



Interim report January – September 2020



In the background you can see the tank where the Tyre Pyrolysis Oil (TPO) is being kept before dispatch from the plant in Åsensbruk. With the current mix of End-of-Life-Tyres this oil has a bio-content of approximately 48%.

Interim report Scandinavian Enviro Systems AB (publ) January – September 2020

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.

Q3 2020

- Net revenues for the period were MSEK 0.2 (0.2)
- Earnings after tax for the period were MSEK -12.7 (-10.3)
- Earnings per share for the period (before dilution) was SEK -0.02 (-0.03)
- Cash flow for the period after investments was MSEK -10.9 (-8.9)
- Enviro and Michelin prolongs Letter of Intent regarding strategic partnership
- Improved market conditions for pyrolysis oil could strongly increase revenues from Enviro's plants

Jan-September 2020

- Net revenues for the period were MSEK 1.1 (0.5)
- Earnings after tax for the period were MSEK -36.3 (-31.7)
- Earnings per share for the period (before dilution) was SEK -0.07 (-0.10)
- Cash flow for the period after investments was MSEK -34.0 (-29.0)
- The company has completed a directed share issue of approximately MSEK 32.5 as part of a strategic partnership with Michelin. Currently, the partnership is considered to contain 4 areas:
 - A development agreement
 - A share investment total of 20 percent in Enviro after the issue (completed)
 - A common project to construct a plant
 - A common delivery agreement between Michelin and Enviro

Significant events after end of period

- Enviro expects final partnership agreement with Michelin during the fourth quarter
- Feasibility study investigates conditions for tyre recovery with Enviro's technology in the UK
- Recovered carbon black from Enviro is introduced in a customer-specific rubber compound from Trelleborg Mixing Forsheda

Enviro is a company developing, building and operating industrial plants for material recovery from End of Life Tyres (ELT). The company has developed a process, based on a patented technology, where gas generated in the process is heating the tyres in absence of oxygen. This enables the materials in the tyres to decompose and be recovered instead of incinerated. Thus, a sustainable recovery of the resources Carbon black, Oil, Steel and Gas is obtained. The products are used in new products, replacing fossil resources to help the customers reach their sustainability targets. Enviro was founded in 2001, has its head office in Gothenburg and runs its own plant for ELT tyres in Åsensbruk, Sweden. The company is listed on the First North Growth Market with Mangold Fondkommission AB, tel. +46 (0)8 5030 1550, ca@mangold.se, as its Certified Advisor. www.envirosystems.se

Enviro is well-positioned to meet the increased interest in tyre pyrolysis oil

Both the chemistry and oil industries show a growing interest in recovered oil from end-of-life tyres. Over the past quarter, Enviro has been able to communicate both greatly improved forecasts for revenues from future plants, as well as the possibility of a large-scale introduction of our recycling technology in the United Kingdom. The development is driven by the growing need for sustainable solutions, which gives Enviro an advantageous strategic position.

Climate and environment issues lead to ever-increasing expectations and stricter requirements from authorities as well as the general public, customers and decision-makers. For companies, sustainability is no longer an option - it is a must. In the tyre industry, the interest in recycling end-of-life tyres has increased drastically in recent years. The reason is partly the producer responsibility, which means that manufacturers of tyres must also take care of end-of-life tyres, and partly the opportunities that exist to recover the strategic and finite resources that the tyres contain, such as carbon black and oil.

Oil that is recovered from end-of-life tyres, so-called tyre pyrolysis oil (TPO), has a high bio content due to the fact that the tyres are largely made of natural rubber. The oil is therefore very attractive for various purposes because it does not add fossil carbon atoms to the cycle. Demand for pyrolysis oil has increased sharply in recent years and more and more actors who develop technology to extract it are emerging. It must be emphasized that it is much easier to extract oil only from end-of-life tyres than to extract the even more valuable component carbon black. Enviro has a patented and leading method for recovering carbon black and at the same time recycling the oil. This gives us a favourable strategic position.

