Foxway

Interim Report Q1 2024

January – March 2024

- **Total revenue amounted to SEK 1,830.9 million, an increase of 3%.**
- **Adjusted EBITDA amounted to SEK 116.2 million, corresponding to an adjusted EBITDA margin of 6.3%.**
- **Adjusted operational EBITDA amounted to SEK 35.6 million, corresponding to an adjusted operational EBITDA margin of 1.8 %.**
- **Operating profit/loss (EBIT) amounted to SEK -13.2 million, corresponding to an EBIT margin of -0.7%.**

This is the second quarter for the new Foxway Group which was formed on October 5, 2023 when Foxway became a portfolio company of Nordic Capital XI. The Group's fiscal year 2023 covered only the period October 5 – December 31, 2023.

IFRS proforma for Q1 2023 and full year 2023 includes the consolidated former Foxway Group based on International Financial Reporting Standards (IFRS) and is presented for information purposes.

MSEK	Q1 2024	Q1 2023 IFRS Proforma	Full year 2023 IFRS Proforma
Total revenue	1,830.9	1,783.8	7,387.6
Operational net sales*	1,985.2	1,889.8	7,853.8
Adjusted EBITDA*	116.2	143.3	658.8
Adjusted EBITDA margin %*	6.3%	8.0%	8.9%
Adjusted operational EBITDA*	35.6	68.1	351.0
Adjusted operational EBITDA margin %*	1.8%	3.6%	4.5%
Operating profit/loss (EBIT)	-13.2	41.6	121.9
EBIT margin %	-0.7%	2.3%	1.7%

**) For definitions of key ratios, refer to the alternative performance measures and definitions on page 16-17.*

Comments from the CEO

In the first quarter of 2024, Foxway's three business areas have continued to strengthen their operational foundation, drive cultural transformation, and effectively supply our European customers with circular tech services.

The Circular Workplace Solutions (CWS) business area is performing as planned. We see an increased demand in the market for these services, evidenced by our strong pipeline of customers. Our strong conviction is that the as-a-service offering will experience increasing demand over time, as more companies adopt more circular solutions for their IT equipment.

The Recommerce Mobile business area saw increased revenue in Q1 compared to last year, driven by higher mobile volumes (+55% compared to same period last year), a testament to the growth potential and scalable setup. However, the Recommerce Mobile business was challenged by lower-than-expected gross margins for Apple iPhones due to lower-than-expected sales prices as a result of Apple unexpectedly pricing their newest iPhone model at an extraordinary low price which had a cascading effect on pricing of older models, both new and refurbished.

Historically, Apple have typically priced their new iPhone models at a higher or same price as the previous model, but in the most recent launch they priced their iPhone below the previous model's launch price. However, we are already seeing the balance between what we pay for iPhones and what we can sell them for being restored, and we expect this balance to further settle in during the coming months. Apple only launches a new iPhone once per year, but we are taking action to be better equipped should any such unexpected, extraordinary events occur again in the future, including increasing automation and reducing lead times between buying and selling devices, facilitating data-driven decision making and improving business intelligence to further increase agility to market development.

The Recommerce Computers & Enterprise (C&E) business area experienced strong demand for reused equipment in both computer and enterprise products. On the overstock volume, we noticed a decline due to better supply chain conditions for our OEMS. Reused equipment generally drives a higher margin compared to the overstock business, so the mix shift is beneficial to gross margins. Despite the current topline challenges in the overstock segment, we have confidence that the upcoming quarters will yield stronger demand for overstock in the market.

Despite macroeconomic challenges persisting from 2023 into Q1 2024, we concluded Q1 with a total revenue of SEK 1.8 billion, marking a 3 percent increase compared to the same period last year. Adjusted operational EBITDA of SEK 35.6 million, translating to an adjusted operational EBITDA margin of 1.8%. Foxway remains focused on managing controllable elements such as operational efficiency, developing synergy between business areas, creating scalability for growth, and having a strong focus on cost management. For definitions of key ratios, refer to the alternative performance measures and definitions on page 16-17.

We plan to further expand our circular offerings in the European market. There is a high demand for our services and expertise, and we are optimistic about the coming quarters. Our strategy remains robust, aimed at driving long-term value.

Kind regards,

Martin Backman
CEO

Foxway is one of Europe's leading tech companies. We provide circular tech services to large organizations and resellers of consumer electronics. Foxway consists of some 20 wholly-owned subsidiaries in Europe, Asia and the US.

