



Brighter

Interim report

October - December 2019



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October - December 2019.

- Capitalized expenditure for development work reached SEK 9,729 thousand (11,075).
- Net sales reached SEK 2,398 thousand (0).
- Operating result amounted to SEK -35,029 thousand (-10,843).
- Earnings before tax amounted to SEK -34,527 thousand (-13,141).
- Earnings per share, before dilution amounted to SEK -0.30 (-0.17).

Difference in operating result refers among other things to a write-off of SEK 2,9 million (0) of inventories that passed expiration date and as Actiste was CE-marked the Company started amortization of capitalized development costs. Amortization was SEK 4,3 million (0) on capitalized development. Also Camanio AB contributed SEK -4,3 million (0) to the operating result.

January - December 2019.

- Capitalized expenditure for development work reached SEK 34,563 thousand (25,021)
- Net sales reached SEK 2,398 thousand (0).
- Operating result amounted to SEK -79,810 thousand (-48,605).
- Earnings before tax amounted to SEK -89,685 thousand (-53,080).
- Earnings per share, before dilution amounted to SEK -0.99 (-0.74).

Financial overview.

SEK thousands	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018	Jan-Dec 2017	Jan-Dec 2016
Operating result	-35,029	-10,843	-79,810	-48,605	-24,395	-14,445
Net financial items	502	-2,298	-9,875	-4,475	-2,897	-238
Earnings before tax	-34,527	-13,141	-89,685	-53,080	-27,292	-14,683
Total assets	255,664	170,616	255,664	170,616	111,354	68,734
Equity per share (SEK)	1.6	1.44	1.27	2.19	1.54	1.01
Equity ratio to total assets	81%	63%	81%	63%	78%	76%

For definitions, see note 26 in Brighter's 2018 Annual Report.



CEO statement.

There were many highlights for Brighter in 2019, but most importantly we took a big leap forward in terms of commercialization through our partnership with the UAE Ministry of Health and Prevention. We also officially launched Actiste at the Arab Health event.

Another major development is that Brighter has grown into a Group with several new business areas, through our investments in Camanio, Accumbo and Nectarine Health. We believe there is massive long-term potential in these investments, as societal megatrends drive widespread market growth within Age-Tech and other digital-health services. Each of these companies makes a valuable contribution to Brighter's vision of simplifying and improving life through human innovation.

One key part of developing our ecosystem is to secure resources and competences directly to the Brighter Group. Another part of our strategy is to invest in partnering companies and to acquire companies with the right strategic fit.

Brighter's investment in the healthcare provider Accumbo links Actiste with Accumbo's care service for patients with blood-pressure related symptoms. It's well known that cardiovascular diseases are among the many complications that can arise from diabetes. The partnership with Accumbo enables us to offer customers an important combined solution. We subsequently announced a joint pilot project in Sweden that can potentially address some 150,000 care recipients.

The acquisition of Camanio AB, a welfare-technology company that develops solutions for home care, is another building block in this strategy. This acquisition brings us expertise and tools in both digital services and robotics, as well as relationships with distributors around the world.

In January 2020 we were able to secure yet another strategically important company when we acquired Nectarine Health, a Swedish company that develops artificial intelligence solutions within elderly care. These investments bring in excellent talent, which we will further support the development of our ecosystem.

Another major milestone was that our Actiste diabetes-care solution, as the first of its kind, received double CE marks – one for MDD (Medical Device Directive) and one for IVDD (In-Vitro Diagnostic Device). Brighter was also announced as the winner in the Swecare Rising Star Award 2019, boosting our company brand and market perception, and confirming that we are on the right track.



The recent capital acquisition, announced in November, gave us the financial resources to move forward and execute on our vision. The subscription rate amounted to a fantastic 99.54% of the offered shares, bringing an additional SEK 191 million onto our balance sheet. Brighter's board of directors, company management and key personnel also invested substantially in the rights issue. This means we have entered 2020 with our strongest financial position ever.

We've got the products. We've got the external recognition and we've forged strong partnerships. Our sales-related activities are progressing and we've strengthened our teams both in Sweden and our international target markets. We currently have several ongoing recruitment processes that are focused on supporting and expanding the sales function.

We will continue to focus on the United Arab Emirates and the Gulf Cooperation Council countries as the region where we will first bring Actiste to market. As with any market entry, there are certain timings and processes beyond Brighter's control, but we have good faith in that we will succeed. Our efforts in the region have also had some positive side effects, including opening new business opportunities in Saudi Arabia – a market four times the size of the UAE.

