



INVUO

TECHNOLOGIES AB

Corp. id. no.: 556610-2660

Interim report April 1 – June 30, 2018

Invuo Technologies AB (publ)

INTERIM REPORT, 1 APRIL – 30 JUNE 2018

The numbers and key figures refer to the remaining operations

Second quarter 2018

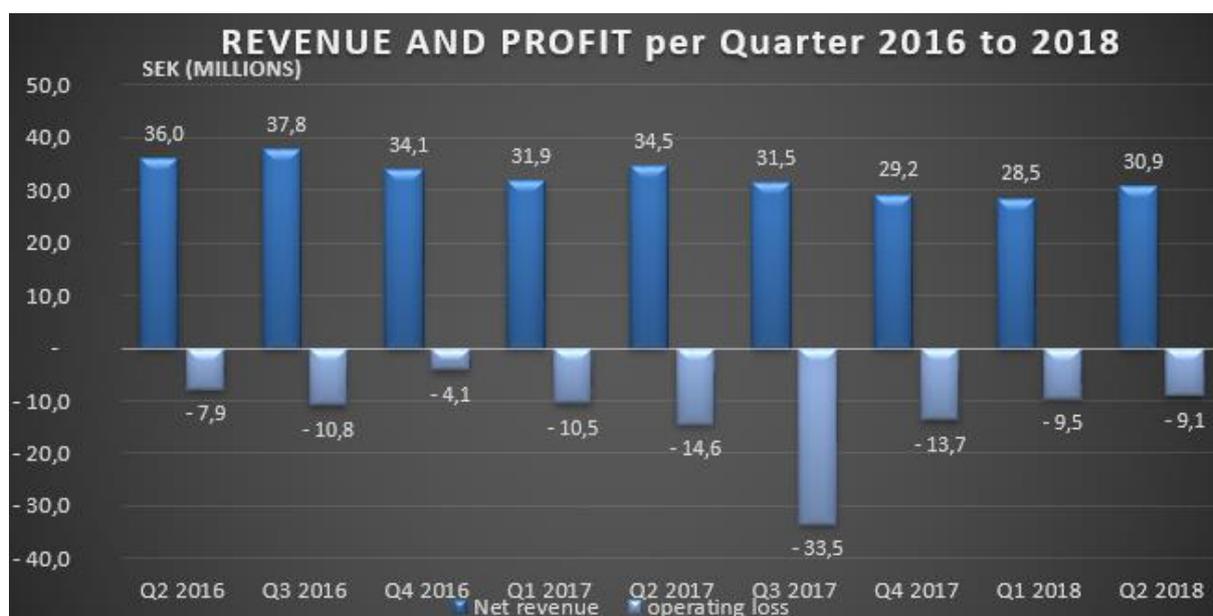
- Net sales SEK 30.9 million (34.5)
- Operating loss (EBIT) improved by 38% to SEK -9.1 million (-14.6)
- Loss after tax SEK -30.4 million (-16.8)
- Earnings per share SEK -0.37 (-0.29)
- Cash flow before changes in working capital for the period SEK -28 million (-59)

H1 2018

- Net sales SEK 59.4 million (66.5)
- Operating loss SEK -18.7 million (-25.1)
- Loss after tax SEK -38.7 million (-28.3)
- Earnings per share SEK -0.47 (-0.48)
- Cash flow before changes in working capital for the period SEK -34 million (-64)

Financial summary

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Full-Year 2017
Net sales	30 916	34 513	59 371	66 455	127 157
Operating result	-9 122	-14 565	-18 650	-25 055	-72 231
Operating margin	neg	neg	neg	neg	neg
Loss for the period	-30 369	-16 758	-38 693	-28 299	-118 316
Balance sheet total	104 737	263 339	104 737	263 339	163 189
Earnings per share, basic and diluted*	-0.37	-0.29	-0.47	-0.48	-2.01
Equity ratio	68%	30%	68%	30%	67%
Cash flow from operating activities	-28 213	-65 477	-22 212	-72 406	-104 936
Capitalized development costs	4 454	-100	7 720	1 661	4 593
Depreciation/Write down	-3 695	-698	-7 007	-1 332	-14 037
Number of employees at end of period	47	45	47	45	39



CEO'S COMMENT

Q2 2018 was extremely challenging for Invuo Management and Board. The failure of AJ Group to deliver committed funds caused serious uncertainty and distress, as well as massive consumption of time resource. Fortunately, the sale of financial assets in May, raising Sek17.5m, bought the company critical breathing space.

