

Interim Report

January – March 2021

Financial review Q1 2021

Product sales

SEK 6.5 million
(5.2)

Equity as at 31 March 2021 amounted to SEK 2.78 per share (2.84), equivalent to

42,3 MSEK (41,1)

Net sales

SEK 7.1 million
(5.9)

The equity ratio as at 31 March 2021 was

86% (82)

Gross profit

SEK 1.0 million
(0.1)

Cash flow from operating activities before changes in working capital totalled

-5,6 MSEK (-6,0)

Operating profit/loss

SEK -5.7 million
(-6.7)

At 31 March 2021, cash and cash equivalents totaled

5,5 MSEK (16,3)

Profit/loss after net financial items

SEK -5.7 million
(-6.7)

Earnings per share

SEK -0.37
(-0.46)

Events during the first quarter

14 January 2021: PiezoMotor confirms work with motors for mobile phone cameras

During 2020, PiezoMotor received enquiries from a number of mobile phone manufacturers relating to micromotors for the zoom function in mobile phone cameras.

- PiezoMotor developed and presented a range of initial design options based on the company's smallest micromotors
- The design options were evaluated by two of the world's largest mobile phone manufacturers
- Discussions were initiated on the conditions surrounding the delivery of the prototypes.

21 January 2021: PiezoMotor delivers prototypes for mobile phone cameras

The company decided to produce and deliver prototypes of micromotors for mobile phone cameras to two of the world's largest players in this market. Deliveries are planned for the first half of 2021. Similar motors will be supplied to both parties. To increase the potential value for the company, PiezoMotor decided not to offer exclusivity initially to any one customer within the segment and agreed that the deliveries would also be made free of charge.

26 January 2021: PiezoMotor initiates the next phase of the 5G project.

Tests of the LINK mass volume motor – which were carried out in 2020 by one of the largest manufacturers of telecoms infrastructure equipment – were highly successful, and PiezoMotor has received an order for additional LINK motors and electronics for the next phase. The application consists of microwave filters for 5G.

4 February 2021: PiezoMotor wins order for tissue diagnostics.

Deliveries of the first micromotors will take place during the first half of 2021 and involve pre-production of diagnostic systems. Full-scale production of systems is planned from and

including 2023 with anticipated annual delivery volumes by PiezoMotor to a value of around SEK 3 million.

5 February 2021: PiezoMotor wins order for advanced microscopy.

The approximate value of the order is SEK 0.5 million and delivery will be in the first quarter of 2021. PiezoMotor regards the order as a trial order, with excellent prospects for follow-up business. The customer is a leading global manufacturer and supplier of products in areas including FIB microscopy and scanning electron microscopes (SEM).

10 February 2021: PiezoMotor wins a trial order in the semiconductor industry.

PiezoMotor wins a trial order from a Chinese customer in the semiconductor industry. Deliveries will take place during the current quarter.

25 February 2021: PiezoMotor wins an order in microfluidics

The order value is SEK 250,000, and refers to pre-production. Delivery will take place during the first quarter of 2021. Follow-up orders are expected during the current year. Full-scale production of the diagnostic system is expected to be achieved in 2023 and this is estimated to generate SEK 2 million in annual revenue for PiezoMotor.

16 March 2021: PiezoMotor wins a follow-up order from a Chinese customer in the semiconductor industry

The approximate value of the order is SEK 1 million and delivery will take place in the second quarter of 2021. The customer manufactures lithography equipment and offers great potential for future sales growth for PiezoMotor.

19 March 2021: PiezoMotor wins follow-up order from Ginolis

The order is for solutions in microfluidics for a system in production. The value of the order is SEK 0.5 million and delivery will be in the first quarter of 2021. It is anticipated that further deliveries to this customer will take place during the current year.

Events after the end of the period

21 April 2021 PiezoMotor enters into agreement to acquire Sensapex

The Company has entered into an agreement to acquire Sensapex Oy, a developer and producer of advanced positioning systems in areas such as Life Science. The purchase price amounts initially to a total of around EUR 13.6 million, and this will be paid partly in cash and partly in the form of newly-issued series B shares in PiezoMotor. The transaction is conditional on the Company being able to secure the necessary financing of the cash element and on an Extraordinary General Meeting of the Company granting the Board of Directors the necessary authority to issue the shares for the purchase. The financing depends in part on a resolution of an Extraordinary General Meeting. The Board of Directors intends to call an Extraordinary General Meeting shortly.

