



Half year report January – June 2020



Process engineer Carl-Johan Pihlgren is performing calibration of a valve for the handling of oil in the plant at Åsensbruk.

Half year report Scandinavian Enviro Systems AB (publ) January – June 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.

Q2 2020

- Net revenues for the period were MSEK 0.2 (0.1)
- Earnings after tax for the period were MSEK -11.9 (-11.4)
- Earnings per share for the period (before dilution) was SEK -0.02 (-0.03)
- Cash flow for the period after investments was MSEK -11.4 (-11.4)
- 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

Jan-June 2020

- Net revenues for the period were MSEK 0.9 (0.2)
- Earnings after tax for the period were MSEK -23.6 (-21.4)
- Earnings per share for the period (before dilution) was SEK -0.05 (-0.07)
- Cash flow for the period after investments was MSEK -23.1 (-20.1)

Significant events after end of period

- Enviro and Michelin prolongs Letter of Intent regarding strategic partnership

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 Nasdaq First North Growth Market with Mangold Fondkommission AB, tel. +46 (0)8 5030 1550, ca@mangold.se, as its Certified Advisor. www.envirosystems.se

The partnership with Michelin confirms Enviro's technology and commercial potential

The event that stands out the most in the second quarter of 2020 is of course the strategic partnership with Michelin and Michelin's investment as a shareholder in the company. The partnership, whose details the parties are in the process of finalising, is the result of extensive and resolute work and it is a strong validation of the commercial possibilities for our recovery technology.

The letter of intent regarding partnership and Michelin's investment in Enviro are, of course, an awaited and very welcome recognition of the recovery technology with which we have been working for more than 20 years. What the partnership with Michelin shows – and verifies – is that one of the world's foremost tyre manufacturers sees the major customer benefit in our technology to such an extent that they were willing to become the biggest shareholder in Enviro. This took place by means of a directed issue of new shares, which strengthened our capital by SEK 32.5 million.

The letter of intent we announced to the market on April 15 described

Four main axes of the forthcoming cooperation between Enviro and Michelin:

- Michelin's shareholdings account for 20 per cent of Enviro's capital after the issuance (already completed)
- A development agreement to expand the area of application for Enviro's pyrolysis technology
- A joint project to build a plant to industrialise the technology
- A supply agreement between Enviro and Michelin

Our stated ambition has been to conclude a final agreement with Michelin regarding the three remaining axes by the end of the second quarter, but we have been unable to adhere to the timetable due to the ongoing pandemic. As previously communicated during the month of July Enviro and Michelin prolonged their letter of intent until the end of October. In the process, we also extended the contractual exclusivity for Michelin that specifies certain limitations for Enviro with respect to collaborating with other tyre manufacturers or suppliers, until the end of October. Because Michelin has this exclusivity and our focus is presently on our negotiations with them, we have elected to have a lower activity level in regard to other potential collaborations, which potentially could lead to that one or more of them will decide to continue with alternative partners. The negotiations with Michelin are proceeding well and it is still our understanding that we will be able to make announcement with more detailed information about the terms of our partnership by the end of October.

In parallel with our negotiations with Michelin, we are continuing the production and technical verification work at our plant in Åsensbruk. Because we made the previously announced

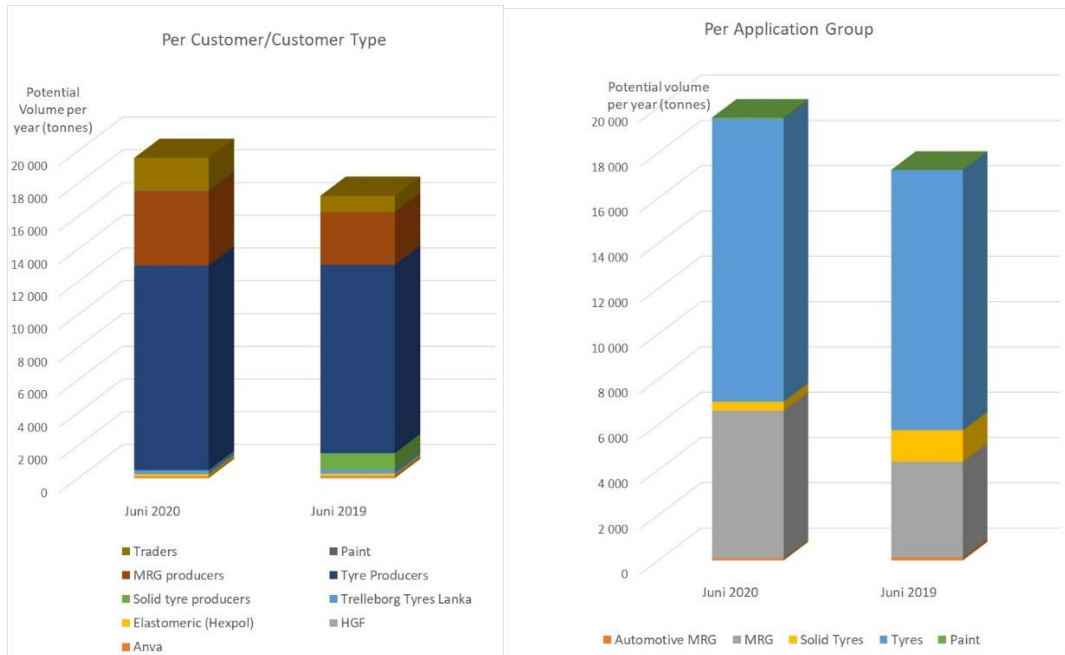
investments in the plant this quarter, the production level has been lower than during the first quarter, which is also reflected in our sales figures. Our assessment is that we will incrementally ramp up to normal production capacity again during the third or fourth quarter. In regard to technology development, our primary focus is on increasing the extraction of oil in our process and finding new areas of application for the oil.

