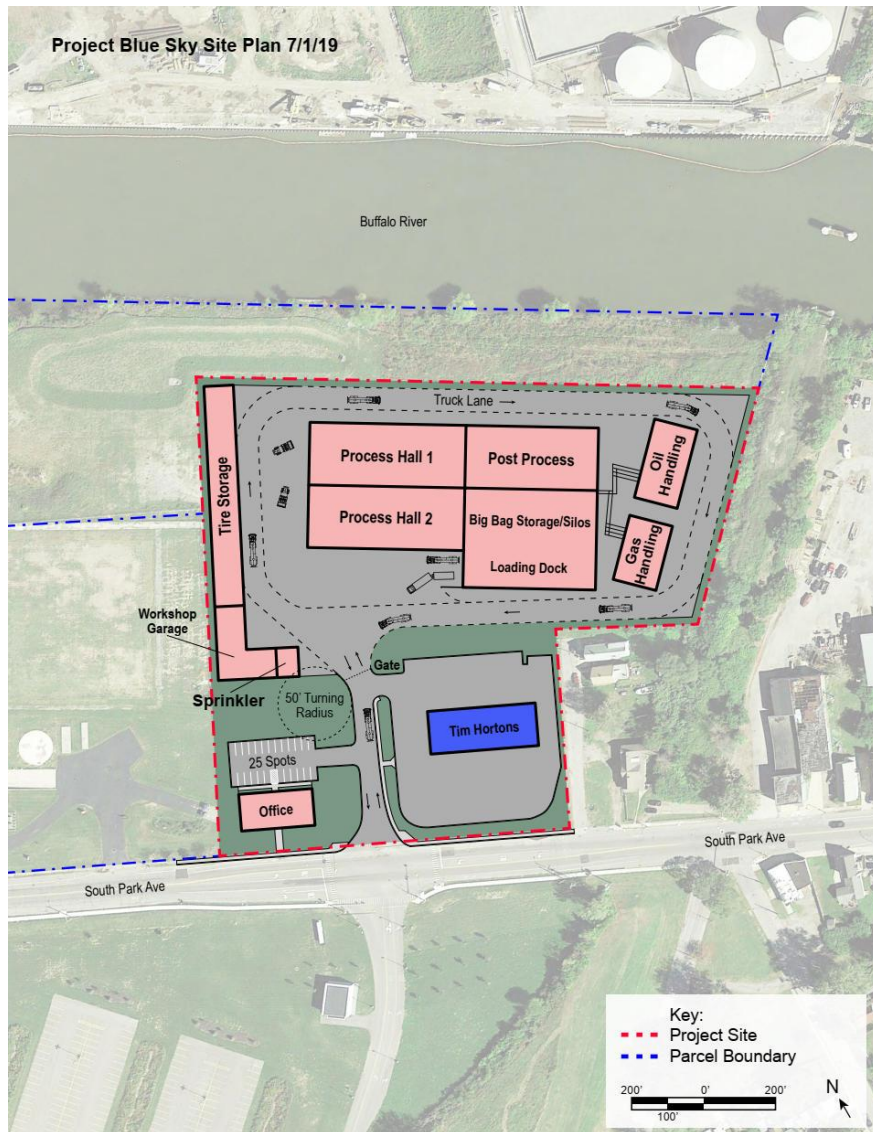


Half Year Report January – June 2019



Above: This shows a layout of a potential future plant that SES possibly will erect together with Treadcraft Ltd in New York State, US

Quarterly report Scandinavian Enviro Systems AB (publ) January – June 2019

Enviro's receives its biggest order until now from Trelleborg

N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.