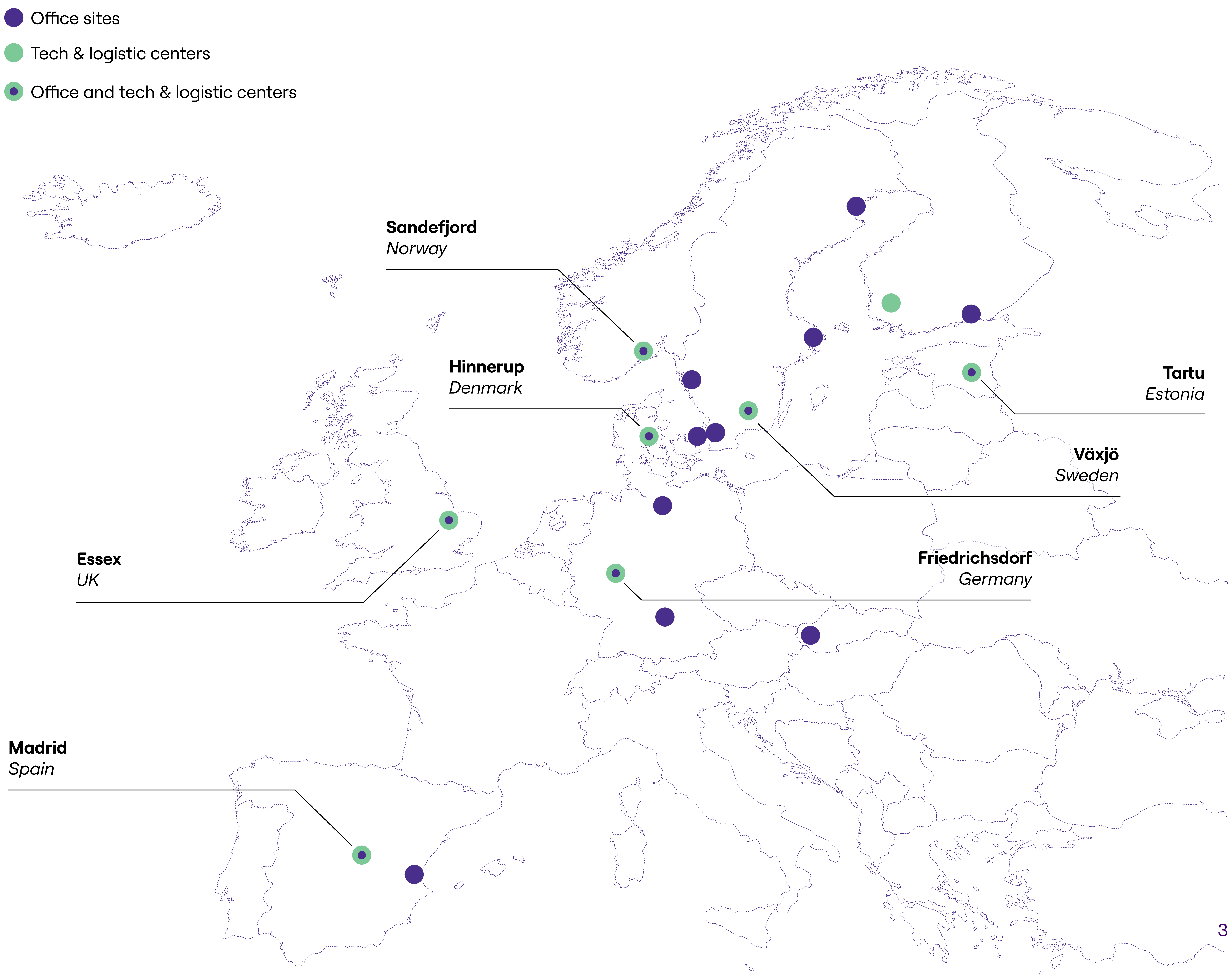
We enable circular tech

Foxway's circular business model offers many opportunities to our partners and customers. We enable circularity through services such as Device as a Service (DaaS), trade-in solutions, value recovery, and IT Asset Disposition (ITAD). The value propositions in Foxway are based on circular management of tech devices and ensuring a second, third, and sometimes even fourth life. When the end-of-life is reached for the devices, Foxway ensures secure and sustainable recycling by extracting parts and components (urban mining) and later ensuring that waste materials are recycled for material recovery in an environmentally responsible and compliant way.

Our business model makes us one-of-a-kind in the market. Simply put, we make sure that companies maximize their digitalization while minimizing their carbon footprint. We guide our partners and customers in their transition to consume tech more sustainably by introducing circularity instead of traditional linear consumption — the Foxway is the circular way.

In Foxway we are proud to share that almost 50% of our co-workers are oriented to work tasks targeting repairs, value-add, upgrades and rescuing devices for another use. Foxway stands out as a distinctive player in the circular tech industry, providing a sustainability approach that transcends merely being an add-on to an industry largely focused on linear consumption models.

Foxway locations and operations



Financial summary

Revenue and result

January-March 2023

Total revenue for the first quarter was SEK 1,830.9 million, an increase of 3 percent compared to the corresponding period last year. The increase in total revenue is primarily driven by the business area Recommerce Mobile with 42 percent growth compared to the same period last year, mainly due to increasing mobile volumes (+55% compared to same period last year). CWS total revenue is 6 percent lower compared to corresponding period last year, however underlying customer activity is increasing compared to the same period last year. The reason for the increased business activity is not reflected in the reported revenue is that hardware revenue via the sales lease back arrangement according to IFRS accounting principles is phased over the contract period and not as a one off effect when delivering the devices. Customers are, to a larger extent, requesting DaaS as service model and this typically is arranged via sales and lease back. DaaS model is the preferred model for CWS since this ensures that the device is handed back, which enables Foxway to make a profit on reselling it on the secondary market post value add. Total revenue for Recommerce C&E decreased with 10 percent compared to the same period last year, primarily due to reduced opportunities within the overstock market.

Adjusted EBITDA amounted to SEK 116.2 million corresponding to an adjusted EBITDA margin of 6.3%. Adjusted EBITDA has been negatively affected by challanging lower-than-expected gross margins for Apple iPhones due to lower-than-expected sales prices as a result of Apple unexpectedly pricing their newest iPhone model at an extraordinary low price which had a cascading effect on pricing of older models, both new and refurbished. Historically, Apple have typically priced their new iPhone models at a higher or same price as the previous model, but in the most recent launch they priced their iPhone below the previous model's launch price. However, we are already seeing the balance between what we pay for iPhones and what we can sell them for being restored, and we expect this balance to further settle in during the coming months.

