

PRELIMINARY BIDDING DOCUMENTS (v.3), 2022-11-25¹

Inzile AB (publ), Swedish reg. no 556907-0070, in bankruptcy

Background

Inzile AB (publ), Swedish reg. no 556907-0070, (“**Inzile**“) was declared bankrupt on 7 November 2022, whereby Karl Björlin was appointed as official receiver by the City Court of Stockholm.

The bankruptcy estate hereby offers the business assets (debt free) for sale in accordance with the below. The assets are offered as is and are only available to the extent the bankruptcy estate has full disposal over such assets.

Continued Business Operations, Further Steps of the Sales Process, etc

In order to maintain the current value of the business assets and to sell Inzile as a going concern, the bankruptcy estate will during the bidding period maintain Inzile’s business operations by delivering/completing existing orders.

Interested parties are hereby invited to present written, **indicative bids** on the business as a whole or for parts of the assets, addressed to the bankruptcy estate, by sending an e-mail to Rikard Lemming, rikard.lemming@cirio.se, on **28 November 2022 at 10.00 am at the latest**. All bids shall clearly specify name and contact details of the bidder and include an explicit purchase price in SEK. All bids shall be financed and prepared for cash payment at closing.

After evaluation of presented bids, selected bidders may (if requested) be invited to interviews with management, visits to the premises and be provided with more detailed information, prior to signing a written non-disclosure agreement (NDA). Cash bids on all assets will be prioritized before bids on specific assets in the selection between bidders.

The bankruptcy estate reserves the right to value presented bids on an ongoing basis, as well as the right to make a sale in advance (Sw. *fri prövningsrätt*). This preliminary bidding document with appendices shall not be considered as a binding offer (Sw. *bindande anbud*). Binding transfer of the business or specific assets is subject to a written agreement signed by the bankruptcy estate and the buyer.

For more information regarding the company and the sales proceedings, kindly contact any of:

Karl Björlin, karl.bjorlin@cirio.se, +46 76-617 09 45, or

Rikard Lemming, rikard.lemming@cirio.se, +46 76-617 09 69.

¹ Please note that the content of these preliminary bidding documents is solely based upon information collected from representatives of the company in bankruptcy, official registers etc. The information stated herein may from time to time be supplemented and/or adjusted, subject to the bankruptcy administration’s ongoing investigation and evaluation of the company’s assets and business. Interested buyers will in such case be informed of any such supplements and/or adjustments.

THE BUSINESS

Inzile was founded in Sweden in 2012 with a focus on development and production of electric work vehicles, primarily to be used within the last-mile-delivery and hotel & resort sectors. The company has developed two main products – the first one was Inzile PRO4, an electric light truck for city transports and surrounding areas, and the second was Inzile EVI, a resort vehicle for up to 12 persons with flexible add-ons/adjustments (such as trailer for passengers, trailer for luggage, cargo flatbed w and w/o grid and cargo box).

Inzile has around 30 employees at its head office and state of art production facility located in Västervik, and the R&D department located in Tranås, Sweden.

The shares of Inzile AB, previously listed on Nasdaq First North, were immediately delisted due the bankruptcy proceedings. The five largest shareholders are; QEV Electromobility PTE Ltd, Ragnar Åhgren, Lars Göran Bäckvall, Klas Åhgren, and Avanza Pension.

For further details regarding Inzile as a company and its story, market potential, business areas etc, see the attached document *Inzile Strategy 2022-2024, Appendix 1*.

Please visit <https://inzile.com/> for further information.

THE PRODUCTS

PRO4 Platform

PRO4 is in-house developed and 100 percent electric light truck that is created for transport for the Nordic climates. The vehicle has been designed to customers that are active in urban environments: green landscaping, municipalities, state-owned companies, as well as transport companies. PRO4 is a smaller work vehicle which can replace a larger light truck in terms of load capacity. The PRO4 has a load capacity of approx. 1,000 kg and allows a maximum speed about 50 km/h. For further details regarding the PRO4 concept, see Appendix 2.



Picture of a PRO4 truck.

EVI Platform/Project Starfish

Starfish started about 12 months ago at the R&D department in Tranås. Up until November 2022 one prototype chassis is partly assembled. So far it consists of a steel frame, front and rear axle, steering and suspension system, wheels and tyres. The first wiring harness is on the way to be ready on a workbench. The first profiles for the body as well as the floor are designed and assembled. The software for being able to drive the prototype is not yet ready. The work with Connectivity (connecting the vehicle with the cloud for GPS positioning, controlling and later sell functions) is well ongoing. First prototype drawings are produced. After the chassis is complete with all mechanical, electrical parts and wiring harness the tests and validation period will take

place and later drawings will be updated according to test results. Total sum of external and internal development costs estimates to around SEK 15-20 million. For further details regarding the EVI concept, see [Appendix 3](#).



Picture of an EVI bus.

FINANCIAL STATEMENTS

Inzile's revenues have mainly been retrieved from B2B sales in the form of leasing, and some direct sales of PRO4 to business customers.

The turnover 2021 totalled around SEK 9,5 million, which amounted to more than 100 percent increase compared to the 2020 turnover (SEK 4,2 million).

In October 2022, a bridge financing loan of approx. SEK 50 million became due, and Inzile did not have available funds to pay the loan and accrued supplier invoices.

The last annual accounts regard the financial year 2021, [Appendix 4](#).

Interim Report for the period Jan-Jun 2022, [Appendix 5](#).