Q2 2019

- Net revenues for the period were MSEK 0.2 (0.4)
- Earnings after tax for the period were MSEK -11.4 (-9.9)
- Earnings per share for the period (before dilution) was SEK -0.03 (-0.08)
- Cash flow for the period after investments was MSEK -11.4 (-7.9)
- Trelleborg Lanka places a serial sales order amounting to a yearly value of around KEUR 180,000

Jan-Jun 2019

- Net revenues for the period were MSEK 0.3 (0.6)
- Earnings after tax for the period were MSEK -21.4 (-19.0)
- Earnings per share for the period (before dilution) was SEK -0.07 (-0.16)
- Cash flow for the period after investments was MSEK -20.1 (-13.3)
- Elysium Aps (which is a possible candidate to become a joint venture with Enviro as co-owner) signs a rental agreement I Denmark for a plant in Nyborg
- A Life Cycle Analysis (LCA) covering Enviro's recovered carbon black concludes that its creation saves around 80% CO2 emissions compared to production of virgin carbon black (see graph below)

Significant events after the end of the period

- The company signs a Term Sheet with Treadcraft Carbon concerning a plant in New York State, US

Scandinavian Enviro Systems AB (publ) is an environmental business that offers profitable recycling of tyres and refined material primarily for the rubber industry. The company sells and plans to (co)own environmental plants to/together with industrial investors and operates its own facility for End of Life tyres in Åsensbruk, Sweden. Enviro, with its head quarter in Gothenburg, Sweden, was founded in 2001, and has around 20 employees. It is listed on Nasdaq First North with Mangold Fondkommission AB as certified advisor, telephone +46 8 503 015 50, E-mail ca@mangold.se, www.envirosystems.se

During the second quarter the company's activities have initially been focused on the negotiations conducted with a number of stakeholders, all of whom want to establish the first recycling plant using our full-scale technology.

After the end of the quarter, we have communicated that we now have reached an important milestone in this process by having a signed Term Sheet together with our partner in Buffalo, Treadcraft Carbon. This Term Sheet means that we are in agreement regarding the main as well as the decisive conditions to reach a plant agreement. Now we are continuing our work with negotiations of the other agreements that are to be included and that are needed in order to finalise the deal. As we have the intention to be part owner in the plant, we will also need to negotiate an agreement concerning a joint ownership. The project has a strong support from the City of Buffalo and New York State, which together with our strong position are good requisites for the financing process that is running in parallel. Other prioritised projects (Windspace, Denmark and EE-TTD, Texas, US) will be of continuous interest and we anticipate that these negotiations will continue based on how the time plant for Buffalo is developing.

All project negotiations are being conducted against the background of a strong, growing interest in our recovered carbon black from the tyre industry. The tyre industry consumes approximately 70 per cent of all carbon black produced and represents a lot of the development around future rubber materials. Several tyre manufacturers have approved the technical specifications our material for tyre applications and we have come a long way in the commercialisation processes with a few of them, hereunder Trelleborg, which has become an important new client for carbon black for solid tyres during this period.

At the same time, we also note that during the quarter the traditional crude oil-based manufacturers of carbon black have significantly opened up their eyes to recovered carbon black and the possibilities that our technology offers. This was demonstrated with all the desired clarity during the Recovered Carbon Black Congress in Berlin at the end of May, in which the three leading carbon black producers in the world participated. It is clear that both tyre manufacturers and manufacturers of virgin carbon black now see us and our unique technology as a strategically important partner in their accelerating sustainability ambitions.

For the purpose of verifying our advanced technology for full-scale production and in order to increase the capacity at Åsensbruk, we are implementing the earlier communicated investments and recruitments. The objective is to increase the capacity to 1,600 tonnes of recovered carbon black per year.

Our carbon black customers producing for the tyre and automotive industries, require both quality and environmental ISO certification, and our plant received these certificates at the beginning of the third quarter.

With the increasing interest for recycling generally and for our technology for recovery of End of Life Tyres specifically, it is our assessment that we strengthened our position during the second quarter as the most attractive party with respect to recovered carbon black and that our strategic position has been strengthened.

