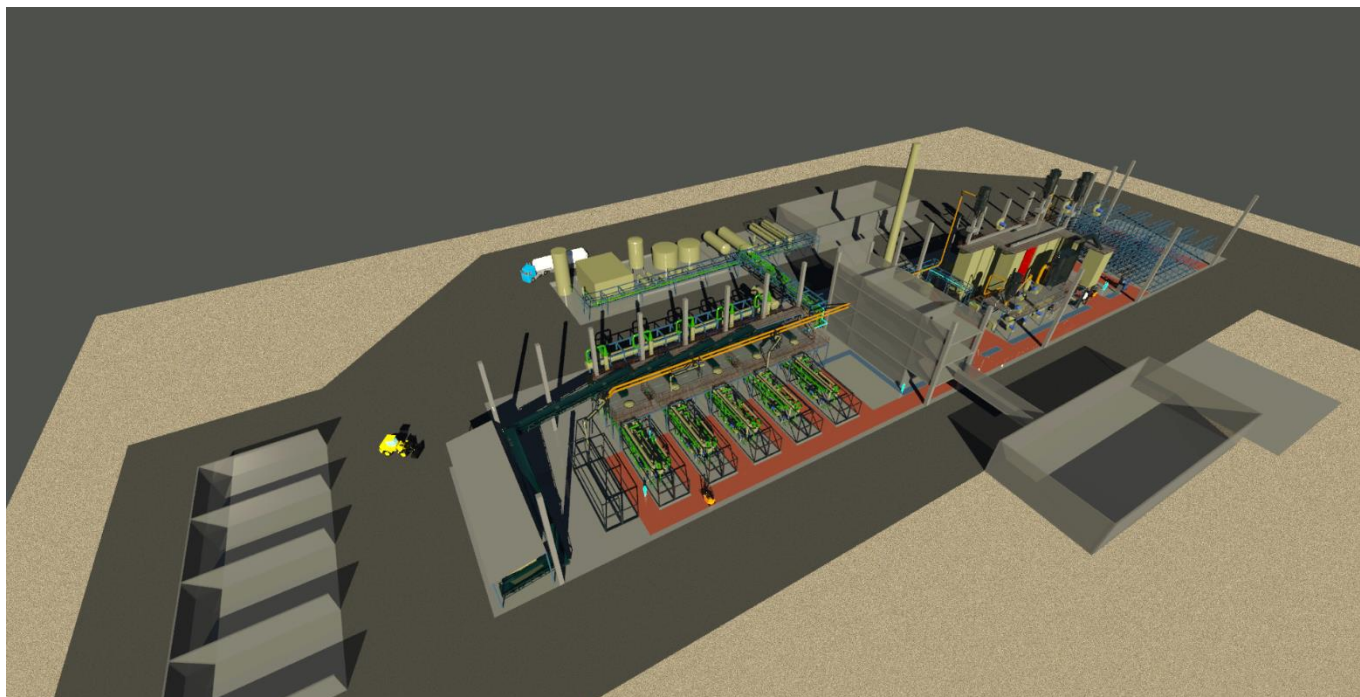




Interim Report January – September 2017



Above: Enviro's design of a pyrolysis plant with a capacity of 30,000 tons tires/year and 9,000 tons of recovered Carbon Black

Interim report Scandinavian Enviro Systems AB (publ) January – September 2017

Enviro only qualifier in Chinese government controlled tender process

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 2017

- Net revenues for the period were MSEK 0.2 (0.0)
- Earnings after tax for the period were MSEK -9.4 (-6.2)
- Earnings per share for the period (before dilution) was SEK -0.08 (-0.13)
- Cash flow for the period after investments was MSEK -6.2 (-2,4)
- New COO Olov Ershag replaces the current Technical Manager Elisabeth Gustafsson and has been recruited internally
- The company has successfully completed the Basic Design in cooperation with ÅF
- MoU's (Memorandum of Understanding) have been prolonged with China and Chile

January – September 2017

- Net revenues for the period were MSEK 0.4 (0.2).
- Earnings after tax for the period were MSEK -28.7 (-21.8).
- Earnings per share for the period (before dilution) was SEK -0.25 (-0.47).
- Cash flow for the period after investments was MSEK -24.3 (-19.4).
- Conclusion that the purified pyrolysis oil from the company is of such a high quality that it can be used as fuel in diesel motor driven power plants
- Usage of environmental rubber increases at Volvo Cars
- Positive news related to testing of Enviro's recovered carbon black from yet another global tyre producer
- Enviro's recovered carbon black included in fittings for water pipes at Alvenius Industrier AB

Significant events after the end of the period

- Enviro has been elected only finalist in a Chinese, government controlled, tender process regarding a tyre recycling plant in Guangdong, China.

