

Interim Report January–March 2020

ChromoGenics completed a preferential share issue for SEK 76.2 million to accelerate growth

Q1 2020

- Net sales for the period amounted to SEK 5.2 (10.7) million, and earnings amounted to SEK -19.5 (-16.3) million, which corresponds to earnings per share of SEK -0.04 (-0.25).
- Due to the coronavirus pandemic, orders from the company's customers have been delayed. Order intake and invoicing in 2020 have been pushed to later in the year, and the net sales for the year are therefore expected to be lower than the net sales in 2019. Given this, the Board of Directors has decided to roll out an action plan to reduce the company's operating costs and secure good liquidity.
- Operating profit amounted to SEK -18.7(-15.5) million, which is a decrease of SEK -3.2 million compared to the corresponding period in 2019. The decrease in sales had a negative impact on earnings.
- Cash and cash equivalents amounted to SEK 61.2 (43.0) million on March 31, 2020.
- The Board of Directors decided on February 7 to conduct a preferential share issue of SEK 100.6 million before issue expenses pursuant to authorization granted by the extraordinary general meeting on December 18, 2019. The new share issue was completed in March 2020 and brought in SEK 62.7 million net to the company after issue expenses.
- On March 25, ChromoGenics announced layoffs and furloughs of staff due to the coronavirus pandemic and continued deficiencies in purchased electrochromic film. Work is continuing on the installation of the acquired sputtering machines that will provide stable quality in the future, and we expect the machines to be taken into production in the summer.
- During Q1, orders of SEK 7.4 million were received from Vasakronan, Humlegården and a school in Enköping. Order volume for Q2 2020 amounts to SEK 10.2 million.

	2020	2019	2019
<i>SEK million</i>	Jan-Mar	Jan-Mar	Jan-Dec
Net sales	5,2	10,7	45,2
EBITDA	-17,0	-13,6	-67,0
Net income	-19,5	-16,3	-77,9
EPS before dilution, SEK	-0,04	-0,25	-0,34
EPS after dilution, SEK	-0,04	-0,25	-0,34
Cash and bank end of the period	61,2	43,0	24,9

Events after the end of the period

- Since April 1, 2020, after announcing layoffs and furloughs, ChromoGenics reduced the working hours of 70 percent of its staff to 40 percent.
- After the end of the period, orders of around SEK 0.8 million were received, including for a building in central Trollhättan.

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Comments from the CEO

At the same time as we were completing the preferential share issue in March, the objective of which was to accelerate ChromoGenics' growth, the coronavirus pandemic was unrolling in full force. The entire operations ground to a halt in about one week as orders from our customers were delayed. Due to the uncertainty about where the market was headed, we were quickly forced to take proactive measures. The Board of Directors has therefore decided on an action plan to keep running costs down. Seventy percent of our staff have been working forty percent of their normal hours since April 1, and some employees will leave the company. We are also reviewing agreements and costs and strengthening the quality organization with new procedures.

A number of our customers are large property owners that place repeat orders for our products. The large orders expected in the spring of 2020 have been delayed, which has pushed the company's order intake and invoicing for the year. ChromoGenics' net sales in 2020 are therefore expected to be lower than the net sales in 2019.

The company's current supplier of electrochromic film has continued to have problems delivering quality material, which has affected ChromoGenics' possibilities for delivering products in the past quarter. Our delivery problems have had a negative impact on the company and resulted in significant direct and indirect additional costs. We have therefore decided to freeze purchases from the foreign supplier until further notice.

We are now placing considerable focus on the assembly and installation of the two new sputtering machines and the two smaller research machines for sputtering. During the first quarter, the assembly progressed largely according to plan toward the goal of final, refined production of sputter-deposited electrochromic film during the first six months of 2020. The schedule was negatively impacted during the second half of March when a number of foreign consultants were called home due to the ongoing coronavirus pandemic. In-house staff members have recovered some of this lost time through their own efforts over the past few weeks, and we expect to have refined production before the summer vacation period.

Through the acquisition of the sputtering machines, ChromoGenics gains its own primary sputtering capacity under its own quality assurance with qualified machinery. This will serve as the basis for the company's dynamic products. Our entire production process and the dynamic products also become significantly more sustainable from an environmental perspective. By investing in its own sputtering machines, ChromoGenics will be able to control the entire production process, which creates conditions for developing into the natural first choice for the central component in the dynamic glass of the future. We are thereby creating a stable industrial structure with a focus on delivery of laminated performance glass.

Despite the difficult situation due to the coronavirus, we receive questions daily about our products, which means that the market is increasingly become aware about the glass technology ChromoGenics has developed. The key to ChromoGenics' success is gaining customers' trust for our unique offer in performance glass for buildings. The company works constantly to meet customer demands on function, quality, environmental gains, and property-related financial gains. This is what holds the operations together and is a determining factor in ChromoGenics' future development.