Operating profit/loss (EBIT) was SEK -13.2 million corresponding to an EBIT margin of -0.7 percent. Non-recurring items affecting quarterly result amounted to SEK -20.3 million and mainly consist of reorganization and integration costs as well as acquisition-related costs. Adjusted operational EBITDA amounted to SEK 35.6 million corresponding to an adjusted management EBITDA margin of 1.8 percent. For more information, see the reconciliation of alternative performance measures for adjusted operational EBITDA on page 16.

The Group's net financial items amounted to SEK -72.7 million. The net effect of exchange rate differences amounted to SEK 7.6 million and the interest net amounted to SEK – 77.8 million.

Financial position

The Group's net debt amounted to SEK 2,870.3 million, compared to SEK 2,397.7 million on December 31, 2023. The alternative net debt (excluding lease liabilities for IFRS 16 and sale and leaseback) was SEK 2,006.6 million at the end of the period, compared to SEK 1,602.2 million on December 31, 2023. For more information about the calculation of alternative net debt see page 16. Liquid funds at the end of the period amounted to SEK 320.0 million, compared to SEK 722.1 million on December 31, 2023. Available liquidity is SEK 802 million, taking untapped revolving credit facility of SEK 482 million into consideration.

At the end of the period, the Group's total equity was 3,966.5 million with an equity/assets ratio of 46.3 percent.

The Group has in February 2024 pledged shares in subsidiaries and internal loans as collateral for the revolving credit facility from SEB and the issued bond.

Consolidated net debt compostition

MSEK	31 Mar 2024	31 Dec 2023
Bond	2,222.2	2,131.5
Sale and leaseback arrangement (Liabilities to credit institutiions)	681.9	605.4
Lease liabilities, IFRS 16	227.1	230.3
Other interest-bearing liabilities	59.1	152.6
Less Cash and cash equivalents	-320.0	-722.1
Net debt	**2,870.3**	**2,397.7**
Total equity	3,966.5	3,935.6
Total capital	**6,836.8**	**6,333.3**
Debt ratio	42.0%	37.9%

Cash flow and investments

The operating cash flow for the quarter amounted to SEK -213.3 million, of which approximately SEK -215 million refers to interest payments and acquisition-related costs.. The cash flow from changes in working capital has been negatively affected by increased sourcing activities on the European market.

Cash flow from investing activities amounted to SEK -26.8 million and consists of investments in intangible and tangible assets. Cash flow from financing activities of SEK -174.0 million mainly relates to payments of interest-bearing liabilities and net change in lease liabilities as well as sale and lease back arrangements.

Significant events during the quarter

The business area CWS (Circular Workspace Solutions) introduced premium refurbished devices to the Device as a Service (DaaS) offering. These devices are set to revolutionise device management in an even more sustainable way, while maintaining top-notch performance and quality.

Foxway's CFO Erik Källmin left his position at the end of February 2024. Head of Group Controlling Gustav Zaar has been appointed Interim Group CFO as of February 1, 2024.

Parent company

Foxway Holding AB (publ) is the Parent Company of the new Group. Foxway Holding AB (publ) offers management services to the Group and has a bond listed on Nasdaq First North, Transfer Market Segment. The Parent Company's operating loss for the period amounted to SEK -8.5 million and loss before tax to SEK -114.3 million. The finance net of SEK -105.8 million consists of net interest of SEK -19.0 million and exchange rate differences of SEK -86.9 million.

The Parent Company's net debt amounted to SEK 491.0 million, compared to SEK 248.1 million on December 31, 2023. Changes in the bond loan are primarily due to exchange rate differences. Other current liabilities have decreased during the first quarter mainly due to payments of interest and acquisition-related costs. Total equity was SEK 4,118.5 million. The Parent Company's cash and cash equivalents on the balance sheet date amounted to SEK 18.7 million.

Ownership structure

On 5 October 2023, Foxway Group (consisting of some 20 wholly owned subsidiaries and branches) became a portfolio company of Nordic Capital XI. The ultimate Swedish Parent Company of the Group is Ytinrete TopCo AB, Corp. ID. No. 556432-8410 with its registered office in Stockholm.The indirect owners of Ytinrete TopCo AB is Nordic Capital XI (majority) and Norwegian venture capital fund Norvestor IX LP (minority). Nordic Capital is a leading private equity investor focusing on Healthcare, Technology & Payments, Financial Services, and Services & Industrial Tech. Key regions are Europe and globally for Healthcare and Technology & Payments investments. Norvestor primarily invests in medium-sized companies in the Nordics. Former founders of Foxway and management, the Board and a large number of the Group's employees have also invested into the holding structure.

Employees

The average number of full-time employees (FTEs) for the period was 1,290. On March 31, 2024 the Group's headcount was 1,353, including consultants.

Significant events after the end of the period

Foxway strengthened its management team with the appointment of Anders Wallin as new Chief Financial Officer (CFO). He will start his role as CFO at Foxway on June 1, 2024.

Foxway Holding AB's annual general meeting on 17 May 2024 adopted the income statement and balance sheet as well as the consolidated income statement and balance sheet. Beatrice Bandel and Max Cantor were elected as new members of the board and replaced Andreas Näsvik and Jens Aleljung. Joakim Andreasson was appointed as the new chairman of the board.

There are no other significant events to report after the end of the period.