Michelin's investment as a shareholder in Enviro and our joint letter of intent regarding a strategic partnership are a major breakthrough, even if certain contractual details still have to be settled. Nevertheless, it is just the beginning – the road to lasting and stable profitability is long and will require sustained, focused work. That being said, the letter of intent with Michelin has undoubtedly given us new and even better conditions to reach the market position that our company and its unique technology deserve.

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
TreadCraft	30	Signed Term sheet	Recycling	USA
Not official	30	Quotation	Investor/Industri	Abu Dhabi
Not official	30	Quotation	Tyre Manufacturer	Chile

After the end of the period Elysium ApS (Denmark) has made public that they intend to continue with another partner and an alternative technology for the recovery of end-of-life tyres. 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

Q2 2020

Group revenues and results

Net revenues for the period were MSEK 0.2 (0.1). Operating results totalled MSEK -11.9 (-11.4), and earnings after tax were MSEK -11.9 (-11.4).

The total turnover was MSEK 0.1 higher than the same period last year. The main reason for the reduction compared to Q1 is mainly due to a decrease in demand due to COVID-19 as well as further planned installations has made use of operational time. The decrease of the result is mainly explained by higher external costs of MSEK 0.7 consisting of mainly legal and consultancy costs, patent costs and running costs during the implementation of the plant in Åsensbruk.

Investments and financial standing

During the quarter investments made were of MSEK 0.5 (2.9). 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 -11.4 (-11.4). The cashflow from operating activities after investments is MSEK 0.5 lower than Q2 2019, but on the other hand the investments were MSEK 0.5 lower than last year.

Further, additional capital of approximately MSEK 32.5 has been retrieved in connection with a directed issue to Michelin, which has made them become the biggest shareholders of the company.

JANUARY – JUNE 2020

Group revenues and results

Net revenues for the period were MSEK 0.7 (0.1). Operating results totalled MSEK -23.4 (-21.2), and earnings after tax were MSEK -23.6 (-21.4). 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 2.5 higher than

during the same period in 2019. The personnel costs are totally MSEK 0.6 higher than last year in connection with additional employment of staff in Åsensbruk. However, a better gross profit of MSEK 0.9 partly compensates for this.

Investments and financial standing

Investments of the group in fixed assets amounted to MSEK 5.0 (4.6). 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 -23.1 (-20.1). The decrease in the cashflow is mainly due to lower operating income after adjustment of working capital of MSEK 2.6, of which the changes in working capital accounts for MSEK 0.6 as well as higher investments of MSEK 0.4 compared to the same period 2019.

The group cash amounted to MSEK 66.5 (35.8) at the end of the period.

The equity/assets ratio was 91 (89) percent.

In April 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 1.6 (1.6), and the result after tax was MSEK -24.3 (-23.1). 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 1.4 higher than last year. The staff costs are MSEK 0.6 lower than during the same period last year. The investments in fixed assets amounted to MSEK 0.7 (0.3). 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 97 (97) %.

Staff and Organisation

The group has 21 (17) employees at the period-end.