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 complete environmental installations to industrial investors and operates its own facility for worn-out tyres in Åsensbruk, Sweden. Enviro, with its head quarter in Gothenburg, Sweden, was founded in 2001, and has 20 employees. It is listed on Nasdaq First North with Mangold Fondkommission AB as certified advisor. www.envirosystems.se

CEO statement

Dear fellow shareholders:

It is with great pride that I present the accounts for the third quarter of 2017. After many years of research and development and a couple of years of cautious, successful commercialisation of our technology and recovered material, we have won an international tender in China. This specifically means that we are a final candidate to negotiate a contract for the delivery of a recycling plant for end-of-life tyres with the capacity to process 30,000 tonnes of tyres annually. In order to come this far, we have completed the Chinese state tender process, which is mandatory for government enterprise investments of this magnitude. The customer is the tyre manufacturer Vanlead Group, through their subsidiary Guangzhou Vanlead Ecotechnology Co. Ltd. We have previously mentioned this tyre manufacturer, a major manufacturer in China with extensive exports to both Europe and the United States. Their ambition is to drive growth through the development and introduction of sustainable materials for tyre manufacturing and to take a leading position in China and internationally. The parties will negotiate the final contract terms in November, an occasion that will involve hosting representatives from Vanlead in Sweden. The transaction is estimated to have a value in excess of MSEK 200.

The tyre industry has ramped up investment in materials recycling plants in earnest, which means that the trend and the increased interest that we have witnessed is no longer merely hypothetical – it is a reality with promises of an exciting future. To our knowledge, the new plant will be the first industrial plant dedicated to recover carbon black for new tyres where the tyre manufacturer acts as the investor.

Out of the total carbon black volume produced globally, data indicates that approx. 90% is used in the rubber industry and that approx. 70% of this is consumed for tyre production. Recovered carbon black will not be able to replace virgin carbon black for all applications, but we have now proven that our carbon black is of a sufficiently high quality that it has been approved for both tyre and other rubber applications, which means that its potential is very interesting to plant investors. Our quality level also guarantees that the material will be both competitive and profitable.

In addition to Vanlead, we have – as previously reported – had our material approved by international tyre manufacturers and interest in partnerships is increasing. An example of where the market is headed is that Volvo Trucks have announced their ambition of using more recycled materials in components and tyres.

Plant Sales

Major parts of the third quarter were characterised by our team's hard work on the tender process for China and tests involving Chinese tyres in Åsensbruk, in order to verify material quality. This is one of the benefits that the plant and our competencies in Åsensbruk add to the company as it represents a unique opportunity for us to test and verify materials alongside various actors.

During the quarter, we had a great number of visits by plant stakeholders from across the world.

Interest in our technology from Europe has intensified throughout the year and, naturally, our breakthrough in the tyre industry has driven this development.

The platform with data and documentation, which currently represents our quotation structure, is based on the Basic Design in which we have invested over the past year and we are receiving very positive market reactions to the material. We are currently in a position to offer a complete plant package that answers most of the questions that an investor will normally have for this type of project. We have had serious requests from several interested plant investors. These have been followed up with detailed quotations based on our Basic Design.

Carbon Black

The interest in our material has continued to intensify during the last quarter and we are regularly providing samples to customers around the world for evaluation and quotations. Our assessment is that volumes will continue to rise and with a greater diversification of applications – which is strategically important to support our key business of selling plants. Existing customers are also signalling their greater interest in recycled material and that their customers are developing new applications where our material is replacing virgin carbon black. In addition to this, we have completed tests for customers within the plastics industry with positive indications during the summer.

Around the half-year mark, several of the large virgin black producers announced significant price hikes for virgin carbon black, which we also hope to benefit from in our sale of Carbon Black, which is produced in Åsensbruk. Above all this creates an even greater incentive to invest in our technology, as the already previously profitable calculations become even more favourable with a higher market price on Carbon Black. The reasons for the price increases are ostensibly linked to increased material and production costs in combination with a tougher regulatory environment.

