023	Jul.-Sep. 2022
EBITDA	-121 682	-10 278	-32 481	-32 429
Net sales	34 938	35 534	11 898	11 881
EBITDA margin	Negative	Negative	Negative	Negative

Equity/assets ratio	Jan.-Sep. 2023	Jan.-Sep. 2022	Jul.-Sep. 2023	Jul.-Sep. 2022
Total equity	216 435	228 732	216 435	228 732
Total assets	518 331	492 298	518 331	492 298
Equity/assets ratio	41,76%	46,46%	41,76%	46,46%

KPMG

Granskningsrapport

Till styrelsen i Midsummer AB (publ)

Org. nr 556665-7838

Inledning

Vi har utfört en översiktlig granskning av den finansiella delårsinformationen i sammandrag (delårsrapporten) för Midsummer AB (publ) per den 30 september 2023 och den niomånadersperiod som slutade per detta datum. Det är styrelsen och verkställande direktören som har ansvaret för att upprätta och presentera denna delårsrapport i enlighet med IAS 34 och årsredovisningslagen. Vårt ansvar är att uttala en slutsats om denna delårsrapport grundad på vår översiktliga granskning.

Den översiktliga granskningens inriktning och omfattning

Vi har utfört vår översiktliga granskning i enlighet med International Standard on Review Engagements ISRE 2410 *Översiktlig granskning av finansiell delårsinformation utförd av företagets valda revisor*. En översiktlig granskning består av att göra förfrågningar, i första hand till personer som är ansvariga för finansiella frågor och redovisningsfrågor, att utföra analytisk granskning och att vidta andra översiktliga granskningsåtgärder. En översiktlig granskning har en annan inriktning och en betydligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt ISA och god revisionssed i övrigt har. De granskningsåtgärder som vidtas vid en översiktlig granskning gör det inte möjligt för oss att skaffa oss en sådan säkerhet att vi blir medvetna om alla viktiga omständigheter som skulle kunna ha blivit identifierade om en revision utförts. Den uttalade slutsatsen grundad på en översiktlig granskning har därför inte den säkerhet som en uttalad slutsats grundad på en revision har.

Slutsats

Grundat på vår översiktliga granskning har det inte kommit fram några omständigheter som ger oss anledning att anse att delårsrapporten inte, i allt väsentligt, är upprättad för koncernens del i enlighet med IAS 34 och årsredovisningslagen samt för moderbolagets del i enlighet med årsredovisningslagen.

Stockholm den 1 november 2023

KPMG AB

Mattias Lötborn
Auktoriserad revisor