



Q1|23

**INTERIM REPORT**  
1 January – 31 March 2023

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# WYLD NETWORKS IN BRIEF

Wyld Networks is a virtual satellite network operator that develops and delivers innovative wireless technology solutions that enable affordable connectivity for the Internet of Things (IoT) devices and sensors anywhere in the world – especially for the 85 percent of the world’s surface where there are no cellular networks.

Read more on [www.wyldnetworks.com](http://www.wyldnetworks.com)

# Q1: WYLD DOUBLES ITS PURCHASE ORDER BOOK AND PLANS TO GO 5G

Wyld Networks has more than doubled its purchase order backlog in Q1 from SEK 32 million to 73 SEK million, demonstrating huge demand. At mid May 2023 the order backlog stands at SEK 92 million.

## FINANCIAL SUMMARY

Q1 (Jan-Mar)

|   | 2023   | 2022   |
|---|--------|--------|
| Total income, SEK k                       | 1,332  | 946    |
| EBIT, SEK k                               | -9,115 | -7,067 |
| Earnings per share, SEK (before dilution) | -0.69  | -0.90  |
| Earnings per share, SEK (after dilution)  | -0.69  | -0.90  |

|   | 2023   | 2022   |
|---|--------|--------|
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## ORDER BACKLOG end Q1 2023

|                     | Total number of WYLD Connect module units | \$ Million | (approx) SEK Million |
|---------------------|---|------------|----------------------|
| WYLD CONNECT        | 223,000                                   | 5.7        | 60                   |
| DATA ORDERS         |   | 1.2        | 13                   |
| TOTAL ORDER BACKLOG |   | 6.9        | 73                   |

## Significant events during Q1

- Wyld Networks plans to add 5G NB-IoT to their current LoRaWAN satellite IoT capability increasing Wyld's addressable market from US\$670 million to US\$1.3 billion by 2025.
- Wyld receives a purchase order for \$1.2M (SEK 12.8M) for Wyld Connect modules from a company based in the Middle East for deployment into the agricultural sector over a four-year period.
- Wyld receives a purchase order for \$0.6M (SEK 6.6M) for Wyld Connect modules from a US-based custom electronics manufacturing company.
- Wyld receives a purchase order for \$1.3M (SEK 13.3M) for Wyld Connect modules from a company based in the Middle East for deployment into the utilities sector over a four-year period.
- Wyld receives purchase order for \$0.9M (SEK 9.2M) for satellite IoT data service from South African agritech company.

## Q1 IN SUMMARY

### Significant events after Q1

- Wyld receives a cash payment of approximately SEK 4.3 million from UK Government for R&D activities.
- Wyld receives a purchase order for Wyld Connect modules and terminals for \$0.9M (SEK 9.1M) including SEK 0.6M for Wyld Data from USA based systems integrator in the Oil and Gas sector.
- US-Based Simple Controls Systems Inc places order on Wyld for \$0.9 (SEK 9.1M) for Wyld Connect module, terminals and data for tank level monitoring in oil and gas sector.

### TOTAL ORDER BACKLOG TO MID MAY 2023

|                           |                    |
|---------------------------|--------------------|
| WYLD CONNECT              | \$7.2M (SEK 77.1M) |
| Total number of modules   | 226,500            |
| Total number of terminals | 3,000              |
| DATA ORDERS               | \$1.4M (SEK 14.4M) |
| TOTAL ORDER BACKLOG       | \$8.6M (SEK 91.5M) |

\*All orders received are in USD so SEK values are approximate.



## Significant growth in order intake in the quarter and plans to add 5G NB-IoT to existing LoRaWAN product offering

Having launched the commercial service in Q4, our commercial team's main aim this quarter was to convert potential opportunities with existing partnerships into purchase orders. I'm so proud that they have delivered in this regard, taking bookings of SEK 41 million in this quarter. This more than doubled the order book of the whole of 2022 from SEK 32 million to SEK 73 million at the end of Q1.