From a sustainability perspective, we feel that only recycling the oil from end-of-life tyres is not acceptable - recycling should also include the other tyre components, especially carbon black. Enviro started at the deep end - by developing a method that achieved the complicated task of recovering carbon black, and has since begun to optimize the recycling of oil in line with market demands. It was our technical ability to extract carbon black of the highest quality that paved the way for our declaration of intent for a strategic partnership with Michelin, which we communicated earlier this year. Michelin, as one of the world's largest tyre manufacturers, is also one of the world's largest buyers of carbon black. Thus, our cooperation has great mutual benefits.

The fact that interest in oil is increasing naturally means that the economic value of it also is rising.

During the past quarter, we have therefore adjusted the revenue calculations upwards for our future recycling plants, something we have also communicated. The interest in the oil also lies behind

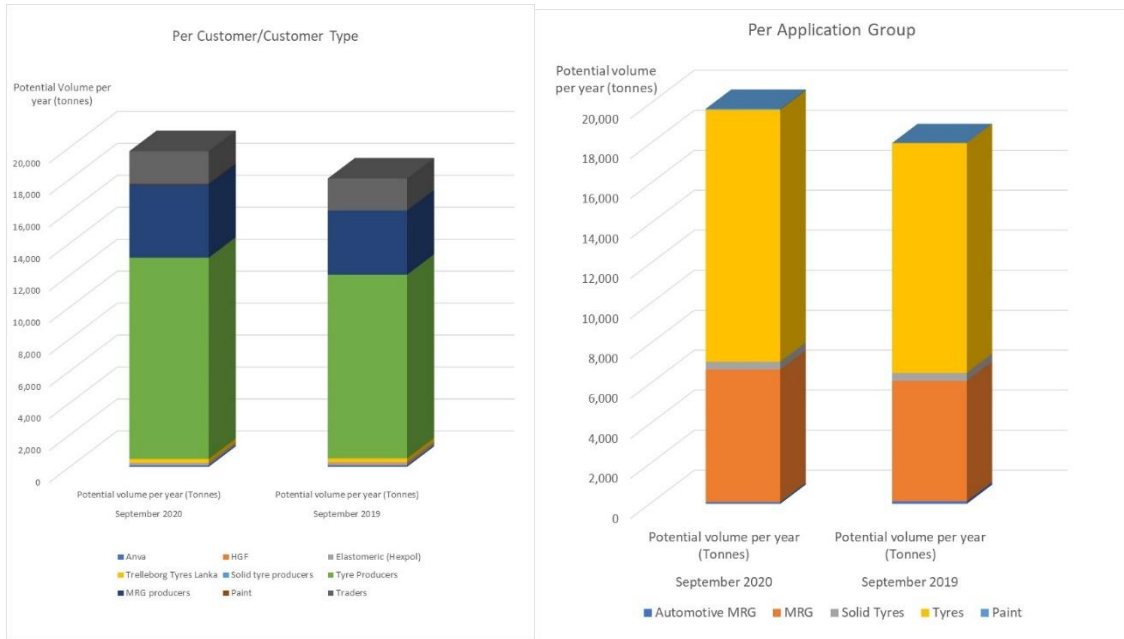
the state-funded British feasibility study that we recently shared, which involves an investigation of the conditions for large-scale domestic recycling of end-of-life tyres in the UK based on our technology. The goal is to reduce the export of end-of-life tyres and other environmentally inappropriate handling, and instead create opportunities within the country for industrial use of the recycled natural rubber-based oil and the recovered carbon black.

Finally, a few words about our negotiations with Michelin to formalise our strategic partnership. Our ambition was that the agreement now would be finished, but the ongoing pandemic has put sticks in the wheel. I can only repeat here what we have already communicated: the process is moving forward and both Enviro and Michelin expect to have reached a final agreement during the fourth quarter of this year.

Thomas Sörensson

Chief Executive Officer

Below: Status of Enviro’s carbon black and potential carbon black customers.



The customers in these graphs all have at least a status where production tests have or are being conducted. The graphs clearly show an increase in interest for our recovered carbon black, especially from the tyre industry.