Thomas Sörensson

Chief Executive Officer

Customer	Customer type	Application	%rCB	June 2019		%rCB	March 2019	
				Volume ton/year	Status		Volume ton/year	Status
Anva	Producer/Mixer	Chassi plugs (Volvo)	100	80	Active orders	100	80	Active orders
Anva	Producer/Mixer	Sealing (Alvenius)	100	8	Active orders	100	8	Active orders
Elastomer (Hexpol)	Solid tyre producer	Solid tyres and caster wheels	25-50	150	Active orders	25-50	150	Active orders
Trelleborg Lanka	Solid tyre producer	Solid tyres	Not disclosed	240	Approved prod. tes	Not disclosed	240	Waiting for order
Anva	Producer/Mixer	Not official	100	Not official	Waiting for order	100	Not official	Waiting for order
Anva	Producer/Mixer	Not official	100	Not official	Waiting for order	100	Not official	Waiting for order
Anva	Producer/Mixer	Not official	100	Not official	Waiting for order	100	Not official	Waiting for order
Trelleborg Sealing profiles	Producer/mixer	Extruded profiles and rubber mats	25-50	500	Waiting for order	25-50	500	Waiting for order
Surya Min Chem	Trader	Many different	N/A	1000-2000	Waiting for order	N/A	1000-2000	Waiting for order
Semperit group	Compounder/producer	Rubber sheeting, gaskets, conveyor belt	25-100%	500-1000	Waiting for order	25-100%	500-1000	Waiting for order
Eastland Compounding	Mixer	General rubber	Not disclosed	0	Waiting for order	Not disclosed	0	Waiting for order
VIP polymers	Producer/Mixer	Agri sheet etc.	10-100	220	Approved prod. tes	10-100	220	Waiting for order
HGF	Producer/Mixer	Automotive accessories	100	50	Waiting for order	100	50	Waiting for order
Trelleborg Industries	Producer/Mixer	Aut. bellow	Not disclosed	0	In production test	Not disclosed	0	In production test
Hexpol Spain	Compounder	Compounds	50-100%	2000	In production test	50-100%	>1000	In production test
Mitas Tyres (Trelleborg)	Tyre and rubber producer	Agricultural and solid tyres	10-100%	1000-10000	In production test	10-100%	1000-5000	In production test
Continental group	Tyre and general rubber producer	all types of tyres and general rubber applications	50-100%	>8000	In production test	50-100%	>8000	In production test
Fenner	Compounder/producer	Conveyor belts etc.	Not disclosed	0	In production test	Not disclosed	0	In production test
Michelin Group	Tyre and rubber producer	Solid tyres, pneumatic tires	50-100%	3500	In production test	50-100%	500	Waiting for order
Total	Including off-take new plant			ca 17200-27700			ca 13200-18000	

Current status of Enviro's carbon black and potential carbon black customers. The lowest status of the customers on this list is where production tests have or are being conducted.

Customer	Cap. 'tonnes tyres/year	Status	Type	Country
TreadCraft	30	Signed Term sheet	Recycling	USA
WindSpace	30	MoU	Investor	Denmark
EE-TTD Cleveland LLC	30	Under structuring	Tyre recycling	USA
ArticCan	30	MoU	Energy/Recycling	Canada
Not official	30	Quotation	Recycling/Investmen	USA
Not official	30	Quotation	Investor/Industri	Abu Dhabi
Not official	18	Quotation	Tyre Manufacturer	Chile

Status ongoing customer contacts regarding future plants. The above listed projects are the ones Enviro assesses as having the biggest probability to be realised. As a result of the new business model we will prioritize projects where we evaluate that a co-ownership will be the most favourable one. A clearer focus will result in the fact that this list will be shorter due to more efficient utilisation of our resources and possibilities where we can create the best profitability according to the business model.

Subscription warrants series 2018/2019 from preferential rights issue

In connection with the completed preferential rights issue during 2018-2019, each subscribed Unit gave 2 subscription warrants without additional consideration. One (1) warrant gives the right to subscribe to one (1) new share in the Company. The subscription price for the warrants amounts to 70% of the average volume-weighted price, (i.e. with a discount of 30%) for the share during the period from August 15, 2019 through August 29, 2019, however, a minimum of SEK 0.40 per share and a maximum of SEK 1.00 per share. Subscription of shares under the warrants shall be in accordance with the terms of the warrants during the period from September 2, 2019 to September 13, 2019. Further information regarding the possibility of utilizing these warrants and complete terms for the warrants can be found in the prospectus for the preferential rights issue on page 23, pages 27–30 and pages 74–79 and at the Company's website <https://www.envirosystems.se/sv/investor/foretradesemission-2018/>

Prospectus available on Enviro's website:

<https://www.envirosystems.se/app/uploads/Scandinavian-Enviro-Systems-AB-publ-Prospekt-1.pdf>

Financial summary

Q2 2019

Group revenues and results

Net revenues for the period were MSEK 0.2 (0.4). Operating results totalled MSEK -11.4 (-9.6), and earnings after tax were MSEK -11.4 (-9.9).