Our focus is always on building shareholder value, and doing so through an entrepreneurial and creative approach with the vision of creating a global company group improving the health of millions. Approximately 4,000 new shareholders have joined us on our journey the past year and we are currently close to 10,000 shareholders in total. The growing interest in the Brighter Group is very exciting and we are well on our way to building a globally recognized and acknowledged company.

Best wishes,

Henrik Norström, CEO of Brighter AB.





Significant events during the period.

- Brighter officially kicked-off commercial phase at GITEX in Dubai.
- Brighter acquired 100% of Camanio Care AB (publ)'s subsidiary Camanio AB and sold its holding in Camanio Care AB (publ).
- Brighter and Ung Diabetes association initiate collaboration to increase well-being among young people with diabetes.
- The Swedish Patent and Registration Office granted Brighter's patent related to patch technology for measuring biomarkers.
- Brighter strengthened the IP portfolio with 3 new patents in Sweden and South Korea.
- The Board of Directors of Brighter called an Extraordinary General Meeting and proposed that the Meeting decide on a directed new issue to those who would have been the holders of warrants in Program 2016/19 Series I (then Board members) and Program 2016/19 Series II (then Staff and Key Persons), a warrant program which never registered with the Swedish Companies Registration Office. The EGM approved the proposal. Management and key personnel invested SEK 19.2 million in Brighter through the directed share issue which was fully signed.
- Brighter announced a rights issue of approximately SEK 192 million.
- Recalculation of warrants TO3, TO4 and TO5 were announced as an effect of the announced rights issue.
- Brighter invests in the digital healthcare provider Accumbo and initiates partnership for digital health services.
- Digital-healthcare provider Accumbo initiates 'Diabetesdoktorn' with Brighter's diabetes service Actiste®
- The financing agreement with Winance was terminated as the company instead chose to finance the global commercialization activities through the announced rights issue.
- The number of shares in Brighter AB has increased. The total number of shares and votes increased from 85,720,621 to 96,111,204.



Significant events after the end of the period.

- The rights issue was finalized with a subscription rate of 99.54% – corresponding to SEK 191 million contribution in capital.
- Brighter AB acquired Nectarine Health, an assistant care solutions provider, optimizing AI and IoT care solutions, focused on seniors living independently at home or in nursing homes.
- The US Patent and Trademark Office granted Brighter's patent to securely combine MDD and IVDD into one unit.
- The number of shares in Brighter AB has increased. The total number of shares and votes increased from 96,111,204 to 194,051,042.



Comments on the financial results.

Financial results for October-December 2019.

Income.

Net sales amounted to 2,398 thousand (0) as a result of the acquisition of Camanio AB. Other operating income amounted to SEK 538 thousand (217) and Capitalized expenditure for development were SEK 9,729 thousand (11,075).

Operating result.

Operating result amounted to SEK -35,029 thousand (-10,843). Difference in result refers among other things to a write-off of SEK 2,9 million (0) of inventories that passed expiration date and as Actiste was CE-marked the Company started amortization of capitalized development costs. Amortization was SEK 4,3 million (0) on capitalized development. Also Camanio AB contributed SEK -4,3 million (0) to the operating result. Staff costs amounted to SEK -8,941 thousand (-3,896). At the end of the period the number of employees was 47 (17). Brighter AB had 28 employees, 4 were employed in the subsidiary in UAE and 14 were employed by Camanio AB. Also, a number of consultants work for Brighter and the costs/expenses related to these services have been recognized as other external costs.

Cash flow.

At the start of the quarter, the Group had cash of SEK 35,512 thousand (4,197), decreasing to SEK 9,340 thousand (9,031) by the end of period.

Cash flow from operating activities before change in working capital amounted to SEK -26,361 thousand (-10,477). The cash flow from operating activities was SEK -40,088 thousand (-8,890). Investments amounted to SEK 34,423 thousand (25,976) of which investment of SEK 8,473 thousand (11,089) in intangible assets and SEK 2,461 (2,662) thousand in property, plant and equipment mainly for production of Actiste device. Financing of SEK 51,340 thousand (39,699) after costs was raised through new issues, conversion of warrants and loans during the period.

Total cash flow for the period amounted to SEK -23,172 thousand (4,834).



Financial results for January-December 2019.

Income.

Net sales were 2,398 thousand (0) as a result of the acquisition of Camanio AB. Other operating income amounted to SEK 886 thousand (1,052) for the period. Capitalized expenditure for development were SEK 34,563 thousand (25,021).

Operating result.

Operating result for amounted to SEK -79,810 thousand (-48,605). Among the reasons for the higher loss was a write-off of stock of SEK 7.3 million (0) of inventories that passed expiration date and as Actiste was CE-marked the Company started depreciation on capitalized development costs. Depreciation was SEK 4,3 million (0). Also Camanio AB contributed SEK -4,3 million (0) to the operating result.