Sensapex Oy develops and manufactures advanced positioning systems in areas such as Life Science. With an extensive customer base, Sensapex is an established supplier to a large number of research and development units all over the world.

Sensapex is ready to launch its third-generation systems, which enable fully automated workflows in advanced microscopy.

The acquisition of Sensapex is the first stage in PiezoMotor's previously announced strategy of using acquisitions to build a corporate group which is ready to respond to the market's demand for ever increasing precision and miniaturisation. Through the acquisition of Sensapex, PiezoMotor will offer systems solutions for a wide range of market areas and applications. The value of the systems is greater than the value of the individual components. The acquisition of Sensapex also strengthens PiezoMotor's finances, creating stability and providing scope for continued growth.

21 April 2021 PiezoMotor announces its intention to implement two private placements of new shares through an accelerated book building process.

The Company has commissioned ABG Sundal Collier to prepare for two private cash placements totalling around SEK 85 million using an accelerated book building process. The purpose of the private placements is primarily to finance the cash element of the purchase price in the acquisition of Sensapex.

25 percent growth and our first acquisition

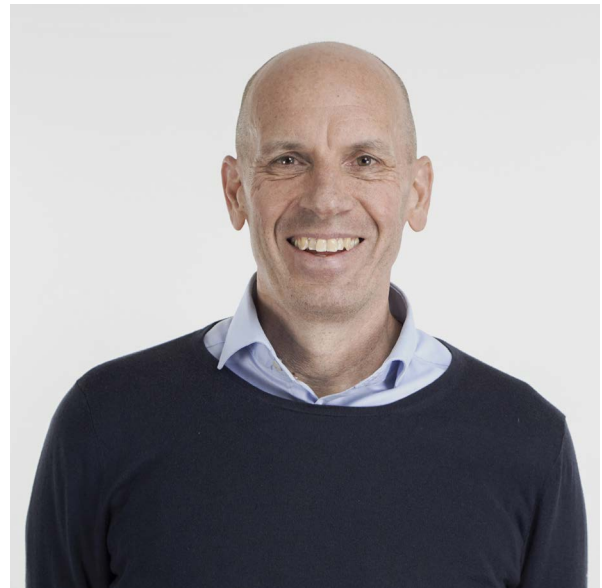
2021 has begun extremely well for PiezoMotor. We have increased our product sales by 25 percent compared with Q1 2020. Our switch to increasingly direct sales is generating results in the form of a strong inflow of orders and a more rapid throughput of projects from start to full production mode. We are in a clear growth phase.

The single most important event occurred, however, after the end of the quarter – we carried out our first acquisition. Our Precision segment is well placed to grow even more strongly and deliver even greater value if we can supplement our component sales by supplying more and more complete systems. This is the background to our acquisition of Sensapex. The acquisition gives us a strong and focused foothold in Life Science, which complements our organic pipeline. We also see an excellent opportunity to integrate our product platforms with Sensapex's systems, enabling us to grow in new application areas.

The payment for Sensapex is a combination of shares and cash. We are financing the cash element through a new issue placed with a strong collective of investors consisting of both existing shareholders and new institutions and professional investors. A contingent consideration may be paid depending on Sensapex's sales performance over the next two years. For full payment of the contingent consideration, a high level of growth is required – in the order of 75 % per year.

I see the acquisition of Sensapex as the starting point for us in our ambition to build a corporate group which supplies ground-breaking products and systems to satisfy the future demand for ever higher precision and greater miniaturisation.

In parallel with our Precision segment, we are continuing to work with our two other focus areas – Compact Drives and Consumer. In Compact Drives, there are several promising projects in hand and these are making real progress. In Consumer, we have developed prototypes for integrating in mobile phone cameras and discussions are being held with potential industrial partners.