In our operations, huge challenges were confronted. For e-Products, we were delighted to see the business move into EBIT profit during Q2, ahead of our most recent expectations. This has been due to a virtuous combination of tight cost control, alongside innovative revenue generation measures. It should be noted that this is the first time in the history of e-Products that it has made a profit. Our new strategy is yielding results. In addition, this performance includes the burden of a number of large expenses related to the restructuring of the Company which started a year ago. It has only been through outstanding Management and team spirit that so many challenges have been overcome.

Looking into H2 for e-Products, there are pluses and minuses. On the minus side, we still have one major legacy supply contract that might change in Q3, and this would lead to somewhat higher costs. In addition, years of under-investment in IT by previous management will have to be resolved. We must also erase long-standing creditor positions. On the plus side, numerous revenue enhancement initiatives are underway, and this is combined with continued removal of loss-making contracts. We are optimistic that e-Products can be profitable during much of H2.

MeaWallet faced much more challenging conditions in Q2 than we previously expected. First, Europe's financial industry was more distracted by GDPR implementation than we expected, and many organisations pushed back mobile wallet investment until Q3/4. Second, key MeaWallet planned hires in marketing and sales were not possible due to AJ Group's failure to deliver funds in April as promised. Another key factor in Q2, which will remain a factor in the period ahead, is that financial institutions across Europe, whether incumbents or dislocators, are all grappling with a marketplace that is evolving extremely rapidly.

Whilst we no longer forecast at least 20 signed contracts for 2018, MeaWallet still expects to sign around 15 contracts for the year as a whole. Based on the three orders signed to-date, this means we expect to sign around 12 additional orders by year-end. Fortunately for MeaWallet, its people have continued to keep it right at the cutting edge in the marketplace, and we believe this strength will bear fruit in Q3/4, not just in our core tokenisation products, but in a number of new revenue adjacencies.

Looking at the overall Company performance, cost reduction efforts continued across Invuo in Q2, especially in HQ, and we can say with confidence that the Company has never been as lean as it is today.

As we said in our Press Releases in May, our forecasted ability to internally fund operations until year-end 2018 has been based on an expectation of an acceleration of MeaWallet signed orders, and e-Products moving into profit. This remains the case. In the absence of both these factors, and particularly taking into consideration the slower than expected order-signing by MeaWallet in Q2, additional funds may be needed earlier than our previous forecast. To secure a stable financial situation for the Company the Board intends to call for an EGM to seek a mandate for further funding activities.

John Longhurst
CEO

Significant events during the quarter

- Invuo informs about uncertainty about the agreement reached with AJ Group, where AJ Group would invest approximately SEK 52 million in shares and acquire SDS loans. Invuo confirmed on two occasions a new date for AJ Group's transaction and receipt of non-refundable security deposit. In addition, information from AJ Group received by Invuo showed that AJ Group would attempt to make the subscription agreement, signed in March 2018, subject to new requirements not covered by the current subscription agreement. The new information forced the management and the board to reconsider the probability that Invuo would actually receive funds in accordance with the terms of the subscription. As a result of the delays in connection with AJ Group's expected investment, Invuo's liquidity weakened sharply.
- On May 22, Invuo announces a decision to sell assets related to Seamless Distribution Systems AB ("SDS") for a total of SEK 17.5 million. The assets sold consisted of shares in SDS corresponding to 23.3% of SDS shares, a total of 1,610,618 shares, and loan commitments from SDS to Invuo (with a nominal value of SEK 35 million). This liquidity supply enables Invuo to continue its operations and invest in its two business areas, MeaWallet and eProducts, and the company expects to maintain sufficient liquidity to finance operations at least until the end of 2018.
- Invuo confirms that it will consider taking legal actions as a result of the non-executed transaction with AJ Group Holdings Ltd.
- Denny Sternad and Sheliza Jamal resign from the board on the 17th and 22nd of May.