ChromoGenics' unique and competitive business idea is to produce and deliver dynamic sputtered film to various production units/glass producers for installation and delivery of final glass products to end customers. We are now intensifying our efforts to build up a partner network around this concept. Strict process and quality control and significant production capacity make rapid international expansion possible, with the main focus in the immediate future on Scandinavia, where we have an established sales organization. Several initiatives have also targeted the rest of Europe.

Our continued long-term goal is to achieve annual deliveries of at least 100,000 m² of ConverLight® Dynamic electrochromic film. Given the current market demand, the company's comprehensive facade concept, the technology's competitive economies of scale, and the secured long-term, in-house production capacity, I believe we will achieve this goal.

Jerker Lundgren, CEO

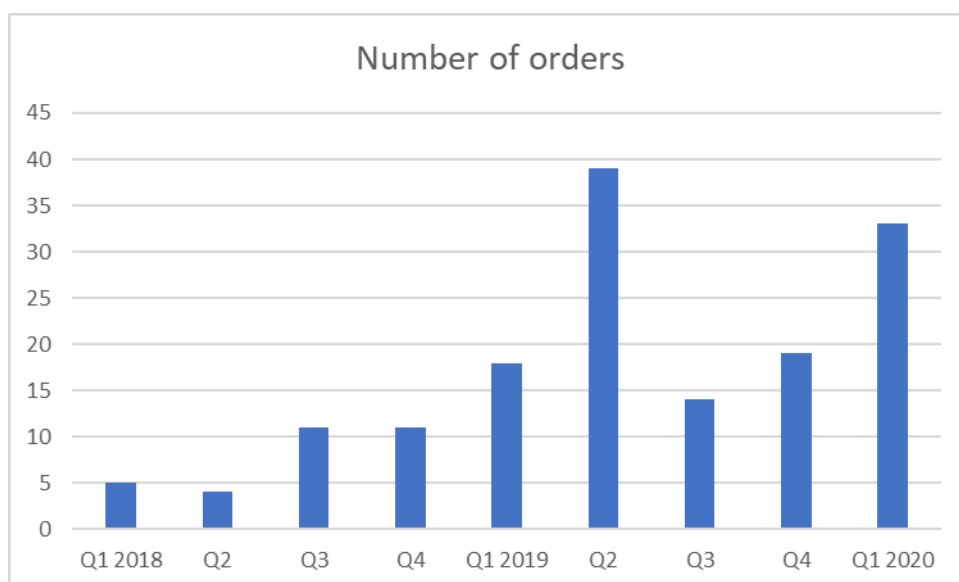
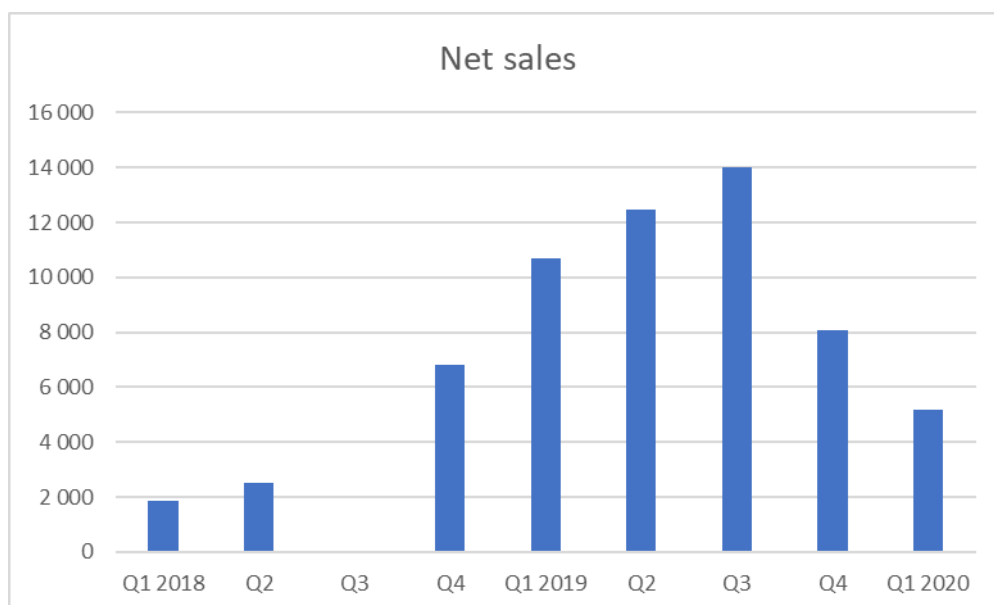
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This report comments on the performance for the period January-March 2020 compared to the same period in 2019, unless otherwise stated.