Plant in Åsensbruk

During the summer and the autumn, we had several visits from serious delegations interested in plants but also tyre manufacturers who were seeking to learn more about our technology and production. We conduct various types of materials tests jointly with specific customers and in constellations with players from research institutions and the industry. Several of the latter involve the automotive industry and these activities are in line with their own high sustainability targets. As far as we know, we are still the only actor with the industrial capacity to produce and deliver materials to the automotive industry on a continuous basis. Until this summer, we have delivered material to AnVa Polytech substituting virgin carbon black at 100% in more than 30 million rubber components for Volvo Cars.

Financing

As described above, our company is in the midst of a very interesting phase and the breakthrough for our plant business that we have been seeking is getting ever closer. According to our calculations the business of selling plants will give a positive cashflow,

Until then the board of directors and management are working on financing issues. At present detailed discussions are being made together with representatives in the ownership base of the company, which we expect to be able to present within the near future.

Thomas Sörensson
Chief Executive Officer

Financial summary

Q3 2017

Group revenues and results

Net revenues for the period were MSEK 0.2 (0.0). Operating results totalled MSEK -9.3 (-5.9), and earnings after tax were MSEK -9.4 (-6.2).

The decline of the earnings compared to previous year is explained by the fact that the group has started to depreciate on the plant in Åsensbruk and also on capitalised expenses for development. Further the group has had extra costs for central component maintenance in the plant in Åsensbruk as well as measuring costs in connection with preparations for an extended environment permit. At the same time the group has had an increase in turnover and a reduction of its interest net.

Investments and financial standing

Investment for the quarter was MSEK 0.3 (0.0). The investment value during the quarter is related to the finalisation of the Basic Design.

Cash flow from operating activities after investing activities for the period were MSEK -6.2 (-2.4). Apart from the explanation above relating to costs in the plant in Åsensbruk it should be mentioned that in the figure of last year there is a positive effect of MSEK 4.2 in the working capital, which is due to not included share right costs that were subsequently paid during Q4 2016.

Cash and cash equivalents totalled MSEK 11.1 (6.7) at the end of the period. Equity/assets ratio was 84 (83) %.

January –September 2017

Group revenues and results

Net revenues for the period were MSEK 0.4 (0.2). Operating profit/loss totalled MSEK -28.1 (-20.9), and profit/loss after tax was MSEK -28.7 (-21.8).

The decline in profit compared to the previous year is explained by the group beginning to write off capitalised expenses for development and the plant in Åsensbruk. The depreciations are totally 7.9 MSEK higher than during the same period last year. During the same time the group

has had an increase in turnover and a reduction of its interest net.

Investments and financial position

Investment in fixed assets was MSEK 2.2 (1.3). The investment is almost solely for a Basic Design. Cash flow from operating activities after investing activities for the period was MSEK -24.3 (-19.5). The reduction in cash flow is largely due to expenses related to not included costs for the share rights issue in 2016 and also a higher investment level.

During the same time the group has had an increase in turnover and a reduction of its interest net.

In addition to that there has been an optimization of the work force in the plant.

Further the group has agreed with existing banks to a reduction in amortization of existing loans with 2,6 MSEK during the latter part of the year.

Mother company

Net revenues for the parent totalled MSEK 2.4 (2.4), and profit after financial items was MSEK -31.2 (-28.1). All revenues are for services charged to subsidiaries. The most significant cause of the profit reduction is due to the fact that the group has started to depreciate on the capitalised expenses for development for an amount that is 3.8 MSEK higher than last year. In this amount depreciation of the Basic Design also is included. During the same period the company has made savings in external consultancy and has improved their internal competences. Investment in fixed assets was MSEK 2.2 (0.0). The investments are for a Basic Design. Equity/assets ratio at the period-end was 97 (91) %.

In connection with the Chinese, government controlled, tender process a bank guarantee of around MSEK 1 has been submitted by the mother company. The amount has secured via a restricted bank balance in the mother company.

Staff and Organisation

The group has 18 (18) employees at the period-end.

Number of shares

Total shares outstanding at the end of the period was 116,370,291 (47,302,734).

Risks and uncertainties

A detailed description of risks and uncertainty factors is provided on pages 15-20 in our share issue prospectus. No new risks are assessed to have arisen in relation to those listed there.