Significant events after the end of the reporting period

- MeaWallet signs an agreement with a major mutual Portuguese savings bank, for delivery of MeaWallet's technology for mobile contactless payments. Mea Token Platform will enable the bank's clients to perform digital contactless card payments (tap & pay) through the bank's existing mobile banking application. The order value of the contract is around €200 000 over a five-year period.

CONSOLIDATED

The group now refers to the new group that includes the segments MeaWallet (MEA B2B), eProducts and Group functions. The numbers and key figures refer to the remaining operations.

Revenue and result

Invuo's revenues during the second quarter amounted TSEK 30 916 (34 513), a decrease with 10% compared with the same period previous year. The decrease is related to eProducts and is due to a downward trend in the market for prepaid value cards. The sales are distributed between the business segment eProducts, with 90 (92) % and 10 (8) % from the business segment MEA B2B.

The consolidated operating loss amounted to TSEK -9 122 (-14 565) for the second quarter, which is an improvement of TSEK 5 442 compared to the same quarter last year.

Financial items for the second quarter amounted to TSEK -21 599 (-2 228). Financial expenses amounted to TSEK -21 989 (-2 110) and financial income amounted to TSEK 391 (118). The financial expenses mainly consisted of write-downs of the loan Invuo had against SDS, which resulted in a cost of TSEK -20 733, while the financial income related to interest income on the loan to SDS for the period up to the sale.

Loss after tax amounted TSEK -30 369 (-16 758), which corresponds to earnings per share of SEK -0.37 (-0.29) kr.

Personnel

The Group had a total of 47 (45) employees at end of the quarter. In addition, Invuo has 7 consultants.

Depreciation and investments

During the quarter, investments have been made in a total amount of TSEK -8 002 (-311), of which TSEK 7 843 related to investments in intangible assets and TSEK 159 in tangible assets. Depreciation for intangible assets amounted to TSEK 3 335 (633) and for tangible assets to TSEK 360 (65).

Cash flow and financial position

The Group's total cash flow for the second quarter improved by TSEK 3 073 compared with the same period last year and amounted to TSEK 4 888 (1 815). Cash flow from operating activities amounted to TSEK -28 213 (-65 477) for the second quarter.

Cash flow from investing activities amounted to TSEK 33 728 (1 005) during the period, mainly due to the sale of financial assets related to SDS. Cash flow from financing activities amounted to TSEK -627 (66 287).

Cash equivalents amounted at the end of the quarter to TSEK 11 533 (3 346).

Invuo's total assets amounted to TSEK 104 737 per 30 June 2018 (263 339). The equity ratio was 68%, compared to 30% per 30 June 2017.

The group has no interest-bearing liabilities to banks or other credit institutions.

Parent Company

Invuo Technologies AB is parent company in Invuo Group. The parent company provides and sells internal services to other group companies, primarily within finance, business development, administration and management. The parent company's net sales for the quarter amounted to SEK 909 thousand (1 095) and net financial result amounted to TSEK -30 300 (-28 526). Financial net in the parent company amounted to TSEK -22 645 (-26 485), of which TSEK -20 733 referred to write-down of the SDS loan. The parent company had bank deposits/cash on hand in the amount of TSEK 7 051 (2 348). The parent company had 1 (2) employees at the close of the quarter.

Transactions with closely related parties

During the period, the Group has not had any significant transactions with related parties, other than usual transactions between group companies and associated companies. The transactions have taken place at market terms.

OTHER

Accounting Policies

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU as presented in the Group's Annual Report for 2017. The Group's functional currency is Swedish kronor, which is also the reporting currency. This report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The parent company's financial statements in summary have been prepared in accordance with the Annual Accounts Act and RFR 2 Accounting for Legal Entities.