Business areas

Foxway operates in three business areas: CWS (Circular Workspace Solutions), Recommerce Mobile and Recommerce C&E (Computers and Enterprise equipment).

These three areas collaborate with support from our central group functions. Together, they enable Foxway to offer circular services to our customers and partners, including hardware solutions, returns, upgrades, and repairs. By maximizing the lifespan of hardware through multiple cycles, Foxway contributes to sustainability efforts.

While our business areas operate somewhat independently to cater to unique market demands, they also work in symbiosis to achieve scalability and profitability through collaboration. This approach ensures sustainability across all levels of Foxway's operations and allows us to provide customers with valuable data on sustainable choices and the CO_2 emissions associated with our products. Additionally, we highlight the benefits of the circular economy in tech.

To make earnings more comparable Foxway's group management follow the performance in the underlying operations using the operational net sales and adjusted operational EBITDA. These measures, are adjusted IFRS measures, defined, calculated, and used in a consistent and transparent manner over time and across the Group. For more information about the operational net sales and adjusted operational EBITDA, refer to note 3 – Segments and alternative performance measures on page 16.

The IFRS proforma for Q1 2023 and full year 2023 includes the consolidated former Foxway Group based on International Financial Reporting Standards (IFRS) and is presented for information purposes.

CWS

CWS (Circular Workplace Solutions) provides Device as a Service (DaaS) solutions and related services for workspace equipment, such as computers, printers, audio/video and other related products. The business mainly focuses on mid/large size corporates and public sector customers in the Nordics, with both local and global organizations. CWS has offices across Sweden, Norway and Finland.

Total revenue in the quarter amounts to SEK 644.4 million (685.0), a change of -6 percent compared to the same period last year. In the quarter CWS has served customers to a larger degree with DaaS offering instead of upfront sales. This revenue is not realized upon delivery of the devices according to IFRS but over the contract duration. In operational net sales DaaS hardware sales are realized upon delivery of the products. Operational net sales in the quarter amounted to SEK 782.5 million (764.4). This is an increase of 2 percent compared to same period last year. Increase of revenue is primarily driven by device rollouts and increased service connected to devices.

Adjusted operational EBITDA in the quarter amounts to SEK 23.7 million (13.8). This is an improvement of 72 percent compared to the same period last year, which is driven by increase of sales and aware cost control.

	CWS		
MSEK	**Q1 2024**	**Q1 2023 IFRS Proforma**	**Full year 2023 IFRS Proforma**
Total revenue	644.4	685.0	2,542.5
Operational net sale	782.5	764.4	2,939.7
Adjusted EBITDA	91.8	82.0	358.2
Adjusted EBITDA margin %	14.2%	12.0%	14.1%
Adjusted operational EBITDA	23.7	13.8	89.8
Adjusted operational EBITDA margin %	3.7%	2.0%	3.5%

For definitions of key ratios, refer to the alternative performance measures and definitions on page 16-17.

Recommerce Mobile

Recommerce Mobile offers trade-in solutions and asset-recovery services for smartphones and other related products, focusing on mobile operators, retailers, and other partners. The products are sourced, refurbished, and remarketed to both consumers and B2B customers. Recommerce is mainly focusing on the European market.

Total revenue in the quarter amounted to SEK 668.4 million (469.8), an improvement of 42 percent compared to the same period last year. The increase is primarily driven by higher volume of mobile devices (+55% compared to same period last year).

Adjusted operational EBITDA for the quarter amounted to SEK 14.7 million (31.1), a change of -37 percent compared to the same period last year. Recommerce Mobile was challenged by lower-than-expected gross margins for Apple iPhones due to lower-than-expected sales prices as a result of Apple unexpectedly pricing their newest iPhone model at an extraordinary low price which had a cascading effect on pricing of older models, both new and refurbished. Historically, Apple have typically priced their new iPhone models at a higher or same price as the previous model, but in the most recent launch they priced their iPhone below the previous model's launch price. However, we are already seeing the balance between what we pay for iPhones and what we can sell them for being restored, and we expect this balance to further settle in during the coming months.

	Recommerce Mobile		
MSEK	Q1 2024	Q1 2023 IFRS Proforma	Full year 2023 IFRS Proforma
Total revenue	668.4	469.8	2,430.4
Operational net sale	686.9	521.0	2,498.9
Adjusted EBITDA	23.2	35.4	230.3
Adjusted EBITDA margin %	3.5%	7.5%	9.5%
Adjusted operational EBITDA	14.7	31.1	206.8
Adjusted operational EBITDA margin %	2.2%	6.6%	8.5%

For definitions of key ratios, refer to the alternative performance measures and definitions on page 16-17.

Recommerce C&E

Recommerce C&E focuses on computers, enterprise equipment and other related products. The business sources products from various partners, such as OEMs (original equipment manufacturers), financing companies, datacenters and resellers. Recommerce C&E handles both reused devices and new overstock devices. Recommerce C&E is mainly operated out of Denmark and the UK.

Total revenue for the quarter amounted to SEK 567.4 million (629.1), a change of -10 percent compared to the same period last year. Opportunities within the overstock market have decreased compared to last year. Adjusted operational EBITDA for the quarter amounted to SEK 27.3 million (43.1) impacted by lower sales compared to the same period last year and building capabilities as well as inventory for Brand Teqcycle.