The board of directors and the management has earlier concluded that with the current revenue and cost structure the group will be in need of a capital injection during the fourth quarter of the year. The board of Directors have since earlier concluded that with the current revenue and cost structure, the company will be in need of a capital injection during the 4:th quarter of 2017. The board of Enviro is working on a very detailed plan, which will secure the liquidity of the company during the coming 4 months. This is done in order to overcome the financial needs before the expected sale of a plant. Extensive

discussions with representatives in the owner base of the company are currently being conducted.

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

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
EBITDA (KSEK)	-6,224	-5,543	-19,043	-19,684	-26,261
Operating margin (%) ¹⁾	neg.	neg.	neg.	neg.	neg.
Equity ratio (%)	-	-	83.8%	82.9%	82.9%
Return on capital employed (%) ²⁾	-6.5%	-4.1%	-18.1%	-14.1%	-20.3%
Interest-bearing liabilities (KSEK) ³⁾	-	-	16,506	25,998	21,418
Earnings per share before dilution (SEK)	-0.08	-0.13	-0.25	-0.47	-0.49

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

September 30 2017

☒

Shareholders	Ownership share
Pegroco Venture AB	25.41%
TAMT AB	5.82%
Nordnet Pensionsförsäkring AB	4.84%
Försäkringsbolaget Avanza Pension	3.83%
Skandia Leben, Lichtenstein	2.36%
10 largest owners	50.09%
Others	49.91%

Planned reporting schedule

Year End Report	February 06, 2018
Annual Report 2017	April 11, 2018
Interim Report Jan-Mar 2018	May 03, 2018
General Meeting 2017	May 03, 2018
Interim Report Jan-Jun 2018	Aug 24, 2018
Interim Report Jan-Sep 2018	Nov 07, 2018

Gothenburg November 10, 2017

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

Thomas Sörensson, VD, Phone: +46 (0)735-10 53 43, thomas.sorensson@envirosystems.se
Stig-Arne Blom, Chairman of the board, +46 (0)705-25 16 15, stigarne@blom.pp.se

CONSOLIDATED STATEMENT OF INCOME

Amounts in KSEK	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Operating income					
Net sales	158	18	431	69	205
Changes in stocks of finished goods	64	12	27	59	-65
	222	30	457	128	140
Operating expenses					
Raw materials and consumables	-125	-55	-349	-211	-316
Other external costs	-3,121	-2,803	-8,542	-9,530	-12,570
Personnel costs	-3,200	-2,716	-10,610	-10,070	-13,515
Depreciation of tangible and intangible assets	-2,789	-92	-8,176	-271	-5,819
Amortization of acquired goodwill	-305	-305	-914	-914	-1,219
	-9,540	-5,970	-28,590	-20,997	-33,439
Operating profit/loss	-9,318	-5,940	-28,133	-20,869	-33,299
Profit/loss from financial items					
Interest income and similar items	18	12	94	70	112
Interest expenses and similar items	-116	-314	-631	-969	-1,265
Profit/loss after financial items	-98	-302	-538	-899	-1,154
Profit/loss for the period	-9,416	-6,242	-28,670	-21,768	-34,452
	-9,416	-6,242	-28,670	-21,768	-34,452
Average number of shares before dilution	116,370,291	47,302,734	116,370,291	47,302,734	116,370,291
Average number of shares after dilution	116,370,291	46,548,117	116,370,291	46,548,117	70,341,072
Earnings per share before dilution (SEK)	116,370,291	46,556,319	116,370,291	46,550,871	70,341,072
Earnings per share after dilution (SEK)	-0.08	-0.13	-0.25	-0.47	-0.49
Resultat per aktie efter utspädning (SEK)	-0.08	-0.13	-0.25	-0.47	-0.49