Staff costs increased and amounted to SEK -23,418 thousand (-13,014). At the end of the period, the number of employees was 47(17). Brighter AB had 28 employees, 4 were employed in the subsidiary in UAE and 14 were employed by Camanio AB. Also, a number of consultants work for Brighter and this has been recognized in other external costs.

As Actiste was CE-marked the Company started amortization on capitalized development costs for this asset. Amortization was -4,335 thousand (0) on capitalized development as it was initiated in the fourth quarter. The amortization will be distributed evenly over 8 years which is the estimated useful time of the asset.

Financial position.

Capitalized expenditure for development work during the period amounted to SEK 34,563 (25,021) thousand, which almost exclusively relates to the development of Actiste. Book value of capitalized expenditure totaled SEK 142,630 thousand (98,348). Book value of Property, plant and equipment totaled SEK 16,470 thousand (8,536). The increase in the equipment comes mostly from capital expenditures in the production line, tools and other production related equipment for the production of Actiste. Also an effect from IFRS 16 contributed SEK 2,306 thousand in Right-of-use asset relating to the rental agreement held by Camanio AB.

An investment in Accumbo AB of SEK 9 million for 13,0 % ownership in the fourth quarter also initiated a partnership for development of a diabetes service to complement the Accumbo's service on high blood pressure.

Inventory amounted to SEK 6,831 thousand (7,070) and mainly relates to consumables held for sales together with Actiste device and inventories held by Camanio. A write-off of SEK 7.3 million was executed due to surpassed expiration date.



“Other current receivables”, SEK 43,695 thousand (28,158) include pre-payments to Sanmina, for production of Actiste, of SEK 35.7 million (14.9).

At the end of the year the Group had equity of SEK 207,775 thousand (106,918), an equity ratio of 81% (63%).

The Groups long-term interest-bearing debts relates to a loan from Almi held by Camanio AB.

Current interest-bearing debt is the short-term part of Camanio’s debt to Almi and a loan of SEK 9 million from a private investor, which was used to finance the investment in Accumbo. The loan was repaid in January 2020.

Cash flow.

At the beginning of the year, the Group had cash of SEK 9,031 thousand (10,017) changing to SEK 9,340 thousand (9,031) by the end of the period.

Cash flow from operating activities before change in working capital amounted to SEK -72,233 thousand (-45,871). Cash flow from operating activities were SEK -93,904 thousand (-68,249). Investments amounted to SEK 58,810 thousand (42,750), of which investment of SEK 34,563 thousand (26,026) in intangible assets, and SEK 5,562 thousand (3,961) in property, plant and equipment mainly for production of Actiste.

Financing of SEK 153,023 thousand (110,013) after costs was raised through new share issues, warrants and loans during the period. Winance contributed SEK 32 million of those before the agreement was terminated end 2019. Private investors contributed SEK 9 million. The Group repaid loans of SEK some 42 million. No money was contributed by L1 Capital as that facility now is fully converted and closed. For further information about the agreement with L1 Capital and Winance, see below, the Group website and Note 23 in Brighter’s 2018 Annual Report.

During 2019 new shares corresponding to SEK 3,723 thousand were subscribed by utilization of warrants TO4 and TO3.

Total cash flow for the period amounted to SEK 309 thousand (-986).

Winance.

Winance is a private investment company, single family office, with offices in Dubai and New York. Winance undertook to invest EUR 15 million in Brighter. Transaction 1 of EUR 3 million was paid to Brighter on signing date. Transaction 1 has since then been fully set off in new issues of shares and Brighter has no remaining debt to Winance. Warrants, series TO5, were issued to Winance and all shareholders in Brighter in connection with Transaction 1. The agreement was terminated in December as the Company instead chose to announce a rights issue. For more detailed information on the Winance financing see the Group website.

Sales, production and CE mark.

Sales work is continuing in a positive view both in United Arab Emirates and other targeted markets. The sales and business targets are aimed at expanding into markets with strong needs and the ideal conditions for implementing digitalized treatment and monitoring systems remain. As such the partnership between Brighter and AFAQ Group L.L.C. is one of Brighter's more promising market breakthroughs. Brighter and AFAQ have a partnership and have formed a United Arab Emirates onshore company headquartered in Dubai to introduce Actiste® Diabetes Management as a Service into the Gulf Cooperation Council (G.C.C.) region. AFAQ Group is committed to the success of Brighter in the G.C.C region. The market is vast and increasing. International Diabetes Federation predicts that the number of diabetics in the region will increase by 100% 2017-2045, making it one of the world's fastest growing regions for diabetes.