	Recommerce C&E		
MSEK	Q1 2024	Q1 2023 IFRS Proforma	Full year 2023 IFRS Proforma
Total revenue	567.4	629.1	2,414.8
Operational net sale	565.2	626.4	2,415.2
Adjusted EBITDA	31.5	47.1	166.3
Adjusted EBITDA margin %	5.5%	7.5%	6.9%
Adjusted operational EBITDA	27.3	43.1	150.5
Adjusted operational EBITDA margin %	4.8%	6.9%	6.2%

For definitions of key ratios, refer to the alternative performance measures and definitions on page 16-17.

Foxway Group, consolidated

Condensed consolidated income statement

MSEK	Note	Jan - Mar 2024	Oct - Dec 2023
Net sales		1,823.0	1,960.7
Other operating income		7.9	10.7
Total revenue	*2,3*	**1,830.9**	**1,971.4**
Cost of goods sold		-1,431.0	-1,523.4
Gross profit		**399.9**	**448.0**
Operating expenses		-304.0	-298.0
Depreciations, amortisations and impairment*		-109.2	-102.6
Operating profit/loss	*3*	**-13.2**	**47.3**
Finance net		-72.7	-100.3
Profit/loss before tax		**-85.9**	**-53.0**
Tax on profit/loss for the year		-0.7	-16.9
PROFIT/LOSS FOR THE PERIOD		**-86.6**	**-69.9**
Profit/loss for the period attributable to:			
Shareholders of the parent company		-86.6	-69.9

**) Whereof depreciations on tangible assets SEK 88.9 million (83.0) and amortisations on intangible assets SEK 20.3 million (19.6)*

Consolidated other comprehensive income

MSEK	Jan - Mar 2024	Oct - Dec 2023
Profit/loss for the period	**-86.6**	**-69.9**
Items that can be reclassified to the income statement		
Exchange differences on translation of foreign operations	185.2	-168.8
Exchange differences on hedge instruments of net investments in foreign operations	-68.1	79.5
Share-based payment transaction	0.5	1.3
Items that will not be reclassified to the income statement	**-**	**-**
Other comprehensive income	**117.6**	**-88.0**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**31.0**	**-157.9**
Total comprehensive income for the period attributable to:		
Shareholders of the parent company	31.0	-157.9

Condensed consolidated balance sheet

MSEK	Note	31 Mar 2024	31 Dec 2023
ASSETS			
Intangible assets		5,225.6	5,077.5
Tangible assets		723.3	652.3
Right-of-use assets		222.4	227.5
Financial assets		1.0	1.0
Deferred tax assets		39.6	34.6
Total non-current assets		**6,211.9**	**5,992.9**
Inventories		1,257.6	1,082.7
Accounts receivable		622.0	558.0
Other current assets		164.4	198.8
Cash and cash equivalents		320.0	722.1
Total current assets		**2,364.0**	**2,561.6**
TOTAL ASSETS		**8,575.9**	**8,554.5**

(Cont.)

MSEK	Note	31 Mar 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Share capital		0.6	0.6
Other equity, including profit/loss for the period		3,965.9	3,934.9
Total equity		**3,966.5**	**3,935.5**
Deferred tax liabilities		82.4	94.1
Bond loans	*4*	2,222.2	2,131.5
Liabilities to credit institutions	*4*	379.8	335.2
Leasing liabilities	*4*	181.7	185.5
Other non-current liabilities		0.3	0.3
Total non-current liabilities		**2,866.3**	**2,746.6**
Liabilities to credit institutions	*4*	302.1	270.8
Accounts payable		646.3	641.9
Leasing liabilities	*4*	45.4	44.8
Other current liabilities		749.3	914.9
Total current liabilities		**1,743.0**	**1,872.3**
TOTAL EQUITY AND LIABILITIES		**8,575.9**	**8,554.5**

Condensed consolidated statement of Changes in Equity

MSEK	Jan - Mar 2024	Oct - Dec 2023*
Opening equity	**3,935.6**	**-155.7**
New share issue	–	566.6
Shareholder contribuition	–	3,682.6
Profit/loss for the period	-86.6	-69.9
Other comprehensive income	117.6	-88.0
Closing equity for the period	**3,966.5**	**3,935.6**

**) Opening equity in the Group consists of equity attributable to the parent company Foxway Holding AB (publ) and transaction costs in connection with the acquisition on October 5, 2023*

Condensed consolidated statement of cash flow

MSEK	Jan - Mar 2024	Oct - Dec 2023
Operating activities		
Operating profit/loss	-13.2	47.3
Adjustments for non-cash items*	135.6	103.6
Interest net	-144.8	-39.4
Income tax paid	-9.1	-20.6
Changes in working capital	-181.8	-52.6
Cash flow from operating activities	**-213.3**	**38.3**
Investing activities		
Acquisitions of subsidiaries	–	-3,483.0
Acquisitions of intangible and tangible assets	-26.8	-19.2
Cash flow from investing activities	**-26.8**	**-3,502.2**
Financing activities		
New share issue and shareholder contribution	–	3,756.6
Increase in borrowings	–	2,233.1
Repayment of borrowings	-163.9	-1,702.3
Changes in lease liabilities	-10.1	-88.7
Cash flow from financing activities	**-174.0**	**4,198.6**
Cash flow for the period	**-414.1**	**734.7**
Cash and cash equivalents at beginning of the period	722.1	0.5
Exchange rate differences in cash and cash equivalents	12.0	-13.1
Cash and cash equivalents at end of the period	**320.0**	**722.1**

**) Whereof depreciation/amortisation of SEK 109.2 million and other non-cash items of SEK 26.4 million.*

Parent company

Condensed income statement

MSEK	Q1 2024	Q1 2023	Full year 2023
Net sales	1.3	–	1.9
Other operating income	0.2	–	0.1
Total revenue	**1.5**	**0.0**	**2.0**
Operating expenses	-10.0	–	-16.7
Depreciations, amortisations and impairment	–	–	–
Operating profit/loss	**-8.5**	**0.0**	**-14.7**
Financial net*	-105.8	–	25.2
Profit/loss after financial items	**-114.3**	**0.0**	**10.5**
Appropriations	–	–	-17.0
Profit/loss before tax	**-114.3**	**0.0**	**-6.4**
Tax on prodit/loss for the year	–	–	-10.5
PROFIT/LOSS FOR THE PERIOD	**-114.3**	**0.0**	**-16.9**

There is no Other comprehensive income in the parent company.