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in KSEK	Sep 30, 2017	Sep 30, 2016	Dec 31, 2016
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development	46,386	47,505	48,214
Patents and similar rights	4,517	4,200	4,578
Goodwill	7,619	8,838	8,533
	58,522	60,543	61,325
<i>Property, plant and equipment</i>			
Machinery and other technical facilities	72,169	80,126	76,237
Equipment, tools, and installations	97	131	123
	72,266	80,257	76,360
<i>Financial non-current assets</i>			
Other non-current receivables	-	20	2
	-	20	2
Total fixed assets	130,788	140,821	137,688
Current assets			
<i>Inventories, etc.</i>			
Raw materials and consumables	64	29	49
Goods in progress	44	1	12
Finished products and goods for resale	91	231	96
	198	261	156
<i>Current receivables</i>			
Trade receivables	93	49	3
Other receivables	1,930	1,877	1,989
Prepaid costs and accrued income	859	744	817
	2,882	2,670	2,809
<i>Cash and cash equivalents</i>	11,098	6,707	40,315
Total current assets	14,179	9,639	43,281
TOTAL ASSETS	144,967	150,459	180,969
EQUITY AND LIABILITIES			
Equity			
Share capital	4,655	1,862	4,655
Other capital contributions	261,742	215,608	261,742
Other capital, including profit/loss for the year	-144,978	-103,623	-116,308
	121,418	113,847	150,089
Non-current liabilities			
Other liabilities to credit institutions	10,206	15,166	13,266
	10,206	15,166	13,266
Current liabilities			
Amounts owed to credit institutions	6,300	10,832	8,152
Trade payables	1,538	3,313	2,664
Other current liabilities	2,845	2,746	2,646
Accrued expenditures and prepaid income	2,658	4,555	4,152
	13,342	21,446	17,614
TOTAL EQUITY AND LIABILITIES	144,967	150,459	180,969
Collaterals and Contingent Liabilities			
Encumbrances	39,350	39,350	39,350
Restricted bank balances	3,973	2,722	2,769

CHANGES IN EQUITY, CONSOLIDATED

Amounts in KSEK	Jan 1 - September 30, 2017		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
Opening balance, equity	4,655	261,742	- 116,308
Profit/loss for the period	-	-	- 28,670
Fund for development costs	-	-	2,031
Profits brought forward	-	-	- 2,031
New share issue	-	-	-
Expenses related to issue	-	-	-
Closing balance, equity	4,655	261,742	- 144,978




	Jan 1 - September 30, 2016		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
Ingående Eget Kapital	1,862	219,771	- 81,855
Profit/loss for the period	-	-	- 21,768
Expenses related to issue	-	- 4,163	-
Closing balance, equity	1,862	215,608	- 103,623

	Jan 1 - Dec 31, 2016		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
Opening balance, equity	1,862	219,771	- 81,855
Profit/loss for the period	-	-	- 34,452
Fund for development costs	-	-	1,896
Profits brought forward	-	-	- 1,896
New share issue	2,793	49,557	-
Expenses related to issue	-	- 7,586	-
Closing balance, equity	4,655	261,742	- 116,308

STATEMENT OF CASH FLOW, CONSOLIDATED

Amounts in KSEK	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
<i>Operating activities</i>					
Operating profit/loss	-9,318	-5,940	-28,133	-20,869	-33,299
Adjustments for items not part of the cash flow	3,094	397	9,090	1,185	7,038
Interest received	18	12	94	70	112
Interest paid	-116	-314	-631	-969	-1,265
Cash flow from operating activities before changes in working capital	-6,322	-5,845	-19,580	-20,582	-27,415
<i>Cash flow from changes in working capital</i>					
Increase (-)/reduction (+) in inventories	-69	-12	-42	27	132
Increase (-)/reduction (+) in trade receivables	12	-45	-90	-49	-3
Increase (-)reduction (+) in other receivables	568	1,344	17	-1,335	-1,520
Increase (+)/reduction (-) in trade payables	556	1,894	-1,126	848	199
Increase (+)/reduction (-) in current liabilities	-1,258	255	-1,294	2,971	2,467
Cash flow from ordinary course of business	-6,514	-2,408	-22,114	-18,120	-26,139
Investment activities					
Acquisition of intangible assets	264	-9	-2,169	-1,271	-2,467
Acquisition of property, plant and equipment	-	-25	-24	-65	-1,607
Changes in long-term receivables	2	-	2	-	18
Cash flow from investment activities	266	-35	-2,190	-1,336	-4,056
Financing activities					
New rights issue	-	-	-	-	52,350
Expenses related to issue	-	-4,163	-	-4,163	-7,586
Amortisation of debts	-744	1,811	-4,912	43	-4,536
Cashflow from financing activities	-744	-2,351	-4,912	-4,119	40,227
Cash flow for the period	-6,992	-4,794	-29,217	-23,576	10,032
Cash and cash equivalents at the beginning of the period	18,091	11,502	40,315	30,283	30,283
Cash and cash equivalents at the end of the period	11,098	6,707	11,098	6,707	40,315