The decrease of the turnover and gross profit is mainly due to that we also during Q2 have been working with additional investments in our recovery plant. During the duration of this the plant has been in limited use. The decrease of the result is mainly explained by higher external costs of MSEK 0.8 consisting of mainly legal costs in connection with creation of future agreements, patent costs and running costs that are not balanced during the implementation of the plant in Åsensbruk. Further the personnel costs of totally MSEK 0.7 higher than last year mainly in connection with additional employment of staff, travelling expenses and staff returning from maternity leave. The interest net is MSEK 0.2 better than last year thanks to that all interest-bearing short-term loans in the mother company have been amortized.

Investments and financial standing

During the quarter investments made were of MSEK 2.9 (0.2). The investments are related to additional investments in the plant in Åsensbruk as well as ongoing patents. Cash flow from operating activities after investing activities for the period were MSEK -11.4 (-7.9). The decrease is mainly due to lower operating income as well as interest net of MSEK 0.7 compared to Q2 2018, but also due to a higher CAPEX of MSEK 2.7 compared to last year.

JANUARY – JUNE 2019

Group revenues and results

Net revenues for the period were MSEK 0.3 (0.6). Operating results totalled MSEK -21.2 (-18.7), and earnings after tax were MSEK -21.4 (-19.0). The decrease of the result compared to last year is mainly explained of by the following factors: A lower gross profit due to lower utilisation of the recovery plant during the first six months (MSEK 0.3), higher fixed costs in connection with legal support for future agreements, marketing costs and running costs in connection with improvements in the plant in

Åsensbruk of totally MSEK 1.2. The interest net is MSEK 0.4 lower thanks to that all interest-bearing loans in the mother company now have been amortised.

Investments and financial standing

Investments of the group in fixed assets amounted to MSEK 4.6 (0.2). On top of that the company has paid a deposit of MSEK 0.2 in connection with a new office rental contract. The investments consist of additional investments in the plant in Åsensbruk and of patent application costs. The cash flow from operating activities after investing activities for the period were MSEK -20.1 (-13.3). The decrease in the cashflow is mainly due to lower operating income after adjustment of working capital of MSEK 2.2 as well as higher investments of MSEK 4.5 compared to the same period 2018.

The group cash amounted to MSEK 35.8 (7.1) at the end of the period.

The equity/assets ratio was 89 (76) %.

Mother company

The net revenues for the parent company totalled MSEK 1.6 (1.6), and profit after financial items was MSEK -23.1 (-21.5). All revenues are for services charged to subsidiaries. The most significant cause of the reduced result is higher operating expenses, mainly legal costs and marketing expenses which are MSEK 1.1 higher than last year as well as staff expenses, which are MSEK 0.9 higher than last year in connection with among others travelling expenses and staff returning from maternity leave. The interest net has improved with MSEK 0.3 due to that all interest bearing, short term liabilities have been amortized. Investments in fixed assets were MSEK 0.2 (0.1). The investments in fixed assets amounted to MSEK 0.3 (0.2). The investments of the year are mainly related to the patents of the Company.

The Equity/assets ratio at the period-end was 97 (86) %.

Staff and Organisation

The group has 17 (16) employees at the period-end.

Executed transactions with related parties

There has been no transactions with related parties during the period.

Number of shares

Total shares outstanding at the end of the period was 343,249,764 (116,370,291). Additional to that there are 211,230,624 subscription warrants, which can be utilised during the period September 2 – 13, 2019.

Risks and uncertainties

A detailed description of risks and uncertainty factors is provided on pages 18-22 in the 2018 share issue prospectus. No new risks are

assessed to have arisen in relation to those listed there.

FINANCIAL KEY RATIOS

Accounting policies

The consolidated reports for the group are prepared in compliance with the Swedish Annual Accounts Act, and BFNAR 2012:1 Annual Accounts and Consolidated Financial Statements (K3). Applicable accounting policies are detailed in the company consolidated annual report note 1.