Executed transactions with related parties

For the period Jan-Jun consultancy fees to Peter Möller (board member) of MSEK 0.25 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

	Apr-Jun 2020	Apr-Jun 2019	Jan-Jun 2020	Jan-Jun 2019	Jan-Dec 2019
EBITDA (KSEK)	-8,667	-8,194	-17,073	-14,853	-31,716
Operating margin (%) ¹⁾	neg.	neg.	neg.	neg.	neg.
Equity Ratio (%) ²⁾	-	-	91.5%	88.7%	90.0%
Return on capital employed (%) ³⁾	-7.2%	-7.5%	-13.7%	-13.5%	-26.4%
Interest-bearing liabilities (KSEK) ⁴⁾	-	-	5,528	8,696	7,112
Earnings per share before dilution (SEK)	-0.02	-0.03	-0.05	-0.07	-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

June 30, 2020

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Shareholders	Ownership share
Michelin Ventures S.A.S.	20.00%
Pegroco Invest AB (including Pegroco Holding AB)	7.65%
Försäkringsbolaget Avanza Pension	5.93%
Nordnet Pensionsförsäkring AB	2.96%
Lennart Persson	2.05%
10 largest owners	42.41%
Others	57.59%

Planned reporting schedule

Interim Report Jan-Sep 2020	Nov 26, 2020
Year End Report 2020	Feb 28, 2020
Annual Report 2020	April 29, 2021
Quarterly Report Jan-Mar 2021	May 20, 2021
Annual General Meeting 2021	May 20, 2021

Gothenburg August 27, 2020

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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CONSOLIDATED STATEMENT OF INCOME

Amounts in KSEK	Apr-Jun 2020	Apr-Jun 2019	Jan-Jun 2020	Jan-Jun 2019	Jan-Dec 2019
Operating income					
Net sales	233	168	914	291	1,089
Other operating income	-	33	-	33	63
Changes in stocks of finished goods	- 62	- 77	18	- 119	35
	171	125	932	205	1,187
Operating expenses					
Raw materials and consumables	- 41	- 163	- 69	- 225	- 621
Other external costs	- 4,564	- 3,883	- 9,363	- 6,902	- 15,393
Personnel costs	- 4,234	- 4,274	- 8,573	- 7,930	- 16,888
Depreciation of tangible and intangible assets	- 2,880	- 2,866	- 5,754	- 5,728	- 11,500
Amortization of acquired goodwill	- 305	- 305	- 610	- 610	- 1,219
	- 12,023	- 11,490	- 24,368	- 21,396	- 45,622
Operating profit/loss	- 11,852	- 11,365	- 23,436	- 21,190	- 44,435
Profit/loss from financial items					
Interest income and similar items	79	41	84	60	178
Interest expenses and similar items	- 135	- 86	- 218	- 277	- 498
	- 56	- 45	- 134	- 217	- 320
Profit/loss after financial items	- 11,908	- 11,410	- 23,571	- 21,407	- 44,755
Tax for the period	-	-	-	-	-
Profit/loss for the period	- 11,908	- 11,410	- 23,571	- 21,407	- 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	552,741,457	343,249,764	508,944,491	309,406,183	357,069,314
Average number of shares after dilution	552,741,457	343,249,764	508,944,491	309,406,183	357,069,314
Earnings per share before dilution (SEK)	- 0.02	- 0.03	- 0.05	- 0.07	- 0.13
Earnings per share after dilution (SEK)	- 0.02	- 0.03	- 0.05	- 0.07	- 0.13

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in KSEK	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development	32,760	37,461	34,903
Patents and similar rights	4,041	4,089	4,108
Goodwill	4,267	5,486	4,876
	41,067	47,036	43,887
<i>Property, plant and equipment</i>			
Machinery and other technical facilities	71,334	66,800	69,885
Equipment, tools, and installations	120	122	135
	71,454	66,922	70,020
<i>Financial non-current assets</i>			
Other non-current receivables	148	148	148
	148	148	148
Total fixed assets	112,670	114,106	114,054
Current assets			
<i>Inventories, etc.</i>			
Raw materials and consumables	35	162	84
Goods in progress	97	-	49
Finished products and goods for resale	134	60	165
Inventory spare parts	704	-	361
	970	221	659
<i>Current receivables</i>			
Trade receivables	312	95	320
Other receivables	2,302	2,170	2,019
Prepaid costs and accrued income	1,034	1,028	1,074
	3,649	3,293	3,413
<i>Cash and cash equivalents</i>			
	66,481	35,841	58,666
Total current assets	71,100	39,356	62,738
TOTAL ASSETS	183,769	153,462	176,792
EQUITY AND LIABILITIES			
Equity			
Share capital	23,233	13,730	18,586
Other capital contributions	405,165	335,845	377,315
Other capital, including profit/loss for the year	- 260,337	- 213,418	- 236,766
	168,062	136,157	159,136
Non-current liabilities			
Other liabilities to credit institutions	2,360	5,528	3,944
	2,360	5,528	3,944
Current liabilities			
Amounts owed to credit institutions	3,168	3,168	3,168
Trade payables	2,084	1,986	3,178
Other current liabilities	2,759	2,895	2,550
Accrued expenditures and prepaid income	5,337	3,728	4,817
	13,348	11,777	13,713
TOTAL EQUITY AND LIABILITIES	183,769	153,462	176,792