### Continuous flow of launch partners

We received a purchase order for Wyld Connect with a total value of approximately SEK 12.8 million for delivery of Wyld Connect modules over a four-year period from a company based in the Middle East for deployment into the agricultural sector.

We received a purchase order for Wyld Connect with a total value of approximately SEK 6.6 million from a USA based custom electronics manufacturing company. Our Wyld Connect solution will allow the customer, a third-party integrator, to deploy Wyld's satellite IoT connectivity into sensors such as offshore navigation beacons, industrial dust collector monitoring, offshore platform emissions monitoring, and truck oil and hydraulic measurables for factors such as level, temperature and more.

We received a purchase order of SEK 13.3 million for delivery of its Wyld Connect satellite IoT module to a business communications and satellite services company based in the Middle East. To be supplied over a four-year period starting in 2023, our satellite IoT connectivity will enable the company to deploy sensors and connect utility meters for water and electricity in remote locations. With over ten years of experience delivering telecoms excellence, they are one of the top satellite internet companies in the region.

Following an earlier order, we announced for Wyld Connect modules in 2022, we have received an order of SEK 9.2 million for the Wyld Data service from a South African company deploying soil moisture sensors to optimize irrigation and automate scheduling systems for agriculture.

At mid May the order backlog stands at SEK 91.5 million.



“Wyld Networks launches satellite IoT network after three years of development work, agreements with over 40 launch partners and an order backlog of SEK 32 million by the end of Q4. This has now more than doubled to SEK 73 million by end Q1 2023, demonstrating significant demand and at mid May the order backlog stands at SEK 91.5 million”.

## COMMENTS FROM THE CEO

### Wyld plans 5G service for IoT

I'm proud to have announced that Wyld plans to add 5G NB-IoT to our existing satellite IoT service. Adding 5G NB-IoT to our current LoRaWAN satellite IoT capability will double Wyld's addressable market from US\$ 670 million to US\$ 1.3 billion by 2025. This also enables us to target 5G mobile operators as customers and brand-new use cases in more market segments.

### Wyld receives SEK 4.3 million payment from UK Government

We received a cash payment of approximately SEK 4.3 million from UK Government for R&D activities. Research and development (R&D) tax credits are a UK government annual incentive designed to reward companies for investing in innovation.

### Looking Ahead

We will strengthen the commercial team in order to accelerate the conversion of our launch partners into paying customers, as well as generate new customers going forward. We will also invest in the development team to maintain competitive advantage and execute on our product roadmap.

We are particularly excited to start developing 5G NB-IoT capability into our existing LoRaWAN product offering.

The team have also released new features in both Wyld Connect and Wyld Fusion to support multi-operator capability. As the rapid growth of Satellite IoT continues this multi-operator capability will further enable scalability for Wyld Connect and the Wyld Data service.

As we look to meet high demand we are ramping up volume manufacturing to deliver against current and future orders.

Alastair Williamson,  
CEO Wyld Networks



**Elon Musk's Space X Falcon 9**, carrying the Transporter-7 mission with LEO satellites for Eutelsat, Lacuna and Dewa  
© SpaceX 2023

# Q1 | FINANCIAL RESULTS COMMENTARY

## Income Statement

### Net Sales

Net sales in Q1 are mainly related to the delivery of test modules to customers ahead of the launch of the service later in 2023.

### Other operating income

This income in Q1 2023 is the accrued 2023 UK R&D Tax Credit. We expect the full year 2023 R&D Tax credit income to exceed both 2022 and 2021. The amount received regarding FY 2021 was SEK 4.3 million. The Q1 2023 accrued income is a prudent estimate.

### Raw Material

Raw material are costs for Q1 2023 of SEK 0.5 Million show an increasing quarter on quarter trend due to increasing development activity. All these costs are in the UK and mainly relate to development laboratory costs and components consumed in development. The Q1 2023 costs compare to SEK 1.3 Million for the full year in 2022.