Sanmina, our experienced partner for production of Actiste, has started manufacturing. The CE marking of Actiste was received, a significant breakthrough for the Group. The Actiste was certified in two CE-categories at once. It is a combination device based on the intersection between MDD and IVDD. This has made the regulatory process for the device very complex. Brighter has also received the ISO 13485 certification earlier this year which is an ISO certification of the quality management system.

Future liquidity position.

The commercialization of Actiste, with an ambitious plan for future growth and development, requires the Group to have adequate working capital to finance both capital tied up in inventory for future deliverables and the build-up of production. Funding the business is a very important part of the Group growth strategy, a continuous part of the work of the Group management. The Group has raised SEK 191 million through a rights issue with closing in January 2020. Through this financing, along with subscription of shares from warrants and other financing possibilities the board and management assess that the Group's capital requirements for routine operations of the business will be secured for at least the next 12 months. The board and management however assess that the Group will in time need additional financing to be able to manage the business in line with the strategic orientation that has been resolved on.

Risks and uncertainty.

The principal risks and sources of uncertainty for Brighter include financial risks, such as the future earnings trend, financing, liquidity and currency and credit risks. In addition to market and commercialization risks, there are also risks associated with Brighter's operations, such as dependencies of suppliers and key personnel, obtaining necessary approval from authorities, product development, patents and intellectual property rights and product responsibility. Further information on the Group risk



exposure and risk assessment work can be found in Brighter's 2018 Annual Report pages 20-26 and in Note 19.

Shareholders.

At December 31th, 2019, Brighter AB had close to 10,000 shareholders, of whom the four largest represented approximately 23.8% of the capital and votes. The total number of shares amounted to 96,111,204 at the end of the period. The largest shareholders were Försäkringsbolaget Avanza Pension (12.3%), Truls Sjöstedt (6.6%), Ålandsbanken AB, W8IMY (1.9%) and Ålandsbanken on behalf of the owner (3.0%).

Warrants have been issued on several occasions. The subsidiary Brighter One AB is the holder of the warrants, to be allotted to employees, the Board, the CEO and management. Brighter One has also been the holder of the TO3-, TO4- and TO5-series which have been allotted to the shareholders and L1 Capital or Winance as part of those finance agreements. The TO5-series is the only series not yet fully allotted. For further information on the status of the L1 Capital and Winance financing agreement, see the website and Note 23 of Brighter's 2018 Annual Report. For further description of all the warrant programs please see the Group website and the summary in Note 21 of Brighter's 2018 Annual Report.

Camanio Care AB (publ) and Camanio AB

As of September 30th, 2019, Brighter AB owned 14,500,000 shares in Camanio Care AB (publ), which was an ownership of 29.8%. The book value of the shares was SEK 4.2 million. The acquisition value of the shares in the Parent Company was SEK 15.9 million after a write-off of the difference, SEK 11.7 million in Brighter AB. Beginning October all the shares in Camanio Care AB were divested towards cash payment of SEK 4.2 million. Following the divestment of Camanio Care AB, Brighter acquired 100% of the shares in Camanio AB, a newly formed subsidiary of Camanio Care AB. Prior to the acquisition, all assets and liabilities relating to the operations in Camanio Care AB was transferred to the subsidiary Camanio AB. Camanio AB has three wholly owned subsidiaries: Vital integration of Scandinavia AB, Camanio Care Inc. and Bestic AB. The purchase for the Camanio Group was paid through a new issue of shares in Brighter AB equivalent to a value of SEK 17 million.

Submission of interim report.

Stockholm, February 27, 2020
Brighter AB (publ).

The Board of Directors and the CEO certify that the interim report for the period provides a fair view of the operations, financial position and results of the Parent Company and Group, and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

Truls Sjöstedt
Chairman of the Board

Henrik Norström
CEO

Jan Stålemark
Board Member

Emanuel Lipschütz
Board Member

Lars Flening
Board Member

Catarina Ihre
Board Member

Tove Andersson
Board Member

Financial calendar.

Annual Report 2019:	2020-04-16
Interim Report Jan-Mar 2020:	2020-04-30
Annual General Meeting:	2020-05-08
Interim Report Apr-Jun 2020:	2020-08-31
Interim Report Jul-Sep 2020:	2020-06-11

Audit.

This interim report, and the financials in it, has not been audited.



Financial statements.

Consolidated statement of comprehensive income.