**) The financial net in Q1 2024 includes net interest and other financial expenses of totally -19.0 MSEK and exchange rate differences of totally -86.9 MSEK. The financial net for full year 2023 includes net interests and other financial expenses of totally -74.6 MSEK and exchange rate differences of totally +99.8 MSEK.*

Condensed balance sheet

MSEK	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
ASSETS				
Shares in Group companies		4,640.3	–	4,650.8
Loans to Group companies		1,712.5	–	1,712.5
Total non-current assets		**6,352.8**	**0.0**	**6,363.3**
Receivables from Group companies		60.6	–	48.6
Other current assets		8.4	0.5	5.2
Cash and cash equivalents		18.7	–	171.0
Total current assets		**87.7**	**0.5**	**224.7**
TOTAL ASSETS		**6,440.5**	**0.5**	**6,588.0**
EQUITY AND LIABILITIES				
Restricted equity				
Share capital		0.6	0.5	0.6
Non-restricted equity				
Share premium reserve		566.5	–	566.5
Balansed earnings		3,665.7	–	3,682.6
Profit/loss for the period		-114.3	–	-16.9
Total equity		**4,118.5**	**0.5**	**4,232.8**
Untaxed reserves		**17.0**	**–**	**17.0**
Bond loans	*4*	2,222.2	–	2,131.5
Total non-current liabilities		**2,222.2**	**0.0**	**2,131.5**
Liabilities to Group companies		0.1	–	0.1
Other current liabilities		82.7	–	206.6
Total current liabilities		**82.9**	**0.0**	**206.7**
TOTAL EQUITY AND LIABILITIES		**6,440.5**	**0.5**	**6,588.0**

Notes

Note 1: Accounting principles

This interim report has, for the Group, been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The financial reporting for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for legal entities. The accounting policies applied are unchanged compared to those outlined in the 2023 Annual report.

Since the Group was founded on 5 October 2023, the first financial year extends from 5 October 2023 to 31 December 2023. Because of that, there are no comparative figures for the Group for the first quarter last year. IFRS has been applied since the formation of the Group.

All amounts in SEK million, with 1 decimal, unless otherwise stated. Figures in parentheses refer to the previous year. Some figures are rounded, and amounts might not always appear to match when added up.

The aim is for each subline to agree with its original source and rounding differences can therefore arise.

Note 2: Specification of revenue

Breakdown of revenue is based on devices and services, as this is how the Group presents and analyses revenue in other contexts.

Total revenue specified by product and service

MSEK	Q1 2024
Devices	1,661.4
Services	159.1
Miscellaneous	10.4
Total revenue	**1,830.9**

Total revenue by geographical region

MSEK	Q1 2024
Nordic	609.9
Europe (excl. Nordic)	918.0
Asia	253.1
Rest of the world	49.9
Total revenue	**1,830.9**

The Group's revenue primarily come from Europe. France is the Group's single largest market with a share of 15%. Foxway does not have any individual customers whose sales exceed 10% of the Group's total sales.

Note 3: Segments

The reporting is consistent with the internal reporting submitted to the highest executive decision maker, the Foxway Group's CEO. The Group has identified three main operating segments which are also the overall business areas:

- CWS (Circular Workspace Solutions)
- Recommerce Mobile
- Recommerce C&E (Computer & Enterprise equipment)

The operations within each operating segment have similar financial characteristics, are similar with respect to the nature of the products and services, processing process and customer categories. Pricing for sales between the segments takes place on market terms and has been eliminated in the Group's turnover. Group-wide functions mainly consist of management costs and costs for central functions. Financial income and expenses are not allocated to the respective segments as the Group's financing is controlled by the Group´s finance function. Assets and liabilities are not divided between segments, as no such amount is regularly reported to the Group's top executive decision maker.

In order to make earnings more comparable and to show the performance in the underlying operations, management calculates operational net sales and adjusted operational EBITDA as alternative performance measures. In these performance measures, net sales and EBITDA are reversed for IFRS adjustments of sale and leaseback and proforma adjustment from acquisition. EBITDA is also adjusted for IFRS 16 leased premises and non-recurring items.

Non-recurring items refer to material items of a one-off nature that do not recur in the normal course of business, e.g. costs for reorganisation, integration, net loss for a new-established product and costs related to acquisitions. Proforma adjustments from acquisitions mean that revenues and EBITDA from the period before the acquisition are included to obtain full-year results for comparison.

IFRS proforma for Q1 2023 and full-year 2023 includes the consolidated former Foxway Group (Swedish GAAP) based on International Financial Reporting Standards (IFRS) and is presented for information purposes.