Net sales

ChromoGenics' net sales for Q1 2020 amounted to SEK 5.2 (10.7) million. Income was slightly lower than expected due to the insufficient production quality of the purchased electrochromic film, which meant there was not enough production material to produce and deliver goods to customers. We had identified this effect when we were forced at the end of March to lower the forecast for the year at the same time as the coronavirus pandemic was affecting order intake. There were around twenty-five ongoing projects in the past quarter, with dynamic products representing SEK 1.9 million, or a share of around 36 percent of net sales, and the static products representing SEK 3.3 million, or a share of 64 percent of net sales.

KSEK



Work performed by the company for its own use and capitalized amounted to SEK 1.0 (0.0) million and refers to the installation work by in-house staff on the new sputtering machines.

Other operating income amounted to SEK 0.9 (0.4) million and consists of funding from, for example,

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the R&D program Switch2Save within Horizon 2020, which is financed by the EU, and other funding from Vinnova.

Cost development

Costs for raw materials and consumables amounted to SEK 6.3 million in the first quarter of the year compared to SEK 8.6 million for the corresponding period in 2019. These costs are related to production material consumed when manufacturing the dynamic products and material and subcontractors for the static products. In 2020, we continued to experience quality problems with the sputtered film from a supplier. This film was supposed to be used to manufacture dynamic glass. These problems had a negative impact on costs of around SEK 1.6 million due to increased material consumption, scrapping, and increased process costs, which is the same level as in the corresponding quarter in 2019. No additional reserves for redeliveries in previously delivered projects were made this quarter, although SEK 0.4 million has been utilized. The remaining reserve for redeliveries amounted at the end of the period to SEK 8.3 (10.1) million. The increase in net sales of the static products during the first quarter of the year increased costs for material consumed and subcontractors by around SEK 1.5 million.

Other external costs amounted to SEK 9.6 (7.9) million. The cost increase during the year is primarily due to a greater need for consulting services, higher costs for premises, and more rented machinery.

Personnel costs in Q1 2020 amounted to SEK 7.6 million compared to SEK 6.0 million the previous year. The average number of employees increased during the period to 38 (30), which explains the higher cost in 2020.

Depreciation/amortization and impairment of fixed assets amounted to SEK 1.7 (2.0) million. The decrease is primarily due to some intangible assets being fully amortized and thus are not included in the amortization amount for Q1 2020.

ChromoGenics' operating profit for Q1 2020 amounted to SEK -18.7 (-15.5) million.

Net financial items for January–March 2020 amounted to SEK -0.8 (-0.8) million and are primarily related to interest expenses for the loan from the Swedish Energy Agency.

The tax expense for the period amounted to SEK 0 (0) million.

Profit/loss for the period thus amounted to SEK -19.5 (-16.3) million.

Cash flow and financial position

Cash flow from operating activities including a change in working capital amounted to SEK -18.8 (-14.9) million in the first quarter of the year.

Net cash flow from investing activities amounted to SEK -7.6 (-0.1) million in Q1 2020. The investments are primarily related to the ongoing installation of the new sputtering machines within the production process.

Net cash flow from financing activities amounted to SEK 62.7 (50.6) million in Q1 2020. The preferential share issue completed on March 4, 2020, brought in SEK 62.7 million net to the company after issue expenses. In Q1 2019, the company conducted a preferential share issue that resulted in a capital contribution of SEK 63.2 million net after issue expenses.

Cash flow for the period amounted to SEK 36.4 million compared to SEK 35.5 million for the corresponding period in 2019.

Cash and cash equivalents amounted to SEK 61.2 million as per March 31, 2020, compared to SEK 24.9 million on December 31, 2019, and SEK 43.0 million on March 31, 2019.

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The balance sheet total amounted to SEK 175.9 (86.4) million, an increase of SEK 89.5 million in twelve months. Fixed assets increased by SEK 68.6 million compared to March 31, 2019, primarily due to the ongoing investment into new sputtering machines. Among current assets, accounts receivable and current receivables decreased by SEK 0.9 million due to the decrease in sales the past quarter.

Equity on March 31, 2020, amounted to SEK 85.8 million after the most recent share issue was registered. Restricted equity amounted to SEK 142.2 million, and unrestricted equity amounted to SEK -56.4 million. For the same period in 2019, equity amounted to SEK 6.9 million.

Among the company's liabilities are two conditional loans to the Swedish Energy Agency of SEK 48.7 million and SEK 0.8 million, which, according to the loan agreement and the regulations set out in the Companies Act (Chapter 25, section 14), do not need to be included upon preparation of a balance sheet for liquidation purposes. Adjusted equity amounted to SEK 135.3 million as at March 31, 2020, compared to SEK 92.1 million at the beginning of the year.