Below: Status ongoing customer contacts regarding future plants

Customer	Cap. 'tonnes tyres/year	Status	Type	Country
Michelin	30	Negotiations	Tyre Manufacturer	Not decided
TreadCraft	30	Signed Term sheet	Recycling	USA
Not official	90	Feasability study	Investor/Industrial	UK
Not official	30	Quotation	Investor/Industrial	Abu Dhabi
Not official	30	Quotation	Investor	Czeck republic
Not official	30	Quotation	Recycling	Saudi

The above listed projects are the ones Enviro assesses as having the biggest probability to be realised within 24 months. 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.

Financial summary

Q3 2020

Group revenues and results

Net revenues for the period were MSEK 0.2 (0.2). Operating results totalled MSEK -12.7 (-10.2), and earnings after tax were MSEK -12.7 (-10.3).

The total turnover was at par with same period last year. The COVID-19 situation has had certain effect on the demand for recovered carbon black. Further, planned installations has made use of operational time. The decrease of the result is partly explained by higher external costs of MSEK 1.7 consisting of mainly legal and consultancy costs, patent costs and running costs during the implementation of the plant in Åsensbruk, partly of higher personnel costs due to strengthening of the competences.

Investments and financial standing

During the quarter investments made were of MSEK 3.1 (1.8). The investments are related to additional investments in the plant in Åsensbruk, a PDP (Process Design Package) for a future plant as well as ongoing patents.

Cash flow from operating activities after investing activities for the period were MSEK -10.9 (-8.9). The cashflow from operating activities after investments is MSEK 0.6 lower than Q3 2019, but on the other hand the investments were MSEK 0.5 lower than last year.

JANUARY – JUNE 2020

Group revenues and results

Net revenues for the period were MSEK 1.1 (0.5). Operating results totalled MSEK -36.1 (-31.4), and earnings after tax were MSEK -36.3 (-31.7). The decrease of the result compared to last year is mainly explained of by the following factors: Higher fixed costs in connection with legal and consultancy support for items such as future agreements as well as running costs in connection with improvements in the plant in Åsensbruk, all in all totally MSEK 4.2 higher than during the same period in 2019. The personnel costs are totally MSEK 1.3 higher than last year in connection with strengthening of the

workforce. However, a better gross profit of MSEK 0.7 partly compensates for this.

Investments and financial standing

Investments of the group in fixed assets amounted to MSEK 8.1 (6.5). The investments consist of additional investments in the plant in Åsensbruk, a PDP (Process Design Package) for a future plant and of patent application costs. The cash flow from operating activities after investing activities for the period were MSEK -34.0 (-29.0). The decrease in the cashflow is mainly due to lower operating income after adjustment of working capital of MSEK 3.4, as well as higher investments of MSEK 1.6 compared to the same period 2019.

The group cash amounted to MSEK 54.8 (72.5) at the end of the period.

The equity/assets ratio was 90 (91) percent.

Earlier during the year (during Q2) around MSEK 32.5 (before rights costs) of capital was added in connection with a directed share issue to Michelin.

Parent company

The net revenues for the parent company totalled MSEK 2.4 (2.4), and the result after tax was MSEK -36.1 (-34.5). All revenues are for services charged to subsidiaries. The most significant cause of the reduced result is higher operating expenses, mainly legal costs and consultancy expenses which are MSEK 1.7 higher than last year. The staff costs are MSEK 0.1 lower than during the same period last year. The investments in fixed assets amounted to MSEK 3.0 (0.4). The investments of the year are mainly related to a PDP for a future plant as well as to the patents of the Company.

The Equity/assets ratio at the period-end was 95 (97) %.

Staff and Organisation

The group has 22 (20) employees at the period-end.

Executed transactions with related parties

For the period Jan-Jun consultancy fees to Peter Möller (board member) of MSEK 0.35 are included in the costs of the parent company.

Number of shares

Total shares outstanding at the end of the period was 580,826,115 (343,249,764).