Financial Key Ratios

	Jan-Jun 2019	Jan-Jun 2018	Jan-Dec 2018
EBITDA (KSEK)	-14,853	-12,091	-23,445
Operating margin (%) ¹⁾	neg.	neg.	neg.
Equity ratio (%)	88.7%	75.5%	83.6%
Return on capital employed (%) ²⁾	-13.0%	-15.0%	-23.0%
Interest-bearing liabilities (KSEK) ³⁾	8,696	13,364	22,280
Earnings per share before dilution (SEK)	-0.07	-0.16	-0.32

¹⁾ Operating income as a percentage of net sales.

²⁾ Capital employed; equity plus interest bearing liabilities. Return on capital employed is calculated as earnings after financial items plus interest expenses divided by average capital employed.

³⁾ Interest bearing liabilities, ending balance.

Largest shareholders

June 28, 2019

☒

Shareholders	Ownership share
Försäkringsbolaget Avanza Pension	6.82%
Pegroco Invest AB (including Pegroco Holding AB)	5.91%
Nordnet Pensionsförsäkring AB	4.00%
Tedde Jeansson	3.50%
Swedbank Försäkring AB	2.31%
10 largest owners	28.16%
Others	71.84%

Planned reporting schedule

Interim Report Jan- Sep 2019	Nov 21, 2019
Year End Report 2019	Feb 28, 2020
Annual Report 2019	Apr 23, 2020
Interim Report Jan-Mar 2020	May 14, 2020
General Meeting 2020	May 14, 2020

Gothenburg Aug 23, 2019

The board of directors and Chief Executive Officer

Scandinavian Enviro Systems AB (publ)

This interim report has not been subject to auditing by the company's auditors.

Questions answered by

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Urban Folcker, CFO, Phone: +46 760 00 13 11, urban.folcker@envirosystems.se

CONSOLIDATED STATEMENT OF INCOME

Amounts in KSEK	Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018	Jan-Dec 2018
Operating income					
Net sales	168	419	291	614	1,129
Other operating income	33	-	33	37	345
Changes in stocks of finished goods	-77	-8	-119	-113	-17
	125	410	205	538	1,457
Operating expenses					
Raw materials and consumables	-163	-136	-225	-282	-600
Other external costs	-3,883	-3,274	-6,902	-5,573	-10,608
Personnel costs	-4,274	-3,423	-7,930	-6,773	-13,693
Depreciation of tangible and intangible assets	-2,866	-2,865	-5,728	-5,706	-11,433
Amortization of acquired goodwill	-305	-305	-610	-610	-1,219
	-11,490	-10,003	-21,396	-18,945	-37,554
Operating profit/loss	-11,365	-9,592	-21,190	-18,407	-36,097
Profit/loss from financial items					
Interest income and similar items	41	8	60	19	61
Interest expenses and similar items	-86	-297	-277	-651	-2,749
	-45	-288	-217	-632	-2,689
Profit/loss after financial items	-11,410	-9,881	-21,407	-19,039	-38,786
Tax for the period	-	-	-	-	-
Profit/loss for the period	-11,410	-9,881	-21,407	-19,039	-38,786
Number of shares at the end of the period	343,249,764	119,550,293	343,249,764	119,550,293	132,019,140
Average number of shares before dilution	343,249,764	118,397,105	309,406,183	117,389,297	122,720,995
Average number of shares after dilution	343,249,764	118,397,105	309,406,183	117,389,297	122,720,995
Earnings per share before dilution (SEK)	-0.03	-0.08	-0.07	-0.16	-0.32
Earnings per share after dilution (SEK)	-0.03	-0.08	-0.07	-0.16	-0.32