Investments

Investments in Q1 2020 amounted to SEK -7.6 (-0.1) million and refer to the ongoing installation of two new sputtering machines for production capacity in Uppsala and two smaller machines that will be used for tests and development work. The company's next stage of development is to reduce its production costs and simultaneously realize an increase in its production efficiency and quality. Sputtering is the main process in the production of the patented electrochromic film that serves as a basis for all of ChromoGenics' dynamic products.

Employees

The average number of employees (FTEs) in Q1 2020 amounted to 38 (30). There were on average 52 employees (FTE), including temporary staffing and consultants, in Q1 2020, compared to 56 in Q4 2019. There were 38 employees on March 31, 2020, compared to 33 on March 31, 2019. Project-adapted production staff were hired from staffing firms for flexibility and for the installation of the new sputtering machines.

Share capital

In February–March 2020, a preferential rights issue was completed that raised SEK 76.2 million for the company before issue expenses and SEK 62.7 million after issue expenses. The share issued increased the number of shares in ChromoGenics AB by 304,953,790 to 707,334,237.

In conjunction with the acquisition of the net assets of I-Window International AB in September 2018, a directed share issue of 1,000,000 new shares was offered at a price of SEK 0.71/share to I-Window International AB. At the same time, 2,000,000 warrants were issued to I-Window International AB. After restatement, each warrant is entitled to subscription of 2.02 shares at a subscription price of SEK 0.99/share through December 31, 2021.

On March 31, 2020, the registered share capital amounted to 141,466,855, represented by 707,334,237 shares, each with a quotient value of SEK 0.20. Recognized equity amounted to SEK 85.8 million compared to SEK 42.6 million as at December 31, 2019, and SEK 6.9 million as at March 31, 2019.

Shareholders

Since March 23, 2017, ChromoGenics' shares and warrants have been traded on Nasdaq First North Stockholm with Erik Penser Bank AB as Certified Adviser as of December 2019.

The largest shareholders as at March 31, 2020 are presented below:

Shareholders per 2019-03-31	Ordinary shares	Votes and capital
Försäkringsaktiebolaget, Avanza Pension	43 457 351	6,14%
Clearstream Banking S.A. W8IMY	28 672 753	4,05%
Danske Bank International S.A.	22 585 777	3,19%
RGG-ADM Gruppen	22 033 550	3,12%
Nordnet Pensionsförsäkring AB	18 124 260	2,56%
Dan Sandberg	17 858 875	2,52%
SEB Panki AS, NQI	12 000 000	1,70%
Castab AB	11 345 760	1,60%
Staffan Falk	8 000 000	1,13%
Jan Eric Ekstrand	6 007 200	0,85%
OTHERS	517 248 711	73,13%
TOTAL	707 334 237	100,0%

Source: Euroclear AB

According to Euroclear, there were 6,615 shareholders at the end of the period.

Significant risks and uncertainty factors

The company is exposed to a number of financial risks: liquidity risk, credit risk and currency risk. The Board of Directors and the company's management team strive to manage these risks by on a regular basis identifying, evaluating and where appropriate offsetting and counteracting them. For more information, see [2019 Annual Report](#)

Liquidity risk

Cash and cash equivalents amounted to SEK 61.2 million on March 31, 2020. The preferential share issue completed in February–March 2020 brought in net SEK 62.7 million.

ChromoGenics' future capital needs are determined by a large number of factors, such as the planned rate of expansion, product and process development, investment needs, and the company's sales development and achieved gross margins.

The Board is reviewing on a continuous basis several conceivable scenarios, each of which has a different need for financing. Financing in turn can be raised from different sources and carried out in different ways depending on prevailing market conditions. The Board continues to see good possibilities for successfully securing long-term financing for the company. The goal is for customers and suppliers to view ChromoGenics as a stable company.

If the company's cash and cash equivalents do not cover the need for financing up until the point in time when the company achieves a positive cash flow from its operating activities, and if the company does not successfully secure long-term financing, there is a risk that this will ultimately lead to the winding down of the company.

Currency risk

Currently, the significant portion of the company's sales are in SEK. If there are sales in USD, EUR and/or NOK, and these currencies appreciate against SEK, this will have a positive effect. A significant percentage of the material and process costs currently occur in USD and EUR and are translated/reported into SEK on payment days. If USD and/or EUR appreciates against SEK, this will have a negative effect on the company's costs. The company is thus directly dependent on the exchange rates of these currencies.

Employees

ChromoGenics currently has an organization of approximately 35 employees, including temporary staff and consultants, and is dependent on a number of key staff members. A weak financial position and weak profitability during the company's growth phase can limit the possibility of recruiting and keeping key staff members.

