

Brighter AB (publ)

Year-end Report 2013

All in One

Brighter One™ is the first all in one device for personal self-management of diabetes:



B Brighter
Diabetes care made easy.™



Brighter One™ – the patented all-in-one solution that combines the five things that millions of diabetics need to use several times every day to survive and feel well.

Brighter develops and commercializes innovative solutions for diabetes self-care. The Company's shares are listed on AktieTorget. More information is available at www.aktietorget.se.

Summary of the financial year January 1st – December 31st 2013

- Net turnover amounted to SEK 0 (0)
- Profit after financial items amounted to SEK -2 778 419 (-2 545 416)

Significant events during the financial year 2013

- Raising of loans on a total of 3 500 000 , in addition to 3 650 000 SEK raised in connection with it during December 2012 through a rights issue completed
- Patents have been approved in Japan
- New patent application has been filed
- Trademark registrations have been submitted
- The company has hired Magnus Schnürer as CTO for the Company
- The Company has appointed Henrik Norström as CFO of the Company
- The Company has engaged IHE (Institute for Health Economics), Lund, Sweden, to implement a WTP (Willingness to Pay) study in order to highlight the added value, both quantitative and qualitative that Brighter One™ and Brighter Test Strips™ creates for the diabetic patient, the patient's family and the caregiver. This study will form the basis of TLVs (Dental and Pharmaceutical Benefits Agency) resolution on remuneration for Brighter One™, and Brighter Test Strips™
- Brighter participated in Medica, the world's largest medical technology and pharmaceutical trade fair in Düsseldorf, Germany
- The company has signed a Letter of Intent with All Medicus Ltd. for the distribution of Brighter's products in South Korea , Indonesia, Thailand and Malaysia
- The Company has entered into agreements for the exclusive license for the sale of future products as a result of the Eurostar program of micro needles
- The Company has entered into a number of supplier agreements for the production of Brighter One™

Financial calendar

Report January - March 2014: May 9th 2014

Half-year report 2014: August 15th 2014

Report January – September 2014: November 14th 2014

Year-end Report 2014: February 29th 2015

Message from the CEO

It has been an eventful year that has passed and many things have happened. In the information memorandum (in Swedish only) published we elaborate further of what has happened during the year, so this year's message from the CEO is a little shorter than usual.

Personally I find the reception of Brighter One™ at Medica to be one of the year's main highlights, as it clearly confirms that what we are doing is absolutely right. During the third quarter the focus lied in great part in the more expansive pre-launch process and preparing for the move to NASDAQ OMX First North. It is rewarding to be able to offer all our shareholders to participate on equal terms in our effort forward.

Just like last year, I would like to end by sending a thank you to all our shareholders and although we are not always able, or allowed, to answer all your questions I ask you to continue sending us your tips, comments and recommendations.

Truls Sjöstedt
CEO Brighter AB (publ)

The Share

Brighter AB (publ) was listed on AktieTorget on February 3rd 2012, which is a MTF (Multilateral Trading Facility) under the supervision of Finansinspektionen (Swedish financial markets authority). On December 31st 2013 there were 11,897,481 shares issued. All shares have equal rights to the company's profits and assets.

Insiders' holdings

	2013-02-20	Förändring	2014-02-06
Truls Sjöstedt – CEO & Board Member	4 781 486	0	4 781 486
Michael Frantzén - Board Member	3 745 310	0	3 745 310
Gert Westergren – Chairman of the Board	237 526	0	237 526
Lars Flening - Board Member	16 862	0	16 862
Henrik Norström (related) - Board Member	16 764	- 4 000	12 764

Proposed disposition of the company's earnings

The Board of Directors and the CEO propose that no dividend be paid for the financial year January 1st to December 31st 2013.

Accounting principles

This Year-end Report 2013 has been prepared following the same accounting policies and methods as the Company's latest annual report, unless otherwise stated. The report is prepared in accordance with the accounting council's recommendation for full-year reporting.

Annual Report

Brighter AB's (publ) Annual Report for the financial year 2013 is scheduled to be published on the company's website www.brightercompany.com in March 2014. The Annual General Meeting of Brighter AB (publ) is scheduled to take place on April 10th 2014. The exact date of publication of the full annual report will be presented in conjunction with the Notice of for the Annual General Meeting.

Auditor review

This Year-end Report has not been reviewed by the Company's auditors.