Risks and uncertainties

A detailed description of risks and uncertainty factors is provided on pages 4, 37 and 57 in the Annual Report of 2019 (COVID-19) and 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 BFAR 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

	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
EBITDA (KSEK)	-9,467	-6,977	-26,540	-21,830	-31,716
Operating margin (%) ¹⁾	neg.	neg.	neg.	neg.	neg.
Equity Ratio (%) ²⁾	-	-	90.0%	91.1%	90.0%
Return on capital employed (%) ³⁾	-7.6%	-6.2%	-22.0%	-17.9%	-26.4%
Interest-bearing liabilities (KSEK) ⁴⁾	-	-	4,736	7,904	7,112
Earnings per share before dilution (SEK)	-0.02	-0.03	-0.07	-0.10	-0.13

¹⁾ Operating income as a percentage of net sales.

²⁾ Total equity divided by total assets

³⁾ 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.

⁴⁾ Interest bearing liabilities, ending balance.

Largest shareholders

September 30, 2020

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Shareholders	Ownership share
Michelin Ventures S.A.S.	20.00%
Försäkringsbolaget Avanza Pension	6.08%
Pegroco Invest AB (including Pegroco Holding AB)	4.22%
Nordnet Pensionsförsäkring AB	2.94%
Lennart Persson	2.05%
10 largest owners	38.76%
Others	61.24%

Planned reporting schedule

Year End Report 2020	Feb 25, 2020
Annual Report 2020	April 29, 2021
Quarterly Report Jan-Mar 2021	May 20, 2021
Annual General Meeting 2021	May 20, 2021

Gothenburg November 26, 2020

The board of directors and Managing Director

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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CONSOLIDATED STATEMENT OF INCOME

Amounts in KSEK	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Operating income					
Net sales	176	189	1,090	480	1,089
Other operating income	-	-	-	33	63
Changes in stocks of finished goods	44	235	62	116	35
	220	424	1,152	629	1,187
Operating expenses					
Raw materials and consumables	- 161	- 217	- 230	- 442	- 621
Other external costs	- 5,305	- 3,603	- 14,668	- 10,505	- 15,393
Personnel costs	- 4,221	- 3,581	- 12,794	- 11,511	- 16,888
Depreciation of tangible and intangible assets	- 2,884	- 2,880	- 8,638	- 8,608	- 11,500
Amortization of acquired goodwill	- 305	- 305	- 914	- 914	- 1,219
	- 12,876	- 10,585	- 37,244	- 31,981	- 45,622
Operating profit/loss	- 12,656	- 10,162	- 36,092	- 31,352	- 44,435
Profit/loss from financial items					
Interest income and similar items	46	34	129	94	178
Interest expenses and similar items	- 78	- 122	- 295	- 399	- 498
	- 32	- 88	- 166	- 305	- 320
Profit/loss after financial items	- 12,687	- 10,250	- 36,258	- 31,657	- 44,755
Tax for the period	-	-	-	-	-
Profit/loss for the period	- 12,687	- 10,250	- 36,258	- 31,657	- 44,755
Number of shares at the end of the period	580,825,115	343,249,764	580,825,115	343,249,764	464,660,892
Average number of shares before dilution	580,825,115	343,249,764	533,167,998	320,811,346	357,069,314
Average number of shares after dilution	580,825,115	343,249,764	533,167,998	320,811,346	357,069,314
Earnings per share before dilution (SEK)	- 0.02	- 0.03	- 0.07	- 0.10	- 0.13
Earnings per share after dilution (SEK)	- 0.02	- 0.03	- 0.07	- 0.10	- 0.13