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Auditor's review

This interim report has not been audited by the company's auditor.

Calendar

May 14, 2020	Annual General Meeting 2020
August 27, 2020	Interim Report January–June 2020
November 20, 2020	Interim Report January–September 2020
February 19, 2020	Year-End Report 2020
April 29, 2021	Annual Report 2020
May 19, 2021	Interim Report January–March 2021
May 20, 2021	Annual General Meeting 2021

The Board of Directors and CEO hereby confirm that the interim report provides a fair and accurate view of the company's operations, position and performance and describes the significant risks and uncertainty factors facing the company.

Uppsala, May 14, 2020

ChromoGenics AB (publ) CIN 556630-1809

Anders Brännström
Board Member

Johan Hedin
Chair of Board

Peter Gustafson
Board Member

Claes-Göran Granqvist
Board Member

Mari Broman
Board Member

Peter Edelsvärd
Board Member

Jerker Lundgren
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about ChromoGenics

ChromoGenics offers dynamic glass that controls the conveyance of heat and light. The company's unique ConverLight™ technology offers sustainable solar protection for increased indoor comfort and energy efficiency. ConverLight® also helps properties meet environmental certification. Commercial sales to real estate projects in Scandinavia began in 2016.

ChromoGenics is based in Uppsala and is a spin-off from the world-class research at the Ångström Laboratory at Uppsala University. The company's production facilities have been financed in part by a conditional loan from the Swedish Energy Agency. ChromoGenics' share (CHRO) is listed on Nasdaq First North Growth Market, and Erik Penser Bank AB is the Certified Adviser.

www.chromogenics.com/sv/

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Income Statement per Individual Quarter

Statement of Cash Flows per Individual Quarter

Income Statement

KSEK	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
Net sales	5 194	10 712	45 248
Change in inventories of products in progress	-314	-1 991	-9 886
Capitalized own work	958	0	1 124
Other operating income	854	354	3 405
Gross operating income	6 692	9 075	39 891
Raw materials and consumables used	-6 319	-8 625	-39 706
Other external costs	-9 557	-7 874	-38 383
Personnel costs	-7 640	-5 972	-27 326
Depreciation of intangible assets and tangible assets	-1 687	-1 978	-7 925
Other operating expenses	-208	-171	-1 448
Total operating expenses	-25 411	-24 620	-114 788
Operating income	-18 719	-15 545	-74 897
Interest income	8	0	46
Interest expenses	-768	-792	-3 001
Total result of financial items	-760	-792	-2 955
Operating income after financial items	-19 479	-16 337	-77 852
Tax	0	0	0
Net income	-19 479	-16 337	-77 852

Balance Sheet

KSEK	2020 31-Mar	2019 31-Dec	2019 30-Sep	2019 30-Jun	2019 31-Mar	2018 31-Dec
ASSETS						
Non-current Assets						
Intangible assets	6 982	7 703	8 710	9 676	10 647	11 683
Property, plant and equipment	80 925	74 341	66 765	63 920	8 529	9 476
Financial assets	0	0	0	150	150	0
Total non-current assets	87 907	82 044	75 475	73 746	19 326	21 159
Current Assets						
Inventories and work in progress	10 725	6 749	7 498	9 409	7 017	7 420
Trade receivables	5 575	7 314	8 517	9 190	6 261	3 429
Other current receivables	10 485	11 097	16 102	87 104	10 772	7 133
Cash and cash equivalents	61 227	24 850	48 223	14 850	43 024	7 521
Total current assets	88 012	50 010	80 340	120 553	67 074	25 503
TOTAL ASSETS	175 919	132 054	155 815	194 299	86 400	46 662
EQUITY AND LIABILITIES						
Equity						
<i>Restricted equity</i>						
Share capital	141 467	80 476	80 476	63 919	34 551	8 638
Fund, development expenses	738	738	795	795	795	795
<i>Non-restricted equity</i>						
Share premium reserve	433 875	432 158	431 820	424 927	380 875	343 635
Accumulated profit/loss	-470 766	-392 914	-392 971	-392 970	-392 971	-319 528
Operating income for the period	-19 479	-77 852	-54 618	-34 596	-16 337	-73 442
Total equity	85 835	42 606	65 502	62 075	6 913	-39 902
Liabilities						
Non-current liabilities						
Non-current interest-bearing liabilities ¹⁾	47 760	47 760	49 327	49 327	48 641	49 327
Total non-current liabilities	47 760	47 760	49 327	49 327	48 641	49 327
Current liabilities						
Current interest-bearing liabilities ¹⁾	1 843	1 843	343	343	1 029	343
Trade payables	19 819	21 591	25 736	64 967	12 395	5 933
Other current liabilities	20 662	18 254	14 907	17 587	17 422	30 961
Total current liabilities	42 324	41 688	40 986	82 897	30 846	37 237
TOTAL EQUITY AND LIABILITIES	175 919	132 054	155 815	194 299	86 400	46 662

¹⁾ Refers to soft loans from the Swedish Energy Agency.