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in KSEK	Jun 30, 2019	Jun 30, 2018	Dec 31, 2018
ASSETS			
Committed but not paid capital	-	-	45,069
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development	37,461	42,579	40,020
Patents and similar rights	4,089	4,336	4,200
Goodwill	5,486	6,705	6,095
	47,036	53,619	50,316
<i>Property, plant and equipment</i>			
Machinery and other technical facilities	66,800	67,785	65,349
Equipment, tools, and installations	122	79	72
	66,922	67,864	65,421
<i>Financial non-current assets</i>			
Other non-current receivables	148	-	-
	148	-	-
Total fixed assets	114,106	121,483	115,737
Current assets			
<i>Inventories, etc.</i>			
Raw materials and consumables	162	54	97
Goods in progress	-	-	63
Finished products and goods for resale	60	83	116
	221	137	276
<i>Current receivables</i>			
Trade receivables	95	217	148
Other receivables	2,170	2,237	2,011
Prepaid costs and accrued income	1,028	817	847
	3,293	3,271	3,006
<i>Cash and cash equivalents</i>			
	35,841	7,101	24,869
Total current assets	39,356	10,509	28,151
TOTAL ASSETS	153,462	131,992	188,957
EQUITY AND LIABILITIES			
Equity			
Share capital	13,730	4,909	5,281
Other capital contributions	335,845	263,972	344,728
Other capital, including profit/loss for the year	-213,418	-169,225	-192,011
	136,157	99,656	157,997
Non-current liabilities			
Other liabilities to credit institutions	5,528	8,696	7,112
	5,528	8,696	7,112
Current liabilities			
Amounts owed to credit institutions	3,168	3,168	3,168
Trade payables	1,986	2,071	2,629
Other current liabilities	2,895	15,148	14,787
Accrued expenditures and prepaid income	3,728	3,254	3,263
	11,777	23,641	23,848
TOTAL EQUITY AND LIABILITIES	153,462	131,992	188,957

CHANGES IN EQUITY, CONSOLIDATED

Amounts in KSEK	Jan 1 - Jun 30, 2019		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
Opening balance, equity	5,281	344,728	-192,011
Profit/loss for the period	-	-	-21,407
Fund for development costs	-	-	-93
Profits brought forward	-	-	93
New share issue	8,449	-8,449	-
Expenses related to issue	-	-433	-
Closing balance, equity	13,730	335,845	-213,418

Amounts in KSEK	Jan 1 - Jun 30, 2018		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
Opening balance, equity	4,655	261,742	-153,226
Profit/loss for the period	-	-	-19,039
Fund for development costs	-	-	-186
Profits brought forward	-	-	186
New share issue	254	5,269	-
Closing balance, equity	4,909	267,011	-172,264

Amounts in KSEK	Jan 1 - Dec 31, 2018		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
Opening balance, equity	4,655	261,742	-153,226
Profit/loss for the period	-	-	-38,786
Fund for development costs	-	-	-279
Profits brought forward	-	-	279
New share issue	626	97,488	-
Expenses related to issue	-	-14,502	-
Closing balance, equity	5,281	344,728	-192,011

STATEMENT OF CASH FLOW, CONSOLIDATED

Amounts in KSEK	Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018	Jan-Dec 2018
<i>Operating activities</i>					
Operating profit/loss	-11,365	-9,592	-21,190	-18,407	-36,097
Adjustments for items not part of the cash flow	3,171	3,170	6,338	6,316	12,652
Capital gain/loss on fixed assets	-	-	-	4	4
Interest received	41	8	60	19	61
Interest paid	-86	-297	-277	-651	-2,749
Cash flow from operating activities before changes in working capital	-8,239	-6,711	-15,069	-12,719	-26,130
<i>Cash flow from changes in working capital</i>					
Increase (-)/reduction (+) in inventories	121	7	55	143	4
Increase (-)/reduction (+) in trade receivables	-43	-123	53	-146	-78
Increase (-)reduction (+) in other receivables	16	-197	-340	-163	33
Increase (+)/reduction (-) in trade payables	-1,191	475	-643	506	1,065
Increase (+)/reduction (-) in current liabilities	819	-1,161	573	-696	152
Cash flow from ordinary course of business	-8,517	-7,710	-15,372	-13,076	-24,953
Investment activities					
Acquisition of intangible assets	-51	-163	-206	-221	-402
Acquisition of property, plant and equipment	-2,711	-	-4,353	-	-409
Changes in long-term receivables	-148	-	-148	-	-
Cash flow from investment activities	-2,910	-163	-4,707	-221	-811
Financing activities					
New rights issue	-	5,524	45,069	5,524	13,622
Expenses related to issue	-	-	-433	-	-14,502
Ongoing rights issue	-	-	-	-	39,423
Amortisation/Increase of debts	-792	6,708	-13,584	5,408	2,624
Cashflow from financing activities	-792	12,232	31,051	10,932	41,167
Cash flow for the period	-12,218	4,359	10,972	-2,365	15,403
Cash and cash equivalents at the beginning of the period	48,059	2,742	24,869	9,466	9,466
Cash and cash equivalents at the end of the period	35,841	7,101	35,841	7,101	24,869