### Other external costs

In Q1 SEK 1.6 Million were the cost of contractors in Development and Sales.

Advertising, PR and Marketing was SEK 0.5 Million in Q1 2023 and SEK 2.2 Million for the year 2022. Legal costs in Q1 were SEK 0.2 Million.

### Personnel costs

Q1 2023 costs represent an average of 18 employees in the quarter.

## Interest expense

Q1 2023 interest was on a loan of SEK 4.0 Million whereas in 2022 interest was on a loan of SEK 12.0 Million.

## Balance Sheet

### Intangible Assets

Intangible Assets at cost were acquired pre IPO. No additions in 2022 and amortization is on a 10 year basis.

### Tangible Assets

Tangible Assets are computer and testing equipment with depreciation on a 3 year basis. Low investment in the quarter as staff are well equipped, unusually resulting in additions were lower than depreciation.

### Other Receivables

Mainly represent amounts owed by the UK government for the R&D Tax Credit for both FY 2021 and 2022.

The 2021 Tax Credit of SEK 4.3 Million was received on 4 April 2023, just after the end of Q1 2023. The UK government paid the same amount as was claimed by the company and in addition interest was paid by the UK government due to late payment by them. The fact that there was no amendment or reduction of the amount claimed gives the company confidence that the claims for 2022 and 2023 are on a sound basis.

### Prepaid expenses and accrued Income

Mainly represents the value of work completed on customer purchase orders not yet invoiced.

## Cash and bank balances

In the first week of Q2, a significant amount (SEK 4.3 Million) was received from the UK tax authorities. The company expects to have sufficient funds to meet its obligations throughout 2023.

## Equity

No new capital raised in the quarter but the T03 Warrants program will take place in Q2 2023.

## Current Liabilities to Credit Institutes

No changes in the period.

## Accounts Payable

Reduced in the Quarter. The company continues to pay its trade creditors on normal terms.

## Accrued expenses

Increased in the quarter reflecting the company's policy of recognizing liabilities on a timely manner. No unusual items.

## Equity

No new capital raised in the Quarter.

## Cash Flow

Working Capital increased SEK 2.8 Mio in the Quarter, mainly due accrued 2023 R&D Tax Credit and Trade Receivables. In April 2023 the company received significant amount regarding the 2021 R&D Tax Credit and the full value of the Trade Receivable billed in Q1 2023.

## FINANCIAL RESULTS

# GROUP CONSOLIDATED INCOME STATEMENT

| Amounts in SEK k   | Jan-Mar<br>2023 | Jan-Mar<br>2022 |
|--|-----------------|-----------------|
| <b>OPERATING REVENUE, ETC.</b>                                       |                 |                 |
| Net sales  | 360             | 5               |
| Other operating income   | 972             | 941             |
| <b>Total operating revenue</b>                                       | <b>1,332</b>    | <b>946</b>      |
| <b>OPERATING EXPENSES</b>  |                 |                 |
| Raw material   | -464            | -94             |
| Other external costs   | -4,220          | -3,804          |
| Personnel costs  | -5,634          | -4,018          |
| Depreciation/amortization of tangible and<br>intangible fixed assets | -111            | -68             |
| Other operating expenses   | -18             | -29             |
| <b>Total operating expenses</b>                                      | <b>-10,446</b>  | <b>-8,013</b>   |
| <b>Operating loss</b>  | <b>-9,115</b>   | <b>-7,067</b>   |
| <b>RESULT FROM FINANCIAL INVESTMENTS</b>                             |                 |                 |
| Interest expense and similar profit/loss items                       | -120            | -360            |
| <b>Total financial items</b>   | <b>-120</b>     | <b>-360</b>     |
| <b>Loss after financial items</b>                                    | <b>-9,235</b>   | <b>-7,427</b>   |
| <b>Tax on net profit/loss for the year</b>                           | <b>0</b>        | <b>0</b>        |
| <b>Net loss for the year</b>   | <b>-9,235</b>   | <b>-7,427</b>   |