Statement of Cash Flows

KSEK	2020 Jan-Mar	2019 Jan-Mar	2019 Jan-Dec
OPERATING ACTIVITIES			
Profit/loss before tax	-18 719	-15 545	-74 897
Financial income and expenses	-761	-792	-2 956
<i>Adjustments for non-cash items:</i>			
Depreciation/amortization and impairment	1 687	1 978	7 925
Cash flow from operating activities before changes in working capital	-17 793	-14 359	-69 928
<i>Cash flow from changes in working capital</i>			
Increase(-)/decrease(+) inventories	-3 976	403	671
Increase(-)/decrease(+) trade receivables	1 798	-2 832	-3 943
Increase(-)/decrease(+) current receivables	-121	-3 970	-4 114
Increase(+)/decrease(-) trade payables	-1 772	6 462	15 658
Increase(+)/decrease(-) current liabilities ¹⁾	3 083	-608	101
Cash flow from changes in working capital	-988	-545	8 373
Cash flow from operating activities	-18 781	-14 904	-61 555
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment and intangible assets	-7 550	-145	-68 959
Sale of property, plant and equipment	0	0	150
Cash flow from investing activities	-7 550	-145	-68 809
FINANCING ACTIVITIES			
New share issue	62 708	63 152	160 360
Borrowings	0	0	0
Repayment of debt	0	-12 600	-12 667
Cash flow from financing activities	62 708	50 552	147 693
CASH FLOW FOR THE PERIOD	36 377	35 503	17 329
CASH AND CASH EQUIVALENTS AT START OF THE PERIOD	24 850	7 521	7 521
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	61 227	43 024	24 850

Statement of changes in equity

KSEK	Share capital	Fund, development expenses	Share premium reserve	Accumulated profit/loss	Total equity
Equity 1 Jan 2019	8 638	795	343 636	-392 971	-39 902
New share issues	71 838		122 937		194 775
New share issue fees			-34 415		-34 415
Fund for development expenses		-57		57	0
Operating income for the period				-77 852	-77 852
Equity 31 Dec 2019	80 476	738	432 159	-470 767	42 606

KSEK	Share capital	Fund, development expenses	Share premium reserve	Accumulated profit/loss	Total equity
Equity 1 Jan 2020	80 476	738	432 159	-470 767	42 606
New share issues	60 991		15 247		76 238
New share issue fees			-13 530		-13 530
Fund for development expenses					0
Operating income for the period				-19 479	-19 479
Equity 31 Mar 2020	141 467	738	433 876	-490 246	85 835

Among the company's liabilities is a soft loan from the Swedish Energy Agency which, according to the loan agreement and the regulations set out in the Swedish Companies Act (25:14), may be eliminated upon preparation of a balance sheet for liquidation purposes. The utilized soft loan from the Swedish Energy Agency amounted to SEK 49.6 million. Equity taking into account the soft loan, i.e. adjusted equity, amounted to SEK 135.3 million as per March 31, 2019 and SEK 92,1 million as per December 31, 2019.

Notes

Note 1, Accounting principles

ChromoGenics prepares its annual accounts in accordance with the Swedish Annual Accounts Act and the general guidelines of the Swedish Accounting Standards Board set out in BFNAR 2012:1, Annual Accounts and Consolidated Accounts (K3). The accounting principles have not changed compared to the previous year. According to Note 1 in the Annual Report 2019 stated the company has chosen to change Income Statement to classified by nature of expense due to the Financial Reports will contain more reliable and relevant information of the effects of the company's transactions. The change has applied retroactive and previous year's comprehensive numbers has been recalculated. No effect on year 2019 figures.

Note 2, Warrant programs

Allocation date	Maturity date	Total number of warrants	Purchase price SEK	Redemption price SEK	Open. balance no of warrants 2018-01-01	Redeemed	Matured	Close. Bal. no of warrants 2019-12-31
2015-07-23 ¹⁾	2020-06-30	7 963	0,00	2,67	7 963	0	0	7 963
2018-09-03 ²⁾	2021-12-31	2 000 000	0,00	0,99	2 000 000	0	0	2 000 000
Total					2 007 963	0	0	2 007 963

¹⁾ Warrant program are part of a unit issue with the right to subscribe to one share and one warrant that targets key staff and some owners and deviates from the shareholders' preferential rights.