A handwritten signature in blue ink, which appears to read 'Anders Kottenauer'. The signature is fluid and cursive, with a long horizontal line extending to the right.

Anders Kottenauer, CEO

Revenue

Product sales during the first quarter of 2021 amounted to SEK 6.5 million, equivalent to the growth of 25 percent over the first quarter of 2020. Other sales consisted of project revenue and licence revenue. Net sales during the first quarter totalled SEK 7.1 million, compared with SEK 5.9 million during the corresponding period of 2020.

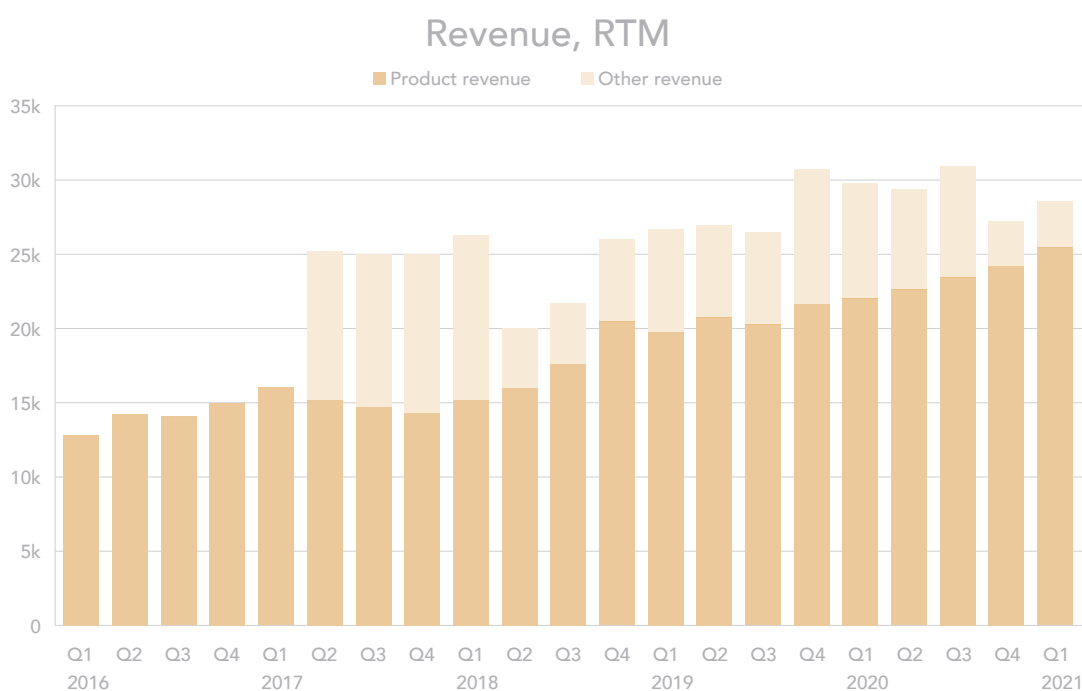
Profit/loss

Gross profit for the first quarter amounted to SEK 1.0 million (0.1). The gross margin was 14 percent (0). The operating loss for the first quarter amounted to SEK -5.7 million (-6.7). Loss after tax for the period amounted to SEK -5.7 million (-6.7). Earnings per share were SEK -0.37 (-0.46).

Cash flow, investments and liquidity

At the end of the first quarter, the company had cash and cash equivalents of SEK 5.5 million (16.3).

Cash flow from operating activities, before changes in working capital, amounted to SEK -5.6 million (-6.0). Investments of SEK 2.3 million were made during the year in the new motor platform, LINK. Of these, SEK 1.6 million were recognised as intangible assets and SEK 0.7 million as tangible assets.



Personnel

The average number of employees during the first quarter of 2021 was 39 (33), of whom 15 were women (11).

Significant events

Significant events during the first quarter and after the end of the quarter, see above.

All press releases are on the website www.piezomotor.com

Financing

On 21 April 2021, PiezoMotor carried out a directed share issue which secures the Company's operating needs for the next 12 months.