STATEMENT OF INCOME, PARENT COMPANY

Amounts in KSEK	Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018	Jan-Dec 2018
Operating revenues					
Net sales	798	798	1,596	1,596	3,192
Other Operating Income	33	-	33	37	345
	831	798	1,629	1,633	3,537
Operating expenses					
Other external costs	-8,770	-8,453	-16,860	-15,720	-30,760
Personnel expenses	-2,770	-2,084	-5,059	-4,189	-8,575
Depreciation of tangible and intangible assets	-1,444	-1,444	-2,884	-2,864	-5,745
	-12,984	-11,980	-24,803	-22,772	-45,081
Operating profit/loss	-12,153	-11,182	-23,174	-21,139	-41,545
Profit/loss from financial items					
Interest income and similar items	41	0	60	4	4
Interest expenses and similar items	5	-139	-29	-316	-2,032
	46	-139	32	-312	-2,028
Profit/loss after financial items	-12,107	-11,322	-23,142	-21,451	-43,573
Group contributions	-	-	-	-	6,200
Profit/loss after balance sheet allocations	-12,107	-11,322	-23,142	-21,451	-37,373
Tax on net profits for the period					
Profit/loss for the period	-12,107	-11,322	-23,142	-21,451	-37,373

STATEMENT OF FINANCIAL POSITION, PARENT COMPANY

Amounts in KSEK	Jun 30, 2019	Jun 30, 2018	Dec 31, 2018
ASSETS			
Committed but not paid capital	-	-	45,069
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development	37,411	42,529	39,970
Patents and similar rights	4,089	4,336	4,200
	41,500	46,865	44,170
<i>Tangible fixed assets</i>			
Equipment, tools, and installations	122	79	72
	122	79	72
<i>Financial non-current assets</i>			
Investments in group companies	36,891	36,891	36,891
Long-term receivables, group enterprises	31,181	27,141	29,211
Other long-term receivables	148	-	-
	68,219	64,031	66,101
Total fixed and non-current assets	109,841	110,975	110,344
Current assets			
<i>Current receivables</i>			
Other receivables	2,078	2,127	1,951
Prepaid costs, accrued earnings	621	353	473
	2,699	2,481	2,425
<i>Cash and cash equivalents</i>	33,442	6,209	23,553
Current assets, total	36,140	8,690	25,978
TOTAL ASSETS	145,982	119,664	181,391
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	13,730	4,909	5,281
Share capital not registered	-	-	8,449
Statutory reserve	502	502	502
Fund for development expenses	3,006	3,378	3,192
<i>Unrestricted equity</i>			
Share premium reserve	335,343	266,509	274,024
Ongoing share issue	-	-	76,043
Share right issue costs	-	-	-14,290
Retained earnings	-188,193	-151,193	-151,006
Profit/loss for the period	-23,142	-21,451	-37,373
	141,247	102,655	164,822
Current liabilities			
Amounts owed to credit institutions	-	-	-
Trade payables	733	1,160	1,141
Other current liabilities	1,454	13,708	13,367
Accrued costs and prepaid income	2,548	2,141	2,061
	4,735	17,009	16,568
TOTAL EQUITY AND LIABILITIES	145,982	119,664	181,391