Changed accounting principles from 2018

The Group has begun to apply IFRS 9 Financial Instruments and IFRS 15 Revenue from agreements with customers as of January 1, 2018.

Financial instruments: Accounting and valuation (IFRS 9)

The new write-down model means that provision for loan losses relating primarily to customer and similar receivables is brought forward. All these receivables are booked for the loan losses that are expected to arise during the remaining maturity and not only for those receivables that have demonstrated objective proof of impairment.

Revenues from customers (IFRS 15)

IFRS 15 is a comprehensive standard for determining the amount of revenue to be reported and when these revenues are to be reported. The introduction of IFRS 15 has not had any effect on the Group's financial statements in addition to increased disclosure requirements. See table below for the distribution of income.

The parent company and the group's financial statements are not affected by the transition to IFRS 9 and IFRS 15.

New accounting principles from 2019

IFRS 16 Leases replace existing IFRSs related to accounting of leases, such as IAS 17 Leases and IFRIC 4 Determining whether an agreement contains a lease. The Group plans to apply the standard from January 1, 2019. IFRS 16 primarily affects lessees and the central effect is that all leases that are currently reported as

operating leases are to be reported in a manner similar to the current accounting of financial leases provided that they meet the requirements for reporting as a lease in accordance with IFRS 16. The standard provides for a common leasing standard for accounting for all leases except for lesser leases and contracts with a maturity of no more than 12 months. This means that even for operational leases, assets and liabilities need to be reported, including accounting for depreciation and interest costs, as opposed to today, when no leasing and related liabilities are reported, and leasing fees are recognized on a straight-line basis as leasing costs. The Group has begun the assessment of the potential effects on the financial statements. The most significant impact so far identified is that the Group will need to report new assets and liabilities for its operational leases for office space, which will affect, among other things, key ratios EBITDA and capex. Further information on actual effects will be disclosed when the analysis is completed which is not expected to be completed until the fourth quarter.

Significant risks and uncertainties in the business activities

Invuo's business operations are affected by a number of external factors where various risk factors may have an impact on the Company. These risk factors may result in an impact on the Company's ability to achieve its business objectives or targets. Invuo is in need of additional liquidity. The Board continually assesses the funding situation for the group and can use various methods for financing the current negative cash flow.

This report contains forward looking statements that are based on Invuo's management's current expectations. Even though management believes that the expectations which are stated in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove correct. Accordingly, future results could materially differ from those stated or implied in the forward-looking information due to, among other things, changes in economic, market and competitive conditions, changes in the regulatory environment and other political or governmental measures, fluctuations in exchange rates, and other factors.

The Parent Company has ongoing tax litigation with the Swedish Tax Authorities. The maximum exposure is SEK 6 million. The amount is paid in and an appeal has been sent in by the Company. One of the subsidiaries of the Group has an ongoing tax audit.

For further reference, please refer to the statement in the latest Annual Report on its pages 16-21 and 69.

BUSINESS SEGMENTS

Invuo operations consists of two business areas - eProducts and MEA B2B. Group functions relate to non-allocated expenses.

	Net Sales, SEK thousand					Growth, Net Sales compared to last year				
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full-Year	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full-Year
	2018	2017	2018	2017	2017	2018	2017	2018	2017	2017
MEA (B2B)	3 199	2 853	7 067	4 910	8 774	12%	-	44%	-	-
eProducts	27 717	31 660	52 304	61 545	118 383	neg	neg	neg	neg	neg
Group functions	-	-	-	-	-	-	-	-	-	-
Invuo Group	30 916	34 513	59 371	66 455	127 157	neg	neg	neg	neg	neg

Total	Operating Result, SEK thousand					Operating Margin				
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full-Year	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Full-Year
	2018	2017	2018	2017	2017	2018	2017	2018	2017	2017
MEA (B2B)	-6 017	-2 934	-11 856	-6 001	-24 525	neg	neg	neg	neg	neg
eProducts	121	-713	-57	-1 452	-4 551	0,44%	neg	neg	neg	neg
Group functions	-3 226	-10 918	-6 737	-17 602	-43 155	neg	neg	neg	neg	neg
Invuo Group	-9 122	-14 565	-18 650	-25 055	-72 231	neg	neg	neg	neg	neg

MeaWallet

Sales

MeaWallet has secured three new contracts the first half of 2018. This is below our expectation, but we still believe we can secure totally 15 new contracts in 2018.