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in KSEK	Sep 30, 2020	Sep 30, 2019	Dec 31, 2019
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development	33,749	36,182	34,903
Patents and similar rights	3,962	4,091	4,108
Goodwill	3,962	5,181	4,876
	41,672	45,454	43,887
<i>Property, plant and equipment</i>			
Machinery and other technical facilities	70,620	66,972	69,885
Equipment, tools, and installations	113	116	135
	70,733	67,088	70,020
<i>Financial non-current assets</i>			
Other non-current receivables	148	148	148
	148	148	148
Total fixed assets	112,553	112,690	114,054
Current assets			
<i>Inventories, etc.</i>			
Raw materials and consumables	52	82	84
Goods in progress	27	-	49
Finished products and goods for resale	248	295	165
Inventory spare parts	910	-	361
	1,238	377	659
<i>Current receivables</i>			
Trade receivables	232	95	320
Other receivables	2,779	2,183	2,019
Prepaid costs and accrued income	1,124	1,185	1,074
	4,135	3,464	3,413
<i>Cash and cash equivalents</i>			
	54,806	72,480	58,666
Total current assets	60,179	76,320	62,738
TOTAL ASSETS	172,732	189,010	176,792
EQUITY AND LIABILITIES			
Equity			
Share capital	23,233	13,730	18,586
Other capital contributions	405,165	382,197	377,315
Other capital, including profit/loss for the year	- 273,024	- 223,668	- 236,766
	155,374	172,259	159,136
Non-current liabilities			
Other liabilities to credit institutions	1,568	4,736	3,944
	1,568	4,736	3,944
Current liabilities			
Amounts owed to credit institutions	3,168	3,168	3,168
Trade payables	5,138	1,027	3,178
Other current liabilities	2,594	2,891	2,550
Accrued expenditures and prepaid income	4,890	4,929	4,817
	15,790	12,015	13,713
TOTAL EQUITY AND LIABILITIES	172,732	189,010	176,792

CHANGES IN EQUITY, CONSOLIDATED

Amounts in KSEK	Jan 1 - Sep 30, 2020		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
Opening balance, equity	18,586	377,315	- 236,766
Profit/loss for the period	-	-	- 36,258
Fund for development costs	-	-	- 279
Profits brought forward	-	-	279
New share issue	4,647	27,880	-
Expenses related to issue	-	- 30	-
Closing balance, equity	23,233	405,165	- 273,024

Amounts in KSEK	Jan 1 - Sep 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	-	-	- 31,657
Fund for development costs	-	-	- 186
Profits brought forward	-	-	186
New share issue	8,449	40,115	-
Expenses related to issue	-	- 2,646	-
Closing balance, equity	13,730	382,197	- 223,668

	Jan 1 - Dec 31, 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	-	-	- 44,755
Fund for development costs	-	-	- 372
Profits brought forward	-	-	372
New share issue	13,306	35,258	-
Expenses related to issue	-	- 2,671	-
Closing balance, equity	18,586	377,315	- 236,766

STATEMENT OF CASH FLOW, CONSOLIDATED

Amounts in KSEK	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
<i>Operating activities</i>					
Operating profit/loss	- 12,656	- 10,162	- 36,092	- 31,352	- 44,435
Adjustments for items not part of the cash flow	3,189	3,184	9,552	9,522	12,719
Capital gain/loss on fixed assets	-	-	-	-	-
Interest received	46	34	129	94	178
Interest paid	- 78	- 122	- 295	- 399	- 498
Cash flow from operating activities before changes in working capital	- 9,499	- 7,066	- 26,706	- 22,135	- 32,035
<i>Cash flow from changes in working capital</i>					
Increase (-) / reduction (+) in inventories	- 268	- 156	- 579	- 101	- 383
Increase (-) / reduction (+) in trade receivables	80	- 1	87	53	- 172
Increase (-) reduction (+) in other receivables	- 566	- 169	- 810	- 510	- 235
Increase (+)/reduction (-) in trade payables	3,054	- 959	1,960	- 1,602	548
Increase (+)/reduction (-) in current liabilities	- 612	1,197	117	1,770	1,317
Cash flow from ordinary course of business	- 7,811	- 7,153	- 25,930	- 22,525	- 30,960
Investment activities					
Acquisition of intangible assets	- 2,364	- 174	- 3,049	- 381	- 580
Acquisition of property, plant and equipment	- 708	- 1,594	- 5,002	- 5,947	- 10,309
Changes in long-term receivables	-	-	-	- 148	- 148
Cash flow from investment activities	- 3,072	- 1,769	- 8,051	- 6,476	- 11,037
Financing activities					
New rights issue	-	-	32,526	45,069	93,633
Expenses related to issue	-	- 2,212	- 30	- 2,646	- 2,671
Ongoing rights issue	-	48,564	-	48,564	-
Amortisation/Increase of debts	- 792	- 792	- 2,376	- 14,376	- 15,168
Cashflow from financing activities	- 792	45,560	30,120	76,611	75,794
Cash flow for the period	- 11,675	36,638	- 3,860	47,610	33,797
Cash and cash equivalents at the beginning of the period	66,481	35,841	58,666	24,869	24,869
Cash and cash equivalents at the end of the period	54,805	72,479	54,805	72,479	58,666