Delivery of the Year-end Report

Stockholm, Februari 6th 2014

Brighter AB (publ)

The Board of Directors

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Income Statement in SEK

	2013	2012	2011
Operating revenue	927,257	250,000	-
Capitalization of development expenses,	883,744	-	-
Other operating revenue	43,512	250,000	-
Operating expenses	-3,281,401	-2,658,965	- 674,771
Other external expenses	- 949,588	- 896,909	- 151,165
Staff expenses	-1,188,977	-1,213,239	- 261,984
Depreciation and amortization of tangible and intangible fixed assets	-1,133,304	- 548,817	- 261,622
Other operating expenses	- 9,532	-	-
Operating income	-2,354,144	-2,408,965	- 674,771
Income from financial items	- 426,557	- 136,451	- 83,752
Interest income and similar items	1,950	14,570	3,914
Interest expense and similar items	- 428,507	- 151,021	- 87,666
Income after financial items	-2,780,702	-2,545,416	- 758,523
Earnings before tax	-2,780,702	-2,545,416	- 758,523
Calculated earnings	-2,780,702	-	-
NET PROFIT	-	-2,545,416	- 758,523

Balance Sheet in SEK

	2013	2012	2011
ASSETS			
Fixed assets			
<i>Intangible assets</i>	8,634,691	4,352,398	2,027,200
Capitalized research and development and similar work	7,610,681	3,466,603	1,204,700
Concessions, patents , licenses, trademarks similar rights	1,024,010	885,795	822,500
<i>Tangible fixed assets</i>	401,549	3,393	5,500
Equipment, tools and installations	401,549	3,393	5,500
Total fixed assets	9,036,240	4,355,791	2,032,700
Current assets			
<i>Current receivables</i>	500,702	2,260,310	2,053,346
Receivables for subscribed unpaid share capital	-	2,118,919	1,908,145
Other receivables	461,995	96,706	129,408
Prepaid expenses	38,707	44,685	15,793
<i>Cash and bank balances</i>	53,461	56,127	1,651,390
Total current assets	554,163	2,316,437	3,704,736
TOTAL ASSETS	9,590,403	6,672,228	5,737,436
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>	594,874	594,874	561,826
Share Capital	594,874	561,826	500,000
Not registered share capital	-	33,048	61,826
<i>Undistributed earnings / accumulated loss</i>	- 285,405	2,487,350	3,060,498
Retained earnings	- 2,758,996	- 221,527	536,996
Share premium account	5,254,293	5,254,293	3,282,025
Earnings for the year	-	- 2,545,416	- 758,523
Calculated earnings	- 2,780,702	-	-
Total equity	309,469	3,082,224	3,622,324
Long-term liabilities	8,022,120	767,434	1,323,286
Credit line (limit 250,000 SEK)	137,833	113,145	173,286
Other long-term liabilities	7,884,287	654,289	1,150,000
Current liabilities	1,258,814	2,822,570	791,826
Accounts payable	780,389	2,383,480	709,234
Other liabilities	48,235	377,747	48,059
Accrued expenses	430,191	61,343	34,533
TOTAL EQUITY AND LIABILITIES	9,590,403	6,672,228	5,737,436
Pledges			
Pledged bank deposits	52,814	51,781	50,353
Contingent liabilities	None	None	None

Cash Flow Analysis in SEK

	1/1/13 12/31/13	1/1/12 12/31/12	1/1/11 12/31/11
Operating activities			
Operating income after depreciation	-2,354,144	-2,408,965	- 674,771
Reversal of depreciation	1,133,304	548,817	261,622
Financial contributions	1,950	14,570	3,914
Financial payments	- 428,507	- 151,021	- 87,666
Tax	-	-	-
Change in working capital			
Changes in current receivables	1,759,608	- 206,964	-2,028,865
Changes in current liabilities	-1,563,756	1,745,031	705,495
Cash flow from operations	-1,451,546	- 458,532	-1,820,271
Financing activities			
New share issue	7,947	2,005,316	3,343,851
Shareholder contributions	-	-	755,000
Long-term liabilities	7,254,686	- 270,139	23,286
Cash flow financing activities	7,262,633	1,735,177	4,122,137
Investment activities			
Intangible assets	-5,365,560	-2,871,908	- 684,617
Tangible fixed assets	- 448,193	-	-
Cash flow from investments	-5,813,753	-2,871,908	- 684,617
Cash	- 2,666	-1,595,263	1,617,249
Opening cash	56,127	1,651,390	34,141
Closing cash	53,461	56,127	1,651,390



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