COVID-19

PiezoMotor has seen no clear indications so far that the situation surrounding the spread of Covid-19 is affecting the inflow of orders, but this is something which the company is monitoring and is prepared to deal with if that should be the case. The risk of losing customers is regarded as low. At present, PiezoMotor has no supply problems as regards materials but, for safety's sake, the stocks of certain critical components have been increased. Increased absence due to illness is a future risk but, at this moment, there is nothing to suggest that the company cannot maintain the necessary production rate and deliveries for prioritised projects. Given the external uncertainties faced by PiezoMotor, the company is paying particular attention to liquidity.

Principles for drawing up the interim report

The financial statements in this interim report have been drawn up in accordance with the same principles as the company's latest annual report for 2019, that is to say, in accordance with the Swedish Annual Accounts Act and BFNAR [the Swedish Accounting Standards Board] regulation 2012:1 Annual Reports.

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

PiezoMotor consists solely of a parent company.

Definitions

Earnings per share: The profit/loss for the period divided by the average number of outstanding shares.

Equity/assets ratio: Equity as a percentage of total assets

Financial calendar

The annual report is published no later than three weeks before the annual general meeting.

Annual general meeting	24 June 2021
Interim report January – June 2021	24 August 2021
Interim report January – September 2021	26 October 2021
Year-end report January – December 2021	15 February 2022

Shares and share capital

Shareholders	Number of shares 31 Mar 2021	Share- holding (%) 31 Mar 2021	Number of shares 31 Dec 2020	Change in number of shares
Dahlberg, Adam	2,851,809	18.4	2,851,809	0
Fritz Faulhaber GmbH & Co,kg, Dr	2,292,120	14.8	2,292,120	0
Gaudium IVST, LLC	2,287,168	14.8	2,287,168	0
Handelsbanken Microcap	1,000,000	6.5	1,099,925	-99,925
Swedbank Robur Ny Teknik Bti	922,400	6.0	923,493	-1,093
Länsförsäkringar Fonder	647,567	4,2	1,003,716	-356,149
Försäkringsaktiebolaget, Avanza Pension	632,981	4.1	512,131	120,850
Berger, Gunvald	267,283	1.7	267,283	0
Tibia Konsult Ab	195,179	1.3	195,179	0
Crossbow Ab	170,415	1.1	183,410	-12,995
Other (approx. 2,600)	4,213,048	27.2	3,863,736	349,312
Total	15,479,970	100.0	15,479,970	0

Certified Adviser

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Submission of interim report

Uppsala, 22 April 2021
PiezoMotor Uppsala AB (publ)

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Adam Dahlberg, Chairman of the Board

Henrik Nittmar, Board Member

Gert Frech-Walter, Board Member

Ping Faulhaber, Board Member

Joakim Stenberg, Board Member

Anders Kottenauer, CEO

Income statement (SEK thousand)

	1 Jan 2021 31 Mar 2021	1 Jan 2020 31 Mar 2020	1 Jan 2020 31 Dec 2020
Product sales	6,466	5,205	23,983
Other income	680	733	3,399
Net sales	7,146	5,938	27,382
Cost of goods sold	-5,958	-5,790	-23,117
Gross profit	1,014	148	4,265
Selling expenses	-1,195	-249	-1,860
Administrative expenses	-3,154	-3,673	-14,783
R&D expenses	-2,607	-2,614	-10,806
Other operating income	366	274	976
Other operating expenses	-109	-548	-1,753
Operating profit/loss	-5,685	-6,663	-23,960
Interest income	0	24	0
Interest expense and similar financial expenses	-14	-65	-118
Profit/loss after financial expenses	-5,699	-6,703	-24,078
Tax on profit/loss for the period	0	0	0
Profit/loss for the period	-5,699	-6,703	-24,078
Basic earnings per share	-0.37	-0.46	-1.60
Diluted earnings per share	-0.37	-0.46	-1.60
Average number of shares (thousand)	15,480	14,472	15,060
Number of shares at end of period (thousand)	15,480	14,472	15,480

Balance sheet (SEK thousand)