Amounts in SEK thousand	Note	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales		2,398	0	2,398	0
Capitalized expenditure for development work		9,729	11,075	34,563	25,021
Other operating income		538	217	886	1,052
Total		12,666	11,292	37,848	26,073
Raw materials and consumables		-1,246	0	-1,246	0
Other external costs		-29,272	-16,596	-78,409	-56,658
Staff costs		-8,941	-3,896	-23,418	-13,014
Depreciation/amortization of tangible and intangible assets		-5,068	-31	-5,113	-163
Other operating costs		-3,168	-336	-7,935	-0,566
Income from shares in associated companies after tax		0	-1,275	-1,536	-4,278
Operating result		-35,029	-10,843	-79,810	-48,605
Other financial income		762	499	1,548	1,520
Financial expenses		-260	-2,797	-11,423	-5,996
Net financial items		0,502	-2,298	-9,875	-4,475
Result before income tax		-34,527	-13,141	-89,685	-53,080
Income tax		0	0	0	0
Result for the period		-34,527	-13,141	-89,685	-53,080
Other comprehensive income:					
Translation differences on foreign operations		-48	68	-92	68
Total comprehensive income for the period		-34,576	-13,073	-89,777	-53,012
Attributable to the parent company's shareholders		-34,576	-13,073	-89,777	-53,012

Amounts in SEK		Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Earnings per share before dilution	3	-0.30	-0.17	-0.99	-0.74
Earnings per share after dilution	3	-0.30	-0.17	-0.99	-0.74



Consolidated statement of financial position.

Amounts in SEK thousand	Dec 31 2019	Dec 31 2018
Capitalized expenditure for development work	142,630	98,348
Concessions patents licenses trademarks and similar rights	6,042	4,581
Goodwill	10,005	0
Total intangible assets	158,677	102,929
Equipment tools and installations	1,332	84
Right-of-use assets	2,306	
Construction in progress	12,831	8,452
Total property, plant and equipment	16,470	8,536
Other long-term securities	9,930	964
Other long-term receivables	1,663	0
Total financial assets	11,593	964
Total fixed assets	186,740	112,430
Inventories	6,831	7,070
Total inventories	6,831	7,070
Accounts receivable	4	701
Receivable on associated company		0
Current tax assets		3,372
Other current receivables	5	43,695
Prepayments and accrued income		4,986
Total current receivables	52,753	42,085
Cash and cash equivalents	4,5	9,340
Total current assets	68,924	58,186
TOTAL ASSETS	255,664	170,616



Consolidated statement of financial position cont.

Amounts in SEK thousand	Note	Dec 31 2019	Dec 31 2018
Share capital		4,806	3,722
Other contributed equity		432,689	243,138
Retained earnings		-229,720	-139,942
Total Equity		207,775	106,918
Total equity attributable to the parent company's shareholders		207,775	106,918
Long-term interest-bearing debt	4,5	1,390	0
Other long term liabilities		191	0
Total long term liabilities		1,581	0
Accounts payable	4	13,685	3,960
Convertible loans	4,5	0	9,893
Other interest-bearing debt		10,642	42,000
Other current liabilities	4	6,767	148
Accruals and deferred income		15,215	7,697
Total current liabilities		46,308	63,698
TOTAL EQUITY AND LIABILITIES		255,664	170,616



Consolidated statement of changes in equity.

Amounts in SEK thousand	Share Capital	Other contributed equity	Result carried forward (including result for the period)	Total equity
Balance at January 1, 2018	3,248	171,071	-86,930	87,389
Result for the period			-53,080	-53,080
Translation differences on foreign operations			68	68
Total comprehensive income			-53,012	-53,012
Transactions with shareholders				
The value of conversion rights for convertible debt instruments		6,253		6,253
Conversion of convertible debt instruments	254	33,022		33,276
New issues, cash and offsetting	220	34,435		34,656
Issue costs		-1,643		-1,643
Total transactions with shareholders	474	72,067	0	72,541
Balance at December 31, 2018	3,722	243,138	-139,942	106,918
Balance at January 1 2019	3,722	243,138	-139,942	106,918
Result for the period			-89,685	-89,685
Translation differences on foreign operations			-92	-92
Total comprehensive income			-89,777	-89,777
Transactions with shareholders				
The value of conversion rights for convertible debt instruments	59	11,589		11,648
Value of allotted warrants		2,876		2,876
Off-setting share issue Winance	123	20,518		20,641
Conversion of convertible debt instruments	132	10,165		10,297
New issues cash and offsetting	770	144,811		145,580
Issue costs		-408		-408
Total transactions with shareholders	1,084	189,551	0	190,634
Balance at December 31 2019	4,806	432,689	-229,720	207,775

Consolidated statement of cash flows.