	CWS			Recommerce Mobile			Recommerce C&E			Group-wide functions			Group total		
MSEK	Q1 2024	Q1 2023 IFRS Proforma	Full year 2023 IFRS Proforma	Q1 2024	Q1 2023 IFRS Proforma	Full year 2023 IFRS Proforma	Q1 2024	Q1 2023 IFRS Proforma	Full year 2023 IFRS Proforma	Q1 2024	Q1 2023 IFRS Proforma	Full year 2023 IFRS Proforma	Q1 2024	Q1 2023 IFRS Proforma	Full year 2023 IFRS Proforma
Total revenue	**644.4**	**685.0**	**2,542.5**	**668.4**	**469.8**	**2,430.4**	**567.4**	**629.1**	**2,414.8**	**-49.3**	**-**	**-**	**1,830.9**	**1,783.8**	**7,387.6**
Operating profit/loss (EBIT)	**7.8**	**6.6**	**73.4**	**9.2**	**22.1**	**158.2**	**29.1**	**43.1**	**137.2**	**-59.4**	**-30.3**	**-247.0**	**-13.2**	**41.6**	**121.9**
Depreciations, amortisations and impairment	79.9	74.7	277.9	13.3	7.9	45.4	4.5	4.4	17.9	11.5	0.0	22.9	109.2	87.0	364.0
Acquisition costs and other non-recurring items	4.0	0.6	6.9	0.7	5.3	26.8	-2.1	-0.4	11.2	17.6	9.1	128.0	20.3	14.7	172.9
Adjusted EBITDA	**91.8**	**82.0**	**358.2**	**23.2**	**35.4**	**230.3**	**31.5**	**47.1**	**166.3**	**-30.2**	**-21.1**	**-96.1**	**116.2**	**143.3**	**658.8**
Operational net sales	**782.5**	**764.4**	**2,939.7**	**686.9**	**521.0**	**2,498.9**	**565.2**	**626.4**	**2,415.2**	**-49.5**	**-**	**-**	**1,985.2**	**1,911.9**	**7,853.8**
Adjusted operational EBITDA	**23.7**	**13.8**	**89.8**	**14.7**	**31.1**	**206.8**	**27.3**	**43.1**	**150.5**	**-30.2**	**-21.1**	**-96.1**	**35.6**	**66.8**	**351.0**

Note 4: Financial instruments – interest-bearing liabilities

Financial liabilities are recognized at amortised cost. Financial liabilities include a corporate bond with variable interest, issued on July 12, 2023 and due in 2028, to the value of EUR 200 million. The carrying amount of the bond on March 31, 2024 amounted to SEK 2,222.2 million (net of capitalized lending costs). The Group applies hedge accounting of the bond and net investments in euros and thus the currency effects have been accounted for in comprehensive income. In addition, the Group has signed a EURIBOR 3M swap to secure a fixed, underlying interest rate of approximately 3.1% for the Group's EUR 200 million bond. The term of the interest swap is 3 years with a start date of January 12, 2024.

Interest-bearing liabilities also include leasing liabilities according to IFRS 16, which are divided into a short-term part of SEK 45.4 million, and a long-term part of SEK 181.7 million. The lease liability corresponds to the discounted present value of future lease payments until the agreement has expired.

The Group also has a sale and leaseback arrangement which, in combination with lease rent, is intended for customers who enter into agreements to rent IT hardware from Foxway. As of March 31, 2024, this liability amount to SEK 681.9 million.

Other interest-bearing liabilities amount to SEK 59.1 million.

Note 5: Risks and uncertainties

Foxway is subject to several operational and financial risks, which may affect parts or all of its operations. Exposure to risk is a natural part of running a business and this is reflected in Foxway's approach to risk management. It aims to identify risks and prevent risks from occurring or to limit any damage resulting from these risks. Risks to the business can be categorised as market and competitive risks, operational risks, strategic risks, sustainability risks and financial risk.

Through the Group's risk management and internal control framework, Foxway aims to systematically identify, assess and manage risk throughout the Group. Responsibility for risk management and internal control rests primarily with the operation itself, i.e. with the CEO, managers and employees in the operational units and through the work they carry out in accordance with the roles, instructions and guidelines that apply to each of them. The most significant risks are the economic impact on demand, risks within IT infrastructure and also geopolitical risks. Currency fluctuations and disruptions on the world's financial markets also constitute significant risks. The war in Ukraine and Gaza has led to increased uncertainty regarding the Group's risks and uncertainties in general.

More information about the Group's risks can be found in the Board of Directors' report – Risks and uncertainties in future performance and Note 27 – Financial instruments and financial risks in the Foxway's annual report 2023.

Note 6: Transactions with related parties

Transactions between Group companies and with other related parties have taken place on normal business terms and at market prices. Intra-group transactions have been eliminated in the consolidated accounts. Transactions with other related parties include e.g. recharge of transaction costs paid by new owners, shareholder loans and consultant arrangements with certain shareholders.

Other information

Foxway Holding AB (publ)

Stockholm, May 23, 2024

Joakim Andreasson
Chairman of the Board

Martin Backman
Chief Executive Officer

Beatrice Bandel
Board member

Max Cantor
Board member

The report has not been subject to review by the Company's Auditors.

Contact information

Martin Backman
Chief Executive Officer
E-mail: martin.backman@foxway.com

Gustav Zaar
Interim Chief Financial Officer
E-mail: gustav.zaar@foxway.com

Financial calendar

August 29, 2024	Interim report Q2 2024
November 21, 2024	Interim report Q3 2024

Financial reports

Foxway's financial reports are available on the company's website. The financial reports are only distributed in digital form via the website: www.foxway.com/en/investors. The purpose of Foxway's Investor Relations is to continuously inform the capital market about the company's operations and development.