STATEMENT OF INCOME, PARENT COMPANY

Amounts in KSEK	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Operating revenues					
Net sales	807	798	2,403	2,394	3,192
Other Operating Income	-	-	-	33	63
	807	798	2,403	2,427	3,255
Operating expenses					
Other external costs	- 8,767	- 8,515	- 27,065	- 25,375	- 34,931
Personnel expenses	- 2,388	- 2,188	- 7,103	- 7,247	- 10,489
Depreciation of tangible and intangible assets	- 1,462	- 1,457	- 4,371	- 4,341	- 5,811
	- 12,617	- 12,160	- 38,540	- 36,963	- 51,232
Operating profit/loss	- 11,810	- 11,362	- 36,136	- 34,536	- 47,977
Profit/loss from financial items					
Interest income and similar items	32	34	63	94	178
Interest expenses and similar items	- 4	- 0	- 40	- 29	- 29
	28	34	23	65	149
Profit/loss after financial items	- 11,782	- 11,328	- 36,113	- 34,470	- 47,827
Group contributions	-	-	-	-	4,500
Profit/loss after balance sheet allocations	- 11,782	- 11,328	- 36,113	- 34,470	- 43,327
Tax on net profits for the period					
Profit/loss for the period	- 11,782	- 11,328	- 36,113	- 34,470	- 43,327

STATEMENT OF FINANCIAL POSITION, PARENT COMPANY

Amounts in KSEK	Sep 30, 2020	Sep 30, 2019	Dec 31, 2019
ASSETS			
Committed but not paid capital	-	-	-
<i>Fixed assets</i>			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development	33,699	36,132	34,853
Patents and similar rights	3,962	4,091	4,108
	37,660	40,223	38,960
<i>Tangible fixed assets</i>			
Equipment, tools, and installations	113	116	135
	113	116	135
<i>Financial non-current assets</i>			
Investments in group companies	36,891	36,891	36,891
Long-term receivables, group enterprises	41,536	29,666	38,001
Other long-term receivables	148	148	148
	78,574	66,704	75,039
Total fixed and non-current assets	116,347	107,043	114,134
Current assets			
<i>Current receivables</i>			
Trade receivables	12	-	-
Other receivables	2,640	2,074	1,938
Prepaid costs, accrued earnings	733	771	671
	3,384	2,845	2,609
<i>Cash and cash equivalents</i>			
	51,862	71,003	56,300
Current assets, total	55,246	73,848	58,909
TOTAL ASSETS	171,593	180,891	173,043
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	23,233	13,730	18,586
Share capital not registered	-	4,856	-
Statutory reserve	502	502	502
Fund for development expenses	2,542	2,913	2,820
<i>Unrestricted equity</i>			
Share premium reserve	404,663	335,343	376,814
Ongoing share issue	-	43,708	-
Share right issue costs	-	- 2,212	-
Retained earnings	- 231,055	- 188,100	- 188,007
Profit/loss for the period	- 36,113	- 34,470	- 43,327
	163,772	176,271	167,388
Current liabilities			
Amounts owed to credit institutions	-	-	-
Trade payables	3,325	464	881
Other current liabilities	1,460	1,399	1,406
Accrued costs and prepaid income	3,035	2,758	3,368
	7,821	4,620	5,654
TOTAL EQUITY AND LIABILITIES	171,593	180,891	173,043