CHANGES IN EQUITY, CONSOLIDATED

Amounts in KSEK	Jan 1 - Jun 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	-	-	- 23,571
Fund for development costs	-	-	- 186
Profits brought forward	-	-	186
New share issue	4,647	27,880	-
Expenses related to issue	-	- 30	-
Closing balance, equity	23,233	405,165	- 260,337

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

	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	Apr-Jun 2020	Apr-Jun 2019	Jan-Jun 2020	Jan-Jun 2019	Jan-Dec 2019
<i>Operating activities</i>					
Operating profit/loss	- 11,852	- 11,365	- 23,436	- 21,190	- 44,435
Adjustments for items not part of the cash flow	3,185	3,171	6,363	6,338	12,719
Capital gain/loss on fixed assets	-	-	-	-	-
Interest received	79	41	84	60	178
Interest paid	- 135	- 86	- 218	- 277	- 498
Cash flow from operating activities before changes in working capital	- 8,723	- 8,239	- 17,207	- 15,069	- 32,035
<i>Cash flow from changes in working capital</i>					
Increase (-) / reduction (+) in inventories	56	121	- 311	55	- 383
Increase (-) / reduction (+) in trade receivables	218	- 43	8	53	- 172
Increase (-) reduction (+) in other receivables	- 188	16	- 244	- 340	- 235
Increase (+)/reduction (-) in trade payables	- 280	- 1,191	- 1,094	- 643	548
Increase (+)/reduction (-) in current liabilities	- 143	819	729	573	1,317
Cash flow from ordinary course of business	- 9,059	- 8,517	- 18,119	- 15,372	- 30,960
Investment activities					
Acquisition of intangible assets	- 549	- 51	- 685	- 206	- 580
Acquisition of property, plant and equipment	- 1,755	- 2,711	- 4,294	- 4,353	- 10,309
Changes in long-term receivables	-	- 148	-	- 148	- 148
Cash flow from investment activities	- 2,304	- 2,910	- 4,979	- 4,707	- 11,037
Financing activities					
New rights issue	32,526	-	32,526	45,069	93,633
Expenses related to issue	- 38	-	- 30	- 433	- 2,671
Ongoing rights issue	-	-	-	-	-
Amortisation/Increase of debts	- 792	- 792	- 1,584	- 13,584	- 15,168
Cashflow from financing activities	31,697	- 792	30,912	31,051	75,794
Cash flow for the period	20,334	- 12,218	7,815	10,972	33,797
Cash and cash equivalents at the beginning of the period	46,147	48,059	58,666	24,869	24,869
Cash and cash equivalents at the end of the period	66,481	35,841	66,481	35,841	58,666

STATEMENT OF INCOME, PARENT COMPANY

Amounts in KSEK	Apr-Jun 2020	Apr-Jun 2019	Jan-Jun 2020	Jan-Jun 2019	Jan-Dec 2019
Operating revenues					
Net sales	798	798	1,596	1,596	3,192
Other Operating Income	-	33	-	33	63
	798	831	1,596	1,629	3,255
Operating expenses					
Other external costs	- 9,077	- 8,770	- 18,297	- 16,860	- 34,931
Personnel expenses	- 2,398	- 2,770	- 4,715	- 5,059	- 10,489
Depreciation of tangible and intangible assets	- 1,458	- 1,444	- 2,909	- 2,884	- 5,811
	- 12,933	- 12,984	- 25,922	- 24,803	- 51,232
Operating profit/loss	- 12,135	- 12,153	- 24,326	- 23,174	- 47,977
Profit/loss from financial items					
Interest income and similar items	27	41	31	60	178
Interest expenses and similar items	- 36	5	- 36	- 29	- 29
	- 9	46	- 5	32	149
Profit/loss after financial items	- 12,145	- 12,107	- 24,331	- 23,142	- 47,827
Group contributions	-	-	-	-	4,500
Profit/loss after balance sheet allocations	- 12,145	- 12,107	- 24,331	- 23,142	- 43,327
Tax on net profits for the period					
Profit/loss for the period	- 12,145	- 12,107	- 24,331	- 23,142	- 43,327