CHANGES IN EQUITY, MOTHER COMPANY

Amounts in KSEK		Jan 1-Jun 30, 2019							
	Restricted equity				Fund for development costs	Unrestricted equity			Profit/loss for the period
	Share capital	Ongoing rights issue	Statutory reserve	Share premium reserve		Ongoing rights issue	Retained earnings		
Opening balance, equity	5,281	8,449	502	3,193	274,024	61,753	-151,006	-37,373	
Adjustment of previous year's profit and loss	-	-	-	-	-	-	-37,373	37,373	
Profit/loss for the period	-	-	-	-	-	-	-	-23,142	
Fund for development costs	-	-	-	-186	-	-	186	-	
New share issue	8,449	-8,449	-	-	76,043	-76,043	-	-	
Expenses related to issue	-	-	-	-	-14,724	14,290	-	-	
Closing balance, equity	13,730	-	502	3,007	335,343	-	-188,193	-23,142	

		Jan 1-Jun 30, 2018							
	Restricted equity				Fund for development costs	Unrestricted equity			Profit/loss for the period
	Share capital	Ongoing rights issue	Statutory reserve	Share premium reserve		Ongoing rights issue	Retained earnings		
Opening balance, equity	4,655	-	502	3,565	261,240	-	-115,885	-35,493	
Adjustment of previous year's profit and loss	-	-	-	-	-	-	-35,493	35,493	
Profit/loss for the period	-	-	-	-	-	-	-	-21,451	
Fund for development costs	-	-	-	-186	-	-	186	-	
New share issue	254	-	-	-	5,269	-	-	-	
Closing balance, equity	4,909	-	502	3,379	266,509	-	-151,192	-21,451	

		Jan 1-Dec 31, 2018							
	Restricted equity				Fund for development costs	Unrestricted equity			Profit/loss for the period
	Share capital	Ongoing rights issue	Statutory reserve	Share premium reserve		Ongoing rights issue	Retained earnings		
Opening balance, equity	4,655	-	502	3,565	261,240	-	-115,885	-35,493	
Adjustment of previous year's profit and loss	-	-	-	-	-	-	-35,493	35,493	
Profit/loss for the period	-	-	-	-	-	-	-	-37,373	
Fund for development costs	-	-	-	-372	-	-	372	-	
New share issue	626	8,449	-	-	12,996	76,043	-	-	
Expenses related to issue	-	-	-	-	-212	-14,290	-	-	
Closing balance, equity	5,281	8,449	502	3,193	274,024	61,753	-151,006	-37,373	

STATEMENT OF CASH FLOW, MOTHER COMPANY

Amounts in KSEK	Apr-Jun 2019	Apr-Jun 2018	Jan-Jun 2019	Jan-Jun 2018	Jan-Dec 2018
<i>Operating activities</i>					
Operating profit/loss	-12,153	-11,182	-23,174	-21,139	-41,545
Adjustments for items not part of the cash flow	1,444	1,444	2,884	2,864	5,745
Capital gain/loss on fixed assets	-	-	-	4	4
Interest received	41	0	60	4	4
Interest paid	5	-139	-29	-316	-2,032
Cash flow from operating activities before changes in working capital	-10,663	-9,878	-20,258	-18,584	-37,824
<i>Cash flow from changes in working capital</i>					
Increase (-)/reduction (+) in other receivables	59	-117	-274	-73	-17
Increase (+)/reduction (-) in trade payables	-556	805	-407	716	696
Increase (+)/reduction (-) in current liabilities	621	-1,005	574	-924	-147
Cash flow from ordinary course of business	-10,539	-10,195	-20,365	-18,866	-37,291
Investment activities					
Acquisition of intangible assets	-51	-163	-206	-221	-402
Changes in long-term receivables	-1,333	2,815	-2,118	4,230	2,160
Cash flow from investment activities	-1,441	2,652	-2,381	4,009	1,758
Financing activities					
New rights issue	-	5,524	45,069	5,524	13,622
Expenses related to issue	-	-	-433	-	-14,502
Ongoing rights issue	-	-	-	-	39,423
Group Contributions	-	-	-	-	6,200
Amortisation/Increase of debts	-	7,500	-12,000	7,200	6,000
Cashflow from financing activities	-	13,024	32,635	12,724	50,743
Cash flow for the period	-11,980	5,480	9,888	-2,133	15,210
Cash and cash equivalents at the beginning of the period	45,421	729	23,553	8,342	8,342
Cash and cash equivalents at the end of the period	33,441	6,210	33,441	6,210	23,553