CHANGES IN EQUITY, PARENT COMPANY

Amounts in KSEK								
Jan 1-Sep 30, 2020								
	Restricted equity				Unrestricted equity			
	Share capital	Ongoing rights issue	Statutory reserve	Fund for development costs	Share premium reserve	Ongoing rights issue	Retained earnings	Profit/loss for the period
Opening balance, equity	18,586	-	502	2,821	376,814	-	- 188,007	- 43,327
Adjustment of previous year's profit and loss	-	-	-	-	-	-	- 43,327	43,327
Profit/loss for the period	-	-	-	-	-	-	-	- 36,113
Fund for development costs	-	-	-	- 279	-	-	279	-
New share issue	4,647	-	-	-	27,880	-	-	-
Expenses related to issue	-	-	-	-	- 30	-	-	-
Closing balance, equity	23,233	-	502	2,542	404,664	-	- 231,055	- 36,113

Jan 1-Sep 30, 2019								
	Restricted equity				Unrestricted equity			
	Share capital	Ongoing rights issue	Statutory reserve	Fund for development costs	Share premium reserve	Ongoing rights issue	Retained earnings	Profit/loss for the period
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	-	-	-	-	-	-	-	- 34,470
Fund for development costs	-	-	-	- 279	-	-	279	-
New share issue	8,449	- 3,593	-	-	76,043	- 18,045	-	-
Expenses related to issue	-	-	-	-	- 14,724	- 2,212	-	-
Closing balance, equity	13,730	4,856	502	2,914	335,343	41,496	- 188,100	- 34,470

Jan 1-Dec 31, 2019								
	Restricted equity				Unrestricted equity			
	Share capital	Ongoing rights issue	Statutory reserve	Fund for development costs	Share premium reserve	Ongoing rights issue	Retained earnings	Profit/loss for the period
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	-	-	-	-	-	-	-	- 43,327
Fund for development costs	-	-	-	- 372	-	-	372	-
New share issue	13,306	- 8,449	-	-	105,461	- 61,753	-	-
Expenses related to issue	-	-	-	-	- 2,671	-	-	-
Closing balance, equity	18,586	-	502	2,821	376,814	-	- 188,007	- 43,327

STATEMENT OF CASH FLOW, PARENT COMPANY

Amounts in KSEK	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
<i>Operating activities</i>					
Operating profit/loss	- 11,810	- 11,362	- 36,136	- 34,536	- 47,977
Adjustments for items not part of the cash flow	1,462	1,457	4,371	4,341	5,811
Capital gain/loss on fixed assets	-	-	-	-	-
Interest received	32	34	63	94	178
Interest paid	- 4	- 0	- 40	- 29	- 29
Cash flow from operating activities before changes in working capital	- 10,320	- 9,871	- 31,742	- 30,129	- 42,016
<i>Cash flow from changes in working capital</i>					
Increase (-) reduction (+) in other receivables	- 563	- 146	- 775	- 420	- 184
Increase (+)/reduction (-) in trade payables	2,177	- 269	2,444	- 677	- 259
Increase (+)/reduction (-) in current liabilities	- 331	154	- 278	729	1,345
Cash flow from ordinary course of business	- 9,036	- 10,132	- 30,350	- 30,497	- 41,114
Investment activities					
Acquisition of intangible assets	- 2,364	- 174	- 3,049	- 381	- 580
Changes in long-term receivables	1,015	1,515	- 3,535	- 603	- 8,938
Cash flow from investment activities	- 1,349	1,341	- 6,584	- 1,041	- 9,602
Financing activities					
New rights issue	-	-	32,526	45,069	93,633
Expenses related to issue	-	- 2,212	- 30	- 2,646	- 2,671
Ongoing rights issue	-	48,564	-	48,564	-
Group Contributions	-	-	-	-	4,500
Amortisation/Increase of debts	-	-	-	- 12,000	- 12,000
Cashflow from financing activities	-	46,352	32,496	78,987	83,462
Cash flow for the period	- 10,385	37,561	- 4,438	47,450	32,746
Cash and cash equivalents at the beginning of the period	62,246	33,441	56,299	23,553	23,553
Cash and cash equivalents at the end of the period	51,860	71,002	51,860	71,002	56,299