STATEMENT OF FINANCIAL POSITION, PARENT COMPANY

Amounts in KSEK	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
ASSETS			
Committed but not paid capital	-	-	-
<i>Fixed assets</i>			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development	32,710	37,411	34,853
Patents and similar rights	4,041	4,089	4,108
	36,751	41,500	38,960
<i>Tangible fixed assets</i>			
Equipment, tools, and installations	120	122	135
	120	122	135
<i>Financial non-current assets</i>			
Investments in group companies	36,891	36,891	36,891
Long-term receivables, group enterprises	42,551	31,181	38,001
Other long-term receivables	148	148	148
	79,589	68,219	75,039
Total fixed and non-current assets	116,460	109,841	114,134
Current assets			
<i>Current receivables</i>			
Other receivables	2,178	2,078	1,938
Prepaid costs, accrued earnings	643	621	671
	2,821	2,699	2,609
<i>Cash and cash equivalents</i>			
	62,247	33,442	56,300
Current assets, total	65,069	36,140	58,909
TOTAL ASSETS	181,529	145,982	173,043
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	23,233	13,730	18,586
Share capital not registered	-	-	-
Statutory reserve	502	502	502
Fund for development expenses	2,635	3,006	2,820
<i>Unrestricted equity</i>			
Share premium reserve	404,663	335,343	376,814
Ongoing share issue	-	-	-
Share right issue costs	-	-	-
Retained earnings	- 231,148	- 188,193	- 188,007
Profit/loss for the period	- 24,331	- 23,142	- 43,327
	175,554	141,247	167,388
Current liabilities			
Amounts owed to credit institutions	-	-	-
Trade payables	1,148	733	881
Other current liabilities	1,403	1,454	1,406
Accrued costs and prepaid income	3,423	2,548	3,368
	5,975	4,735	5,654
TOTAL EQUITY AND LIABILITIES	181,529	145,982	173,043

CHANGES IN EQUITY, PARENT COMPANY

Amounts in KSEK		Jan 1-Jun 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	-	-	-	-	-	-	-	- 24 331	
Fund for development costs	-	-	-	- 186	-	-	186	-	
New share issue	4 647	-	-	-	27 880	-	-	-	
Expenses related to issue	-	-	-	-	- 30	-	-	-	
Closing balance, equity	23 233	-	502	2 635	404 664	-	- 231 148	- 24 331	

		Jan 1-Jun 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	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	

		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	Apr-Jun 2020	Apr-Jun 2019	Jan-Jun 2020	Jan-Jun 2019	Jan-Dec 2019
<i>Operating activities</i>					
Operating profit/loss	- 12 135	- 12 153	- 24 326	- 23 174	- 47 977
Adjustments for items not part of the cash flow	1 458	1 444	2 909	2 884	5 811
Capital gain/loss on fixed assets	-	-	-	-	-
Interest received	27	41	31	60	178
Interest paid	- 36	5	- 36	- 29	- 29
Cash flow from operating activities before changes in working capital	- 10 687	- 10 663	- 21 422	- 20 258	- 42 016
<i>Cash flow from changes in working capital</i>					
Increase (–) reduction (+) in other receivables	- 167	59	- 213	- 274	- 184
Increase (+)/reduction (–) in trade payables	680	- 556	267	- 407	- 259
Increase (+)/reduction (–) in current liabilities	- 469	621	53	574	1 345
Cash flow from ordinary course of business	- 10 643	- 10 539	- 21 314	- 20 365	- 41 114
Investment activities					
Acquisition of intangible assets	- 549	- 51	- 685	- 206	- 580
Changes in long-term receivables	- 3 065	- 1 333	- 4 550	- 2 118	- 8 938
Cash flow from investment activities	- 3 614	- 1 441	- 5 235	- 2 381	- 9 602
Financing activities					
New rights issue	32 526	-	32 526	45 069	93 633
Expenses related to issue	- 38	-	- 30	- 433	- 2 671
Ongoing rights issue	-	-	-	-	-
Group Contributions	-	-	-	-	4 500
Amortisation/increase of debts	-	-	-	- 12 000	- 12 000
Cashflow from financing activities	32 489	-	32 496	32 635	83 462
Cash flow for the period	18 232	- 11 980	5 947	9 888	32 746
Cash and cash equivalents at the beginning of the period	44 014	45 421	56 299	23 553	23 553
Cash and cash equivalents at the end of the period	62 246	33 441	62 246	33 441	56 299