FINANCIAL RESULTS

# GROUP CONSOLIDATED BALANCE SHEET

| Amounts in SEK k                        | 31 Mar<br>2023 | 31 Dec<br>2022 |
|---|----------------|----------------|
| <b>ASSETS</b>                           |                |                |
| <b>Fixed assets</b>                     |                |                |
| <b>Intangible fixed assets</b>          |                |                |
| Other intangible assets                 | 905            | 933            |
| <b>Total intangible fixed assets</b>    | <b>905</b>     | <b>933</b>     |
| <b>Tangible fixed assets</b>            |                |                |
| Equipment, tools, fixtures and fittings | 528            | 560            |
| <b>Total tangible fixed assets</b>      | <b>528</b>     | <b>560</b>     |
| <b>Total fixed assets</b>               | <b>1,433</b>   | <b>1,493</b>   |
| <b>Current assets</b>                   |                |                |
| Accounts receivable                     | 375            | 17             |
| Other receivables                       | 10,461         | 9,567          |
| Prepaid expenses and accrued income     | 1,598          | 1,505          |
| <b>Total current assets</b>             | <b>12,433</b>  | <b>11,089</b>  |
| <b>Cash and bank balances</b>           | <b>9,942</b>   | <b>20,332</b>  |
| <b>Total current assets</b>             | <b>22,375</b>  | <b>31,421</b>  |
| <b>TOTAL ASSETS</b>                     | <b>23,808</b>  | <b>32,914</b>  |

| Amounts in SEK k                     | 31 Mar<br>2023 | 31 Dec<br>2022 |
|--------------------------------------|----------------|----------------|
| <b>EQUITY AND LIABILITIES</b>        |                |                |
| <b>Equity</b>                        |                |                |
| Share capital                        | 1,113          | 1,113          |
| <b>Total share capital</b>           | <b>1,113</b>   | <b>1,113</b>   |
| Other capital contributions          | 84,717         | 84,717         |
| Retained Earnings prior years        | -62,665        | -23,780        |
| Current year loss                    | -9,235         | -39,079        |
| Translation contributions            | -86            | 0              |
| <b>Subtotal other own capital</b>    | <b>12,731</b>  | <b>21,858</b>  |
| <b>Total equity</b>                  | <b>13,844</b>  | <b>22,971</b>  |
| <b>Long-term liabilities</b>         |                |                |
| Liabilities to credit institutions   | 0              | 0              |
| <b>Total long-term liabilities</b>   | <b>0</b>       | <b>0</b>       |
| <b>Current liabilities</b>           |                |                |
| Liabilities to credit institutions   | 4,000          | 4,000          |
| Accounts payable                     | 2,079          | 2,548          |
| Other liabilities                    | 744            | 913            |
| Accrued expenses and deferred income | 3,140          | 2,483          |
| <b>Total current liabilities</b>     | <b>9,964</b>   | <b>9,943</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>23,808</b>  | <b>32,914</b>  |

## FINANCIAL RESULTS

# GROUP CONSOLIDATED CHANGE IN EQUITY

| Amounts in SEK k                           | Jan- Mar<br>2023 | Jan- Mar<br>2022 |
|--|------------------|------------------|
| <b>Amount at the beginning of the year</b> | <b>22,971</b>    | <b>10,170</b>    |
| New share issue                            | 0                | 0                |
| Net loss for the year                      | -9,235           | -7,427           |
| Translation differences                    | 108              | -31              |
| <b>Amount at the end of the year</b>       | <b>13,844</b>    | <b>2,713</b>     |