Amounts in SEK thousand	Note	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Operating result		-35,029	-10,843	-79,810	-48,605
Adjustment for items not included in the cash flow		8,807	3,334	14,762	4,441
Interest received		-20	34	0	34
Interest paid		-119	2	-7,185	-1,740
Income tax paid		0	0	0	0
Cash flow from operating activities before change in working capital		-26,361	-10,477	-72,233	-45,871
Increase/decrease in inventories		5,890	-1,187	239	-7,070
Increase/decrease in operating receivables		-15,637	8,547	-14,876	-8,274
Increase/decrease in operating liabilities		-3,980	-5,773	-7,034	-7,034
Total change in working capital		-13,727	1,587	-21,671	-22,378
Cash flow from operating activities		-40,088	-8,890	-93,904	-68,249
Investments in intangible assets		-8,473	-11,089	-34,563	-26,026
Investments in property, plant and equipment		-2,461	-2,662	-5,562	-3,961
Investments and loans to associated companies		-12,859	-12,263	-8,055	-12,263
Investment in financial assets		-10,629	38	-10,629	-500
Cash flow from investing activities		-34,423	-25,976	-58,810	-42,750
Loans raised		14,895	10,000	4,000	77,000
Cost of capital for convertible loans		0	-450	0	-900
New share issues and warrants		36,531	30,171	149,517	34,656
New share issue costs		-86	-22	-494	-743
Cash flow from financing activities		51,340	39,699	153,023	110,013
Cash flow for the period		-23,171	4,834	309	-986
Opening cash and cash equivalents		32,512	4,197	9,031	10,017
Closing cash and cash equivalents		9,340	9,031	9,340	9,031



Parent Company income statement.

Amounts in SEK thousand	Note	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Capitalized expenditure for development work		9,729	11,075	34,563	25,021
Other operating income		368	115	368	908
Total		9,897	11,190	34,931	25,929
Other external costs		-25,358	-15,769	-71,093	-54,949
Staff costs		-5,444	-3,335	-17,443	-12,431
Depreciation/amortization of tangible and intangible as- sets		-4,355	-31	-4,400	-163
Other operating costs		-3,145	-202	-7,904	-415
Total operating costs		-38,303	-19,337	-100,841	-67,958
Operating result		-28,406	-8,147	-65,909	-42,030
Other interest income and similar income		196	475	982	1,496
Interest expenses and similar expenses		-139	-5,066	-18,519	-10,441
Total result from financial items		56	-4,592	-17,537	-8,945
Result after financial items		-28,349	-12,739	-83,446	-50,974
Appropriations		0	0	0	0
Tax on result for the period		0	0	0	0
Result for the period		-28,349	-12,739	-83,446	-50,974



Parent Company balance sheet.

Amounts in SEK thousand	Note	Dec 31 2019	Dec 31 2018
Capitalized expenditure for development work		128,576	98,348
Concessions, patents, licenses, trademarks and similar rights		5,966	4,581
Total intangible assets		134,542	102,929
Equipment, tools and installations		131	84
Construction in progress		12,831	8,452
Total property, plant and equipment		12,963	8,536
Shares in Group companies		17,789	789
Shares in associated companies		0	6,227
Other long-term securities		9,960	964
Other long-term receivables		1,634	0
Total financial assets		29,382	7,980
Total fixed assets		176,887	119,445
Inventories		4,808	7,070
Total inventories		4,808	7,070
Accounts receivable		0	200
Receivable on associate company		0	12,000
Receivable on subsidiary		19,286	2,898
Other receivables		46,407	28,157
Prepayments and accrued income		4,460	1,727
Total current receivables		70,153	44,982
Cash at bank and in hand		7,006	7,566
Total current assets		81,967	59,618
TOTAL ASSETS		258,854	179,063



Parent Company balance sheet cont.

Amounts in SEK thousand	Note	Dec 31 2019	Dec 31 2018
Share capital		4,806	3,722
Development expenses fund		109,979	75,968
Restricted equity		114,784	79,691
Share premium		432,121	243,139
Result carried forward		-241,522	-156,538
Result for the period		-83,446	-50,974
Unrestricted equity		107,152	35,627
Total equity		221,936	115,317
Accounts payable		11,760	3,960
Convertible loans		0,000	9,893
Other interest-bearing debt		9,000	42,000
Other liabilities		1,109	222
Accruals and deferred income		15,048	7,671
Total current liabilities		36,918	63,746
TOTAL EQUITY AND LIABILITIES		258,854	179,063

Notes.

Note 1 Accounting policies.

The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. For the Parent Company, the interim report has been prepared in accordance with the Annual Accounts Act and the Swedish Securities Market Act in accordance with the provisions of RFR 2. For both the Group and the Parent Company the same accounting principles and bases for calculation have been applied as in its most recent Annual Report.