Unaudited balance sheet and income statement was drawn up by the management as per 2022-09-30, [Appendix 6](#). [UPDATE 2022-11-25] Booked immaterial assets (around SEK 4,5 million) regards development costs in relation to the PRO4 platform.

ASSETS FOR SALE

The assets of the bankruptcy estate are essentially as follows (subject to adjustments/supplements):

1. Technologies and Know-How

3D-drawings in CAD, procedures, methods and specifications of the operations, and related technologies, including information related to development/production related to PRO4 and EVI Platforms, which are archived and retrievable in digital versions located on Inzile's file server.

Extensive Bill Of Material (BOM) as of 28 October 2022, including lists of all necessary and relevant parts, contacted suppliers, status sheets, etc for the EVI Platform.

A digital copy of all materials will be handed over post-closing. A more detailed description of Inzile's technologies and business intelligence tools may be provided later, provided that an NDA is duly signed and entered into.

[UPDATE 2022-11-25] To the best of management's knowledge, ownership to all inventions, know-how and other IP rights created within the business have been transferred to (without right to any compensation) and are owned by Inzile accordingly. Necessary clauses and language have been included in employment agreements in accordance thereof. Copies of employment agreements may be provided later, provided that an NDA is duly signed and entered into.

2. Employees

Inzile has around 30 employees of which eight are considered key employees necessary for finalization/commercialization of the EVI Platform, which all will be discharged by the bankruptcy estate.

Please note that employment agreements are not automatically transferred together with the business. Transfer of employees requires the buyer to execute new employment agreements with all employees.

Contact details to employees will be provided/transferred to the buyer after finalizing the purchase. Transfer of such information may only be transferred in accordance with Swedish law and GDPR regulations.

3. Fixed Assets

Vehicles

[UPDATE 2022-11-25] List of approx. 40 vehicles (mainly PRO4) owned by Inzile, [Appendix 7](#), with a total booked value of approx. SEK 15 million. These are leased/under contract with existing customers under a lease plan of five years. Leasing/rental income estimates around SEK 850,000 in total per month, see below under section 5 (Customer Agreements).

List of 16 demo/produced vehicles (PRO4) owned by Inzile (not under lease), [Appendix 8](#), with a total booked value of approx. SEK 4 million. Additional 10 PRO4 vehicles are under production/finalization.

Spare parts, inventory etc

List of spare parts (primarily for PRO4), inventory, materials etc, [Appendix 9](#), with a total booked value of approx. SEK 24,6 million.

Machines, tools and other fixed assets

R&D and production facilities, including industrial machines, tools, office equipment, computers, furniture and other fixed assets, [Appendix 10](#), with a total booked value of approx. SEK 2 million.

Please note that the bankruptcy estate is continuing the business operations, meaning that balances in the lists of vehicles, inventories and other fixed assets referred to above are continuously subject to changes, discrepancies and variations, and the bankruptcy estate will therefor accept bids which in this part are related to a percentage of the booked stock value or similar.

4. Leased Premises

Leased premises for head office, production, and R&D facilities in Tranås and Västervik, Sweden.

Rental cost for the premises estimates to around SEK 170,000 per month, excluding supplemental costs for electricity, water, heating, sewage, waste etc. This estimation is based on the average booked costs according to the accumulated accounts of 2022, see further financial statements in [Appendix 6](#).

According to the Swedish land code, commercial lease agreements may only be transferred subject to the landlord’s prior consent. However, a buyer of the business as a going concern (Sw. *rörelseövergång*) may, subject to certain requirements, be entitled to acquire the lease agreement on current lease terms, without such consent from the landlord.

5. Supplier, Customer, Leasing and other Agreements

[UPDATE 2022-11-25]

Suppliers

Inzile has cooperated closely and developed customized set-ups with several international suppliers. In general, essential suppliers have indicated that they are positive continuing a business relationship with a potential buyer of Inzile’s business assets. List and contact details of such parties may be provided later, provided that an NDA is duly signed and entered into.

Customer Agreements

Inzile have entered into written agreements with four customers regarding leasing/rental of PRO4 vehicles, which are all active and generates monthly incomes, as summarized in the below chart. Copies of agreements, list and contact details of such parties may be provided later, provided that an NDA is duly signed and entered into.

Customer	Country	No. Vehicle	Rental start date	Rental end date	Quarterly Rental	Quarterly in SEK
Customer 1	Finland	16	2022-09-15	2024-09-15	33 936 EUR	370 242 SEK
Customer 2	Norway	5	2022-09-15	2024-09-15	109 500 NOK	117 165 SEK
Customer 3	Sweden	18	varying dates	varying dates	305 328 SEK	305 328 SEK
Customer 4	Sweden	4	varying dates	varying dates	60 000 SEK	60 000 SEK
Total		43				852 735 SEK

In addition, three preliminary orders were discussed in beginning of 2022, but never got executed (including approx. 830 EVI vehicles). Further details around this may be provided later, provided that an NDA is duly signed and entered into.

Please note that agreements are not automatically transferred together with Inzile’s business assets. Transfer of any agreement requires the buyer to execute new agreements with relevant counterparties.

Commercial lease agreements (re certain vehicles, computers, printers etc) and further details may be provided later.

6. Domain Names and Registered Brand

[UPDATE 2022-11-25] Domain names, including but not limited to “inzile.com”, see Appendix A.

Swedish registered brands, including but not limited to “Inzile”, Appendix 11.