# GROUP CONSOLIDATED CASH FLOW

| Amounts in SEK k   | Jan- Mar<br>2023 | Jan- Mar<br>2022 |
|--|------------------|------------------|
| <b>OPERATING ACTIVITIES</b>  |                  |                  |
| Loss after financial items   | -9,235           | -7,427           |
| Depreciation/amortisation  | 111              | 68               |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>-9,124</b>    | <b>-7,359</b>    |
| <b>CASH FLOW FROM CHANGES IN WORKING CAPITAL</b>                             |                  |                  |
| Increase (-)/decrease (+) in accounts receivable                             | -357             | -5               |
| Increase (-)/decrease (+) in prepaid expenses                                | -93              | -348             |
| Increase (-)/decrease (+) in current receivables                             | -894             | -2,127           |
| Increase (+)/decrease (-) in accounts payable                                | -468             | 1,784            |
| Increase (+)/decrease (-) in other liabilities                               | -169             | 2,158            |
| Increase (+)/decrease (-) in accrued expenses                                | 658              | -120             |
| <b>Total changes in working capital</b>                                      | <b>-1,323</b>    | <b>1,342</b>     |
| <b>Cash flow from operating activities</b>                                   | <b>-10,447</b>   | <b>-6,016</b>    |
| <b>INVESTING ACTIVITIES</b>  |                  |                  |
| Acquisition of tangible fixed assets   | -60              | -50              |
| <b>Cash flow from investing activities</b>                                   | <b>-60</b>       | <b>-50</b>       |
| <b>FINANCING ACTIVITIES</b>  |                  |                  |
| New share issue  | 0                | 0                |
| Change in external loan  | 0                | 0                |
| <b>Cash flow from financing activities</b>                                   | <b>0</b>         | <b>0</b>         |
| <b>Cash flow for the period</b>  | <b>-10,507</b>   | <b>-6,066</b>    |
| Cash and cash equivalent at the beginning of the period                      | 20,332           | 18,172           |
| Exchange rate difference in Other Paid in Capital and Retained Earnings      | 194              | 0                |
| Other Exchange rate differences  | -77              | -30              |
| <b>Cash and cash equivalents at the end of the period</b>                    | <b>9,942</b>     | <b>12,074</b>    |

# ADDITIONAL INFORMATION

## Financial Calendar

**7 June 2023, Annual General Meeting**  
**30 August 2023, Q2 Interim Report 2023**  
**30 November 2023, Q3 Interim Report 2023**  
**31st March 2024, Q4 Interim Report 2023**

Wyld Network's financial reports are made available on the company's website.

## Auditor review

This report has not been subject to review by the company's auditor.

## Accounting principles

The company's interim report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general advice BFNAR 2012:1 Annual and consolidated accounts (K3)

## Significant extraordinary events during the period

No events of a material nature occurred during the period.

## Employees

The average number of employees in the Group, including consultants, during the quarter was 31.

The average number of employees ( full-time positions excluding consultants) during the quarter was 19

## Shareholders and share capital

### Share Capital at 31 March

2023: SEK 1,112,896  
2022: SEK 689,826

### Share Premium at 31 March

2023: SEK 84,716,897  
2022: SEK 33,247,253

### The outstanding shares at 31 March

2023: 13,337,633  
2022: 8,267,308

No changes in the quarter in either 2023 or 2022

The total number of registered warrants was 2,275,000

More information on the company's website.

## Additional note

In the event of any discrepancy between the English and the Swedish versions of the report, the Swedish version takes precedent.

## Forward-looking statements

This interim report may contain statements concerning, among other things, Wyld Networks' financial situation and profitability, as well as statements about growth and longterm market potential that may be forward-looking.

Wyld Networks believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions. However, forward-looking statements include risks and uncertainties, and the actual results or consequences may differ significantly from those made.

In addition to what is required by applicable law, forward looking statements apply only on the day they are made and Wyld Networks does not undertake to update any of them in the light of new information or future events.

## Related Party Transactions

No related party transaction has occurred during the period.

## Certified Adviser

Mangold Fondkommission AB is acting as the company's Certified Adviser.

## Contact

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