The standard for IFRS 16 has been applied from January 1, 2019. The Group has chosen to apply the simplification rules for the transition meaning that short term leases and leases for which the underlying asset has a lesser value are not reported as part of the right of use asset and lease liability on the balance sheet. Payments attributable to these leases will instead be reported as a linear cost over the lease term. A lease taker can, as a practical solution, choose to report leases for which the lease term ends within 12 months counted from the first applicable date as a short-term lease. The Group has one lease for premises that expires in 2019 and that will not be extended, and will apply this practical solution and as such, not report the lease as part of lease liabilities and a right of use asset. In addition to this premises lease, the Group has a small number of leases that are assessed as immaterial. The transition to IFRS 16 has accordingly not have any impact on the Group.

As a result of the acquisition of Camanio, in the fourth quarter, a smaller lease referring to a rental of premises was acquired. This has been reported according to IFRS 16.

Significant accounting and valuation principles are detailed on in Note 1 in Brighter's 2018 Annual Report. Important estimates and assumptions for accounting purposes can be found in Brighter's 2018 Annual Report in Note 3.

Note 2 General information.

Brighter AB (publ.) corporate registration number 556736-8591 is a Parent Company registered in Sweden, with its registered office in Stockholm, at Borgarfjordsgatan 18, SE-164 40 Kista, Sweden. The business is located at this address. Brighter develops technical and digital medical devices with a primary area of application in the treatment of diabetes. Brighter AB (publ) has a wholly owned subsidiary, Brighter One AB, the only function of which is to hold warrants as part of the external financing of the Group and as part of the incentive programs. Brighter AB also has a subsidiary in United Arab Emirates. The name of the subsidiary is Brighter Software Trading L.L.C. It is co-owned with the partner AFAQ, but fully controlled by Brighter AB.



From the fourth quarter Brighter AB also has a wholly owned subsidiary in Camanio AB as well as the three subsidiaries wholly owned by Camanio AB; Vital integration of Scandinavia AB, Camanio Care Inc. and Bestic AB.

Brighter AB is listed on Nasdaq First North Growth Market (BRIG). The Brighter Certified Adviser on Nasdaq First North Growth Market is Eminova Fondkommission AB.

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The figures in the report are reported in SEK thousand unless otherwise stated.

Note 3 Earnings per share.

SEK thousand	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Result for the period attributable 100% to the parent company's shareholders	-28,349	-12,739	-83,446	-50,974
Number of shares at end of period before dilution	96,111,204	74,444,844	96,111,204	74,444,844
Number of shares at end of period after dilution	119,287,285	97,611,895	119,287,285	97,611,895
Weighted average number of shares before dilution	94,302,057	74,140,909	84,275,657	68,883,241
Earnings per share (SEK) as a weighted average before dilution	-0.30	-0.17	-0.99	-0.74
Earnings per share (SEK) as a weighted average after dilution	-0.30	-0.17	-0.99	-0.74

Note 4 Financial instruments.

SEK thousand	Dec 31 2019	Dec 31 2018
Loan and accounts receivable:		
Accounts receivable and other receivables, excluding interim claims	47,767	23,358
Cash and cash equivalents	9,340	9,031
Total	57,107	32,389
Other financial liabilities:		
Convertible bonds	0	9,893
Other interest-bearing debt	12,032	42,000
Accounts payable and other liabilities, excluding non-financial liabilities	20,452	4,108
Total	32,484	56,001



Note 5 Borrowing and net liabilities.

SEK thousand	Dec 31 2019	Dec 31 2018
Short-term		
Liabilities relating to interest-bearing debt or convertible bonds	12,032	51,893
Total borrowing	12,032	51,893
Cash and cash equivalents	9,340	9,031
Net debt interest-bearing liabilities	2,692	42,862
Equity	205,649	106,918
Debt to equity ratio	1,3%	40,1%

Note 6 Transactions with affiliated parties.

Transactions with affiliated parties in the form of remuneration, in addition to the Board fee, were carried out with the following Board members. From January 1st to December 31st Jan Stålemark has received a fee of SEK 212,550 for consultancy services, Lars Flening has received a fee of SEK 30,000 for consultancy services and Afsaneh Ghatan Bauer has received SEK 173,530 for legal work and expenses regarding trademarks. Truls Sjöstedt, the chairman of the board, is fully employed by Brighter and receives salary according to his employment agreement. The amounts are exclusive of VAT. All transactions are carried out on a commercial basis.

The shares in Camanio Care AB of SEK 4.2 million were sold to companies held by Henrik Norström, CEO in Brighter AB, and Truls Sjöstedt, chairman in Brighter AB. The shares were sold at market value as listed on Spotlight at the time.

Note 7 Segment information.