¹⁾ As a result of the rights issue in January 2018, February and July 2019 the warrants have been recalculated so that each warrant entitles to subscription of 1,25 share to a redemption price of 2,67 SEK before the respective maturity dates. (earlier 1 share to redemption price of 5,40 SEK)

²⁾ In connection with the acquisition of the net assets of I-window International AB, 2,000,000 warrants were issued to I-window International AB. As a result of the rights issue as above the warrants have been recalculated so that each warrant entitles to subscription of 2,02 share to a redemption price of 0,99 SEK and matures on December 31, 2021.

Note 3, Shares

Year	Event	No of shares	Total no of shares	Nominal value, SEK	Share capital SEK	Share premium reserve	Statutory reserve	Record date
2016	New share issue	3 703 704	13 524 182	0,1	1 352 418	9 629 631		2016-06-10
2016	New share issue	1 400 397	14 924 579	0,1	1 492 458	3 641 032		2016-06-15
2016	New share issue	2 921 472	17 846 051	0,1	1 784 605	7 595 827		2016-11-16
2016	Exercising of warrants	982 602	18 828 653	0,1	1 882 865	2 554 765		2016-11-17
2017	2:1 reversed split	-9 414 327	9 414 326	0,2	1 882 865			2017-01-20
2017	New share issue	12 677 040	22 091 366	0,2	4 418 273	105 219 432		2017-03-20
2017	New share issue	1 122 960	23 214 326	0,2	4 642 865	9 320 568		2017-04-07
2018	Rights issue	18 974 669	42 188 995	0,2	8 437 799	29 410 737		2018-02-21
2018	Directed share issue	1 000 000	43 188 995	0,2	8 637 799	613 059		2018-09-12
2019	Rights issue	129 566 985	172 755 980	0,2	34 551 196	37 238 891		2019-03-15
2019	Rights issue	172 755 980	345 511 960	0,2	69 102 392	31 999 942		2019-08-12
2019	Directed share issue	18 867 924	364 379 884	0,2	72 875 977	6 226 415		2019-08-30
2019	Set-Off issue	10 372 884	374 752 768	0,2	74 950 554	3 111 865		2019-09-02
2019	Set-Off issue	27 627 679	402 380 447	0,2	80 476 089	9 945 964		2019-09-20
2020	Rights issue	304 953 790	707 334 237	0,2	141 466 847	1 717 036		2020-03-30
Total			707 334 237	0,2	141 466 847	433 874 983		

Share development during the year

In June-August 2019, a rights issue was performed on a 1-1 basis to a share price of 0.50 SEK/share. The rights issue brought 172,755,980 new shares to the company. The rights issue was registered on August 12, 2019. After registration, total amount of outstanding shares amounted to 345,511,960 equivalent to a share capital of 69,102,392 SEK with a nominal value of 0.20 SEK.

In August 2019, a directed share issue was conducted at a share price of 0.53 SEK/share. The rights issue brought 18,867,924 new shares to the company. The targeted issue was registered on August 30, 2019. After registration, total amount of outstanding shares amounted to 364,379,884 equivalent to a share capital of 72,875,977 SEK with a nominal value of 0.20 SEK.

In September 2019, a set-off issue to a couple of guarantee in the rights issue in August, was conducted at a share price of 0.50 SEK/share. The offset issue brought 10,372,884 new shares to the company. The offset share issue was registered on September 2, 2019. After registration, total amount of outstanding shares amounted to 374,752,768 equivalent to a share capital of 74,950,554 SEK with a nominal value of 0.20 SEK.

In September 2019, a set-off issue to Hörmann-Vertungen GmbH & Co was conducted at a share price of 0.56 SEK/share. The offset issue brought 27 627,679 new shares to the company. The set-off issue was registered on September 20, 2019. After registration, total amount of outstanding shares amounted to 402,380,447 equivalent to a share capital of 80,476,089 SEK with a nominal value of 0.20 SEK.

In February-March 2020, a rights issue was performed on a 1-1 basis to a share price of 0.25 SEK/share. The rights issue brought 304,953,790 new shares to the company. The rights issue was registered on March 30, 2020. After registration, total amount of outstanding shares amounted to 707,334,237 equivalent to a share capital of 141,466,847 SEK with a nominal value of 0.20 SEK.

Note 4, Transactions with related parties

Transactions between the company and members of the Board of Directors

Claes-Göran Granqvist is invoicing the company a consulting fee of SEK 15,000 per month, totaling SEK45,000 for the period January-March 2020.

Transactions between the company and the company's primary owners

Nothing to report for the period January-March 2020.