Assets	31 Mar 2020	31 Dec 2020	31 Mar 2020
Non-current assets			
Intangible assets			
Capitalised research and development expenditure	11,246	9,606	7,913
Patents and other intangible assets	2,027	2,070	1,914
Other intangible assets	1,548	1,655	915
Tangible assets			
Plant, machinery and equipment	5,941	5,555	4,960
Financial assets			
Deferred tax	752	752	752
Total non-current assets	21,515	19,637	16,455
Current assets			
Stock	11,454	11,103	11,216
Accounts receivable	4,639	6,612	3,227
Tax assets	626	492	173
Other receivables	2,904	1,968	0
Prepaid expenses and accrued income	3,468	2,604	2,796
Cash and bank balances	5,521	17,320	16,315
Total current assets	28,611	40,099	33,727
Total assets	50,126	59,736	50,182

Equity and liabilities

Equity	31 Mar 2021	31 Dec 2020	31 Mar 2020
Restricted equity			
Share capital	7,740	7,740	7,236
Development expenditure fund	11,246	9,606	8,372
Total restricted equity	18,986	17,346	15,608
Non-restricted equity			
Share premium reserve	29,690	55,408	32,146
Profit/loss for the period	-5,699	-24,078	-6,703
Total non-restricted equity	23,991	31,331	25,443
Total equity	42,977	48,676	41,051
Long-term liabilities to credit institutions	0	0	649
Short-term liabilities to credit institutions	650	1,210	2,243
Advances from customers	0	3	410
Accounts payable	2,278	5,233	2,435
Other liabilities	1,398	1,296	695
Accrued expenses and prepaid income	2,822	3,318	2,699
Total equity and liabilities	50,126	59,736	50,182

Statement of cash flows (SEK thousand)

	1 Jan 2021 31 Mar 2021	1 Jan 2020 31 Mar 2020	1 Jan 2019 31 Dec 2019
Profit/loss after financial items	-5,699	-6,703	-24,078
Adjustment for items not included in cash flow			
Amortisation/depreciation/impairment	424	277	1,308
Other	-280	443	0
	144	720	1,308
Cash flow from operating activities before changes in working capital	-5,555	-5,984	-22,769
Changes in working capital			
Stock	-351	1,253	1,366
Operating receivables	40	7,899	2,419
Operating liabilities	-3,072	-1,676	1,934
	-3,383	7,475	5,719
Cash flow from operating activities after changes in working capital	-8,938	1,492	-17,051
Investing activities			
Acquisition of intangible assets	-1,641	-1,057	-4,021
Acquisition of property, plant and equipment	-659	-561	-1,812
Cash flow from investing activities	-2,300	-1,619	-5,832
Financing activities			
New share issue	0	0	25,538
Amortisation of loans	-561	-561	-2,243
Other	0	95	0
Cash flow from financing activities	-561	-466	23,295
Cash flow for the period	-11,799	-593	412
Opening cash and cash equivalents	17,320	16,908	16,908
Closing cash and cash equivalents	5,521	16,315	17,320

Note 1 Gross Margin (SEK thousand)

	1 Jan 2021 31 Mar 2021	1 Jan 2020 31 Mar 2020	1 Jan 2020 31 Dec 2020
Product sales	6,466	5,205	23,983
Direct materials	-1,812	-2,542	-7,669
Other direct production costs	-4,136	-2,784	-13,422
Depreciation/amortisation	-174	-170	-589
Gross profit on product sales	344	-292	2,303
Contribution margin 1 product sales	72%	51%	68%
Gross margin product sales	5%	-6%	10%
Other income	680	733	3,399
Cost of goods sold other income	-10	-293	-1,437
Gross profit other income	670	440	1,962
Total sales for the period	7,146	5,938	27,382
Gross profit for the period	1,014	148	4,265
Gross margin for the period	14%	2%	16%

Note 2 Change in Equity (SEK thousand)

	January – March 2021	January – December 2020	January – March 2020
Opening balance	48,676	47,754	47,754
New share issue	0	25,000	0
Profit/loss for the period	-5,699	-24,078	-6,703
Closing balance	42,977	48,676	41,051

Share capital consists of 15,479,970 shares, of which 0 are series A and 15,479,970 are series B.
There are 370,500 outstanding options in the company in total.

The number of shares and warrants is unchanged during the period.