Operating segments are reported in a manner consistent with the internal reporting provided to the highest executive decision maker. In Brighter, the CEO has been identified as the highest executive decision maker who evaluates the Group's financial position and earnings and makes strategic decisions.

During the fourth quarter, Camanio, a digital welfare technology Group that develops solutions for healthcare and care, was acquired. As of the fourth quarter of 2019, the CEO will follow up the operations in the Camanio and Brighter business segments in the internal reporting. The CEO mainly uses the operating profit before tax in the follow-up of the Group's goals.



Camanio develops digital solutions for care primarily aimed at the elderly in their home or at retirement homes. The company offers digital service platforms in healthcare, robotics, digital tools and smart technology.

Brighter develops mobile solutions in health-tech that facilitates treatment, collect s reliable data and enables communication between the patient, relatives and healthcare. Initially, the offer is focused on diabetes.

Net sales

There has been a smaller transaction between the segments invoiced at cost of purchases. The revenues from external customers that are reported for the segments to the Group management are valued in the same way as in the consolidated income statement.

Segment assets and liabilities

The segments assets and liabilities are measured in the same way as in the financial reports. Assets and liabilities are allocated based on the segment's operations.

Net Sales from customers per segment

SEK thousand	Dec 31 2019
Segments	
Brighter	0
Camanio	2,438
Elimination	-40
Total Group Net Sales from customers	2,398

Earnings before tax per segment

SEK thousand	Dec 31 2019
Segments	
Brighter	-85,288
Camanio	-4,397
Elimination	0
Total Group Earnings before tax Group	-89,685

Assets per segment

SEK thousand	Dec 31 2019
Segments	
Brighter	248,719
Camanio	26,362
Elimination	-21,544
Total Assets Group	253,538

Liabilities per segment

SEK thousand	Dec 31 2019
Segments	
Brighter	36,965
Camanio	19,642
Elimination	-8,718
Total Liabilities Group	47,889

Note 8 Acquisition of Camanio AB.

On the 14th of October the acquisition of 100% of Camanio ABs shares was finalized. Camanio AB had right before the acquisition acquired all of the assets in Camanio Care AB. The acquisition of Camanio AB was made through a set-off of shares in Brighter AB at a value of SEK 17 million. The number of shares in the set-off issue were set to 1,597,744 shares at the share price of 10,64 SEK/share, as established through the average VWAP of the 20 days before the day of execution, on the 14th of October. There were no transaction costs.

Assets and liabilities reported in this report as a result of the acquisition are:

Intangible assets	15,354
Property plant and equipment	1,275
Inventories	1,759
Short-term receivables	1,054
Cash assets	239
Long-term liabilities	-3,072
Short-term liabilities	-9,624
Total	6,995
Acquisition price	17,000
Remaining value/ Goodwill	10,005

Note 9 Specification of items not included in the cash flow.

SEK thousand	Jan-Dec 2019	Jan-Dec 2018
Depreciation/amortization of tangible and intangible assets	5,113	163
Income from shares in associated companies after tax	1,536	4,278
Write-off inventories	7,286	0
Capital gain/loss on assets	641	0
Currency gain/loss	186	0
Cash flow from operating activities before change in working capital	14,762	4,441



About Brighter.

Brighter is a public Swedish health-tech company with a vision of a world where managing chronic diseases is no longer a struggle. We want to engage, educate and empower people living with a chronic disease by providing solutions that simplifies everyday life, and believe a data-centric approach is key to provide smarter care. Our daily-care solutions facilitate the flow of real-life treatment data between patients, their loved ones and their care providers – improving quality of life, easing the burden on healthcare systems, and opening new opportunities for data-driven research.

The Brighter Group offers solutions related to diabetes care, welfare technology and digital healthcare services.

Market focus and target groups.

Brighter's products and solutions are targeted at a range of groups:

- Consumers and patients
- Mobile network operators
- Payers: healthcare providers, governments/authorities, insurance companies, consumers, companies/employers
- Clinical Research Organizations (CROs)
- Pharmaceutical companies
- R&D organizations, authorities, and academic bodies

Future business opportunities.

Brighter is an entrepreneurial tech-based company that initiates and develops projects for value creation mainly in health-tech. The health data generated through Actiste can also provide a base for further business opportunities in clinical research and similar areas.

Brighter has built a strong IP portfolio, and is continuously strengthening it even further through continuous development within both current and new upcoming business areas. As part of the company's long-term strategy IP is considered an active asset that strengthens existing business but also enables e.g. licensing.



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This information is such information, as Brighter AB is required to disclose under the EU Market Abuse Regulation and the Securities Market Act. The information was provided by the above contact persons for publication on February 27th, 2020 at 08:00 CET.