Alternative performance measures (APM)

The consolidated financial statements contain financial ratios defined according to IFRS. They also include measurements not defined according to IFRS, known as alternative performance measures (APM). APMs are used by Foxway for periodic and annual financial reporting to provide a better understanding of the company's underlying financial performance for the period.

Operational net sales and adjusted operational EBITDA are also used by management to drive performance in terms of target setting. These measures are adjusted IFRS measures, defined, calculated and used in a consistent and transparent manner over time and across the Group where relevant.

Adjusted earnings before depreciation/amortisation and impairment of intangible assets (Adjusted EBITDA)

MSEK	Q1 2024	Q1 2023 IFRS Proforma	Full year 2023 IFRS Proforma
Total revenue	**1,830.9**	**1,783.8**	**7,387.6**
Operating profit/loss	-13.2	41.6	121.9
Depreciations, amortisations and impairment	109.2	87.0	364.0
Acquisition costs and other non-recurring items	20.3	14.7	172.9
Adjusted EBITDA	**116.2**	**143.3**	**658.8**
Adjusted EBITDA margin (%)	**6.3%**	**8.0%**	**8.9%**

Operational net sales/Adjusted operational EBITDA

For more information see note 3 – Segments.

MSEK	Q1 2024	Q1 2023 IFRS Proforma	Full year 2023 IFRS Proforma
Net Sales	1,823.0	1,771.7	7,355.4
Sale and leaseback adjustment	162.1	105.9	463.3
Acquisition proforma adjustment	-	34.2	35.1
Operational net sales	**1,985.2**	**1,911.9**	**7,853.8**
Operating profit/loss	-13.2	41.6	121.9
Depreciation/amortisation and impairment of intangible assets	109.2	87.0	364.0
Acquisition costs and other non-recurring items	20.3	14.7	172.9
Adjusted EBITDA	**116.3**	**143.3**	**658.8**
IFRS 16 Leasing premises	-11.9	-11.4	-46.0
Sale and leaseback	-68.7	-63.9	-260.3
Acquisition proforma adjustment	-	-1.3	-1.5
Adjusted operational EBITDA	**35.6**	**66.8**	**351.0**
Adjusted operational EBITDA margin %	**1.8%**	**3.5%**	**4.5%**

Net debt/ Alternative net debt

MSEK	31 Mar 2024	31 Dec 2023
Bond	2,222.2	2,131.5
Sale and leaseback arrangement (Liabilities to credit institutiions)	681.9	605.4
Lease liabilities, IFRS 16	227.1	230.3
Other interest-bearing liabilities	59.1	152.6
Less Cash and cash equivalents	-320.0	-722.1
Net debt	**2,870.3**	**2,397.7**
Sale and leaseback	-681.9	-605.4
IFRS 16 Leasing premises	-205.7	-209.0
Other adjustments	23.9	18.9
Alternative net debt	**2,006.6**	**1,602.2**

Equity/assets ratio (%)

MSEK	31 Mar 2024	31 Dec 2023
Total equity	3,966.5	3,935.6
Balance sheet total	8,575.9	8,554.5
Equity/assets ratio (%)	**46.3%**	**46.0%**

Definitions and Key Ratios

Adjusted EBITDA:
Operating profit/loss excluding depreciation, amortisation, and impairment. Adjusted for acquisition-related costs and other non-recurring items.

Adjusted EBITDA margin:
Adjusted EBITDA as a percentage of total revenue.

Adjusted operational EBITDA:
EBITDA excluding IFRS adjustments of sale and leaseback, leased premises, non-recurring items and proforma adjustments from acquisitions.

Adjusted operational EBITDA margin:
Adjusted operational EBITDA as a percentage of operational net sales.

Alternative net debt:
Net debt excluding sale and leaseback liabilities, leasing liabilities according to IFRS 16, capitalised lending costs and interest-bearing liabilities for deferral or certain taxes.

DaaS:
Device as a Service

Debt ratio:
Net debt as a percentage of total capital.

Equity/assets ratio:
Total equity as a percentage of balance sheet total.

IFRS proforma:
A proforma calculation, presented for information purposes, based on consolidated values of the former Foxway Group (Swedish GAAP) adjusted with reversed goodwill amortisation, not expensed acquisition costs, IFRS 16 leasing and sale and leaseback.

Net debt:
Total interest-bearing borrowings (non-current and current) and leasing liabilities less cash and cash equivalents.

Non-recurring items (NRI):
Non-recurring income or expenses which are not recurring in normal operations.

Operating cash flow:
Cash flow from operating activities including changes in working capital.

Operational net sales:
Net sales excluding IFRS adjustment of sale and leaseback and proforma adjustment from acquisition.

Proforma adjustments from acquisitions:
Adjustment of acquired companies' revenue and result for the period before acquisition to obtain proforma for comparison of the period.

Sale and leaseback:
Sale and leaseback arrangements which, in combination with lease rent, are intended for some customers who enter into agreement to rent IT hardware. The Group purchase the goods, then sell them to finance partners and lease back. The sales to the finance partner are not classified as revenues according to IFRS 15, but should be treated as a financing transaction, whereby the Group borrows funds required to purchase hardware. Since the hardware is not considered to be sold in the first transaction, it remains on the balance sheet as a tangible asset and is subject to depreciation.

Total capital:
Total equity and Net debt.

Foxway

We enable
circular tech