We underestimated the impact of the regulations like PSD2 and GDPR for banks, and this has exposed their focus of mobile- and digital payments. The pipeline has increased over the period, which indicate a growing market.

As a part of our trust strategy to our customers, it's important to deliver high quality, on-time and to agreed prices. Confidence makes repetitive sales easier.

Delivery

MeaWallet's solution is built as a secure middleware platform, to be able to deliver high volume, fast. As planned the delivering time has been reduced from 12 months down to approximately 4 months. At the moment MeaWallet is running 9 customer projects in parallel. This includes projects with Mastercard, Visa, American Express and national local schemes. At the moment we are delivering our solution both as a "managed service", and "on premises".

The market

Payment is boring, and it must be simple and user friendly. Digitization makes payment simpler and more secure, MeaWallet makes it more user friendly.

An estimated 440 million people will use contactless mobile services in 2018, Juniper Research said. Apple Pay will almost double its number of digital wallets by 2020, rising to 227 million. Samsung Pay and Google Pay will each account for 100 million, followed by newer wallets such as Garmin and Fitbit Pay.

The combined market share of Apple, Samsung and Google will reach 60% of global mobile contactless payment users by 2023.

The POS acceptance of contactless transactions will grow to near 100% over the next two years making mobile payments something every issuer will have to support.

MeaWallet's position

MeaWallet is not a start-up company, but a scale-up company.

With 40+ employees MeaWallet has a unique position in the market, working close with Mastercard, Visa and American Express. MeaWallet is now present with end-users in 23 countries and continues to grow into new markets. Our main market is Europe and The Middle East. MeaWallet is one of few companies in the world offering certified payment solutions for both OEM Pay and in app/bank Pay.

Products

MeaWallet is currently providing our Mea Token Platform to banks for tokenizing their card portfolio. The focus for the first half year has been to build our Mea Token Platform to fully support the latest specifications from American Express, Mastercard, and Visa. This has resulted in our platform and SDK to become one of the first fully approved Mastercard Cloud-Based Payments 2.0 solution in the world.

With the newly announces Secure Remote Commerce (SRC) from the major payment schemes, MeaWallet has included support for that in our product roadmap. SRC enables tokenized transactions when shopping online and in applications, to improve transaction security and improve the user experience when shopping online.

Together with this, MeaWallet has also started working on a set of new products to expand our product portfolio to be better prepared for changes in the market. This has resulted in two products we are shaping right now; Mea Token Management and Mea Spend Control. Mea Token Management is a product that enables token push provisioning and control capabilities to consumers through the issuer's app or website. Mea Spend Control is a product that enables the consumers to have full control of all their tokens with spending limits, restricting merchant types and other control features.

Product readiness and Certifications

MeaWallet's platform is built as a secure middleware platform. For the first banks, we spent 12 months to enable the platform. During 2018, this has been reduced to 4 months. The plan is to reduce this down to weeks.

In July 2018 MeaWallet received Mastercard Cloud-Based Payments 2.0 certification for our backend and SDK as one of the first digital vendors in the world. In addition, MeaWallet has successfully completed American Express SDK Security evaluation.

New services from the schemes

During 2017-2018 we have seen a lot of new services from the schemes. Secure Remote Commerce is committed by all the major payment schemes, Merchant Tokenization is on the rise, and Token control services

is being launched by all the major schemes. MeaWallet has Secure Remote Commerce support in our systems, and we are currently building products for multi-scheme features for controlling, managing and spending limits for tokens. This will be supported by our new products; Mea Token Management and Mea Spend Control.

Organization

MeaWallet Management-, Product- and Admin team is located in Norway. Development- and Project Management is located in Latvia. We do also have field offices in England, Poland and Portugal. In January MeaWallet were 26 employees, at the end of June we were 39 employees. MeaWallet will continue to grow during 2018-2019 to fulfill our existing and the new strategy.