Note 5, Pledged assets and contingent liabilities

KSEK		2019	2019	2019	2019	2020
Event	Holder	31-Mar	30-Jun	30-Sep	31-Dec	31-Mar
Floating charge		0	0	0	0	0
Restricted cash	Euroclear	50	50	50	50	50
Total		50	50	50	50	50

Income Statement per isolated quarter

KSEK	2019	2019	2019	2019	2020
	Iso. Q1	Iso. Q2	Iso. Q3	Iso. Q4	Iso. Q1
Net sales	10 712	12 481	13 993	8 062	5 194
Change in inventories of products in progress	-1 991	131	-3 717	-2 724	-314
Capitalized own work	0	0	303	821	958
Other operating income	354	1 006	208	1 837	854
Gross operating income	9 075	13 618	10 787	7 996	6 692
Raw materials and consumables used	-8 625	-12 315	-11 620	-8 731	-6 319
Other external costs	-7 874	-9 500	-9 325	-11 684	-9 557
Personnel costs	-5 972	-7 301	-6 314	-7 739	-7 640
Depreciation of intangible assets and tangible assets	-1 978	-1 976	-1 984	-1 987	-1 687
Other operating expenses	-171	-105	-915	-257	-208
Total operating expenses	-24 620	-31 197	-30 158	-30 398	-25 411
Operating income	-15 545	-17 579	-19 371	-22 402	-18 719
Interest income	0	5	21	20	8
Interest expenses	-792	-685	-672	-852	-768
Total result of financial items	-792	-680	-651	-832	-760
Operating income after financial items	-16 337	-18 259	-20 022	-23 234	-19 479
Tax	0	0	0	0	0
Net income	-16 337	-18 259	-20 022	-23 234	-19 479

Average number of shares before dilution ¹⁾	65 223 126	172 755 980	280 239 699	402 380 447	554 857 342
Average number of shares after dilution ¹⁾	65 223 126	172 755 980	280 239 699	402 380 447	554 857 342
Outstanding shares at the end of the reporting period before dilution ¹⁾	65 223 126	172 755 980	402 380 447	402 380 447	707 334 237
Outstanding shares at the end of the reporting period after dilution at full utilization. ¹⁾	65 223 126	193 746 269	423 370 736	423 363 079	709 342 200
Outstanding warrants at the end of the reporting period ¹⁾	20 990 289	20 990 289	20 990 289	20 982 632	2 007 963
Earnings per share before dilution, SEK ¹⁾	-0,25	-0,11	-0,07	-0,06	-0,04
Earnings per share after dilution, SEK ¹⁾	-0,25	-0,11	-0,07	-0,06	-0,04

¹⁾ During the first quarter of 2020, a rights issue was issued which added 304,953,790 new shares.

Statement of Cash Flows isolated quarters

KSEK	2019 Iso. Q1	2019 Iso. Q2	2019 Iso. Q3	2019 Iso. Q4	2020 Iso. Q1
OPERATING ACTIVITIES					
Profit/loss before tax	-15 545	-17 579	-19 371	-22 402	-18 719
Financial income and expenses	-792	-681	-651	-832	-761
<i>Adjustments for non-cash items:</i>					
Depreciation/amortization and impairment	1 978	1 976	1 984	1 987	1 687
Cash flow from operating activities before changes in working capital	-14 359	-16 284	-18 038	-21 247	-17 793
<i>Cash flow from changes in working capital</i>					
Increase(-)/decrease(+) inventories	403	-2 392	1 911	749	-3 976
Increase(-)/decrease(+) trade receivables	-2 832	-2 929	673	1 203	1 798
Increase(-)/decrease(+) current receivables	-3 639	-3 097	-2 419	5 005	-121
Increase(+)/decrease(-) trade payables	6 462	52 557	-39 231	-4 145	-1 772
Increase(+)/decrease(-) current liabilities	-939	366	-2 680	3 347	3 083
Cash flow from changes in working capital	-545	44 505	-41 746	6 159	-988
Cash flow from operating activities	-14 904	28 221	-59 784	-15 088	-18 781
INVESTING ACTIVITIES					
Acquisition of property, plant and equipment and intangible assets	-145	-56 395	-3 863	-8 556	-7 550
Sale of property, plant and equipment	0	0	150	0	0
Cash flow from investing activities	-145	-56 395	-3 713	-8 556	-7 550
FINANCING ACTIVITIES					
New share issue	63 152	0	96 870	338	62 708
Borrowings	0	0	0	0	0
Repayment of debt	-12 600	0	0	-67	0
Cash flow from financing activities	50 552	0	96 870	271	62 708
CASH FLOW FOR THE PERIOD	35 503	-28 174	33 373	-23 373	36 377
CASH AND CASH EQUIVALENTS AT START OF THE PERIC	7 521	43 024	14 850	48 223	24 850
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	43 024	14 850	48 223	24 850	61 227