Extended growth strategy

Tokenization has become commodity faster than expected. But, there has also been launched a lot of new services from the schemes, which will give us increased turnover. MeaWallet will deliver these new services, and in addition we will extend the product portfolio. The Management team has been working with an extended strategy to secure further growth for the company. The new strategy includes a wider set of products, to the same type of customers. A new strategy plan will be presented in Q3 2018.

eProducts

eProducts acting as a distributor of digital products on three different markets; Denmark, Greenland and Sweden.

In Denmark we have done major improvements during the second quarter, mainly when it comes to cutting and passing-through costs. We are exploring the possibilities in different ways to approach the end users in Denmark directly which will have a significant increase on our margins.

Greenland is still an interesting and important market for us and during coming quarters we hope to increase both our market share as well as revenues and this with help from new products.

With the performed activities during Q2 we have a good foundation to continue to build on. With several ongoing dialogues, both with potential customers, operators and service providers we aim to become profitability over the coming quarters.

Sweden has been, and still is, our primary and biggest market. After making some fundamental changes, mainly on customer side where we have raised some service fees, pass-through on costs and getting rid of nonprofit customers, has moved eProducts as a company into a position where we have become profitable and that is sooner than expected.

During the last 6 months eProducts has worked hard to build a platform that enables the company to stand on its own with a positive cash flow. This has now succeeded mainly on exploring opportunities on our existing customers and cutting cost on all levels. Focus will now shift towards our pipeline and taking the next step to become a profitably company. All new business that we bring in now will have a direct impact on our bottom line.

Moving into Q3 we do that with expectations to reach out to existing and new customers on all our markets with new interesting products that will help both them and us increase revenue. Exploring the possibility to reach out direct to consumers and cut a step in the distribution chain will also be a priority.

FINANCIAL INFORMATION - CONSOLIDATED

The numbers and key figures refer to the remaining operations

Group report over total earnings

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Full-Year 2017
Net Sales	30 916	34 513	59 371	66 455	127 157
Other operating income	1 001	-369	2 017	-187	8
Material costs	-27 832	-30 921	-53 080	-59 602	-115 809
Other external costs	-876	-5 278	-2 530	-7 983	-18 766
<i>of which capitalized development costs</i>	<i>4 454</i>	<i>-100</i>	<i>7 720</i>	<i>1 661</i>	<i>4 593</i>
Personnel costs	-8 636	-10 791	-17 421	-20 997	-48 179
Depreciation	-3 695	-698	-7 007	-1 332	-14 037
Other operating costs	-	-1 021	-	-1 409	-2 605
Operating result	-9 122	-14 565	-18 650	-25 055	-72 231
Financial net	-21 599	-2 228	-20 712	-3 316	-18 988
Profit before tax	-30 721	-16 793	-39 362	-28 371	-91 219
Income tax	352	35	669	72	-27 097
Profit for the period from remaining operations	-30 369	-16 758	-38 693	-28 299	-118 316
Profit for the period divested operations and operations under sale	-	-21 397	-	-35 084	50 590
<i>- of which SDS</i>	-	52	-	6 282	160 548
<i>- of which SEQR B2C</i>	-	-21 278	-	-41 016	-93 056
<i>- of which eProducts Latvia</i>	-	-170	-	-350	-16 902
Result of the period	-30 369	-38 155	-38 693	-63 383	-67 726
OTHER COMPREHENSIVE INCOME					
Currency translation differences	906	-1 226	1 742	-1 360	-1 299
Total comprehensive income attributable to parent company shareholders	-29 463	-39 381	-36 951	-64 743	-69 025

The numbers and key figures refer to the remaining operations

Consolidated Balance Sheet

SEK thousand	30 June 2018	30 June 2017	31 Dec 2017
ASSETS			
Intangible assets	53 273	54 521	48 240
- of which goodwill	8 186	6 184	7 655
- of which capitalized development costs	27 728	27 092	22 384
- of which customer agreements	-	563	-
- of which other intangible assets	17 359	20 682	18 201
Tangible fixed assets	1 634	8 671	2 313
Holdings reported using the equity method	-	-	161
Deferred tax	-	27 757	-
Other long-term receivables	7	486	37 474
Inventories of finished goods	1 755	2 715	2 831
Accounts receivables	15 196	15 959	13 762
Other receivables	14 438	11 439	47 423
Prepaid expenses and accrued income	6 901	7 505	7 542
Cash and cash equivalents	11 533	3 347	3 443
<i>Total assets held for sale</i>	-	130 938	-
- of which SDS	-	60 963	-
- of which SEQR B2C	-	66 691	-
- of which eProducts Latvia	-	3 283	-
Total assets	104 737	263 339	163 189
EQUITY AND LIABILITIES			
Equity	71 142	77 741	108 716
Appropriation	149	169	143
Other non-current liabilities	125	66 127	125
Deferred tax liability	4 114	67	4 470
Trade accounts payable	15 805	24 506	23 273
Current tax liability	-	284	12
Other current liabilities	7 052	47 006	4 387
Accrued expenses and deferred income	6 350	10 924	22 063
<i>Total liabilities held for sale</i>	-	36 515	-
- of which SDS	-	16 969	-
- of which SEQR B2C	-	16 952	-
- of which eProducts Latvia	-	2 593	-
Total Equity and Liabilities	104 737	263 339	163 189

Consolidated statement of changes in Equity

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Full-Year 2017
Balance at start of period	101 137	110 761	108 716	135 762	135 762
Comprehensive income for the period	-29 463	-39 381	-36 951	-64 743	-69 025
New share issue	-	-	-	-	41 975
Transaction costs	-532	-	-623	-	-5 995
Reclassification	-	-	-	-	-1
Options program	-	361	-	722	-
Sales of own shares	-	6 000	-	6 000	6 000
As per end of the period	71 142	77 741	71 142	77 741	108 716

The numbers and key figures refer to the remaining operations

Consolidated statement of cash flows

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Full-Year 2017
Cash flow from operations before changes in working capital	-27 804	-58 876	-34 417	-63 863	-76 025
Change in working capital	-409	-6 601	12 205	-8 543	-28 911
Cash flow from operating activities	-28 213	-65 477	-22 212	-72 406	-104 936
Cash flow from investing activities	33 728	1 005	26 997	529	136 771
Cash flow from financing activities	-627	66 287	3 546	66 418	-590
Cash flow during the period	4 888	1 815	8 331	-5 459	31 245
<i>Cash flow from divested operations</i>	-	-	-	-	-36 133
Cash and cash equivalents at beginning of period	6 737	1 368	3 443	8 663	8 663
Exchange difference of cash and cash equivalents	-92	163	-241	143	-333
Cash and cash equivalents at end of period	11 533	3 346	11 533	3 347	3 443

Key figures

	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Full-Year 2017
Return on equity	neg	neg	neg	neg	neg
Earnings per share, basic and diluted, SEK	-0.37	-0.29	-0.47	-0.48	-2.01
Operating income, SEK thousand	-9 122	-14 565	-18 650	-25 055	-72 231
Growth Net sales (compared to the same period last year)	neg	neg	neg	neg	neg
Operating margin	neg	neg	neg	neg	neg
Average number of shares, basic and diluted	82 084 955	58 765 305	82 084 955	58 765 305	58 830 082
Liquidity	165%	46%	165%	46%	145%
Equity ratio	68%	30%	68%	30%	67%
Equity, SEK thousand	71 142	77 741	71 142	77 741	108 716
Equity per share, SEK	0.87	1.32	0.87	1.32	1.32
Number of employees at end of period	47	45	47	45	39

Quarterly overview

	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Net sales	34 064	31 942	34 513	31 541	29 161	28 456	30 916
Operating result	-4 137	-10 489	-14 566	-33 500	-13 676	-9 529	-9 122
Earnings per share, basic and diluted*	-0.10	-0.43	-0.65	-1.07	-0.46	-0.10	-0.37
Growth Net sales (compared to prev. quarter)	neg	neg	8%	neg	neg	neg	neg
Liquidity	42%	44%	46%	88%	145%	144%	165%
Equity ratio	54%	44%	30%	68%	67%	75%	68%
Equity, SEK thousand	135 762	110 761	77 741	128 875	108 716	101 137	71 142
Equity per share, SEK	2.25	1.88	1.32	2.19	1.32	1.23	0.87

FINANCIAL INFORMATION – PARENT COMPANY

Parent company income statement

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Full-Year 2017
Net sales	909	1 095	1 819	2 190	4 128
Other operating income	-	-	-	-	5
Operating expenses	-8 564	-3 136	-15 912	-7 422	-23 869
Operating result	-7 654	-2 041	-14 093	-5 232	-19 736
Net financial items	-22 645	-26 485	-21 747	-34 076	3 818
Earnings before tax	-30 300	-28 526	-35 840	-39 308	-15 918
Income tax	-	-	-	-	-12 225
Income for the period	-30 300	-28 526	-35 840	-39 308	-28 143

Parent company balance sheet

SEK thousand	30 June 2018	30 June 2017	31 Dec 2017
ASSETS			
Fixed assets	26 580	17 346	63 741
Total current assets	72 204	154 288	87 898
Total Assets	98 783	171 634	151 639
EQUITY AND LIABILITIES			
Equity	68 008	62 109	104 472
Short-term liabilities	30 776	109 525	47 167
Total equity and liabilities	98 783	171 634	151 639
Pledged assets	-	-	-
Contingent liabilities	None	None	None

Invuo's share April - June 2018

Price trend second quarter	-68.26 %
Ticker symbol	INVUO
Market Cap (per 30 Jun)	SEK 60 million
High	SEK 2.35
Low	SEK 0.54
Total no of shares (per 30 Jun)	82 084 955

FINANCIAL CALENDAR

22 Nov 2018	Interim report Q3
14 Feb 2019	Interim report Q4
21 Mar 2019	Annual report 2018

About Invuo

Invuo has two main business areas: Mobile payment solutions provided under the trademarks of MeaWallet™ and distribution of eProducts. www.invuo.com

Invuo's interim report for the period April-June 2018 has been approved for publication by the Board of Directors, by its decision on July 18, 2018. This financial report has not been subjected to a review by the Company's auditors.

Certification

The Board of Directors and the CEO for Invuo Technologies AB (publ) declare that the report gives a true and fair view of the Company and Group's business operations, financial position and financial results in terms of net profits/losses and describes the principal risks and uncertainties that the Company, and the companies included in the Group, face.

Stockholm July 18, 2018

Tomas Jalling
Chairman of the Board of Directors

Petra Sas
Member of the Board

Robin Saunders
Member of the Board

John Longhurst
CEO

Invuo Technologies AB (publ), Corporate identification no. 556610-2660
All information is published on www.invuo.com immediately after public release.

CONTACT DETAILS

For further information, please contact:

Martin Schedin, CFO/IR

martin.schedin@invuo.com

+46 8 564 878 00

Definitions

Return on equity capital (%)

Net profit/loss for the quarter as a percentage of the average equity capital. Included to help investors get an idea of the return on equity capital.

Average number of shares before and after dilution

Average number of shares before and after dilution. Included to help investors get an idea of how the number of shares has changed over time.

Cash liquidity

Current assets, excluding inventories and ongoing works, as a percentage of short-term liabilities

Net sales growth

Net sales compared to the previous period, as a percentage.

Earnings per share, before and after dilution

Net profit/loss for the quarter derived from the Company's shareholdings divided by the average number of shares before and after dilution in the same period. Included to help investors get an idea of the earnings per share for the quarter

Operating margin (%)

Earnings Before Interest and Taxes (EBIT) as a percentage of the operating income. Included to help investors get an idea of the Company's profitability.

Equity ratio (%)

Shareholder equity as a percentage of the balance sheet total. Included to help investors get an idea of how much of the assets consist of equity capital