STATEMENT OF INCOME, PARENT COMPANY

Amounts in KSEK	Jul-Sep 2017 	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Operating revenues					
Net sales	798	798	2,394	2,394	4,031
	798	798	2,394 	2,394	4,031
Operating expenses					
Other external costs	-7,673	-8,073	-22,982	-24,829	-33,303
Personnel expenses	-2,070	-1,542	-6,562	-5,429	-7,252
Depreciation of tangible and intangible assets	-1,425	-92	-4,083	-271	-1,594
	-11,168	-9,707	-33,627	-30,529	-42,149
Operating profit/loss	-10,370	-8,909	-31,233	-28,135	-38,118
Profit/loss from financial items					
Interest income and similar items	18	11	86	69	107
Interest expenses and similar items	-3	-20	-16	-62	-81
	14	-9	70	7	26
Profit/loss after financial items	-10,356	-8,918	-31,163	-28,129	-38,092
Group contributions	-	-	-	-	5,000
Profit/loss after balance sheet allocations	-10,356	-8,918	-31,163 	-28,129	-33,092
Tax on net profits for the period					
Profit/loss for the period	-10,356	-8,918	-31,163	-28,129	-33,092

STATEMENT OF FINANCIAL POSITION, PARENT COMPANY

Amounts in KSEK	Sep 30, 2017	Sep 30, 2016	Dec 31, 2016
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development	46,336	47,455	48,164
Patents and similar rights	4,517	4,200	4,578
	50,853	51,655	52,742
<i>Tangible fixed assets</i>			
Equipment, tools, and installations	97	131	123
	97	131	123
<i>Financial non-current assets</i>			
Investments in group companies	36,891	36,891	36,891
Long-term receivables, group enterprises	28,886	26,254	31,646
Other long-term receivables	-	20	2
	65,776	63,165	68,538
Total non-current assets	116,727	114,951	121,403
Current assets			
<i>Current receivables</i>			
Other receivables	1,825	1,782	1,859
Prepaid costs, accrued earnings	504	386	442
	2,329	2,168	2,301
<i>Cash and cash equivalents</i>			
	7,333	3,791	36,784
Current assets, total	9,661	5,960	39,085
TOTAL ASSETS	126,388	120,911	160,488
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	4,655	1,862	4,655
Statutory reserve	502	502	502
Fund for development expenses	3,626	-	1,896
<i>Unrestricted equity</i>			
Share premium reserve	261,240	215,106	261,240
Convertible loan	-	-	-
Retained earnings	-115,947	-79,229	-81,124
Profit/loss for the period	-31,163	-28,129	-33,092
	122,913	110,113	154,076
Non-current liabilities			
Other liabilities to credit institutions	-	-	-
	-	-	-
Current liabilities			
Amounts owed to credit institutions	-	3,231	552
Trade payables	329	2,838	1,630
Other current liabilities	1,507	1,298	1,427
Accrued costs and prepaid income	1,639	3,430	2,803
	3,475	10,798	6,412
TOTAL EQUITY AND LIABILITIES	126,388	120,911	160,488
Pledged collaterals and contingent liabilities			
Encumbrances	-	-	-
Restricted bank balances	1,298	50	94
Guarantees benefiting group enterprises	18,590	19,850	19,450

CHANGES IN EQUITY, MOTHER COMPANY

Amounts in TSEK							Jan 1 - September 30, 2017		
	Restricted equity			Share premium reserve	Unrestricted equity				
	Share capital	Statutory reserve	Fund for development costs		Retained earnings	Profit/loss for the period			
Opening balance, equity	4,655	502	1,896	261,240	-81,125	-33,092			
Adjustment of previous year's profit and loss	-	-	-	-	-33,092	33,092			
Profit/loss for the period	-	-	-	-	-	-31,163			
Fund for development costs	-	-	1,730	-	-1,730	-			
New share issue	-	-	-	-	-	-			
Expenses related to issue	-	-	-	-	-	-			
Closing balance, equity	4,655	502	3,626	261,240	-115,947	-31,163			

Jan 1 - September 30, 2016							
	Restricted equity			Share premium reserve	Unrestricted equity		
	Share capital	Statutory reserve	Fund for development costs		Retained earnings	Profit/loss for the period	
Opening balance, equity	1,862	502	-	219,269	-49,756	-29,473	
Adjustment of previous year's profit and loss	-	-	-	-	-29,473	29,473	
Profit/loss for the period	-	-	-	-	-	-28,129	
Fund for development costs	-	-	-	-	-	-	
New share issue	-	-	-	-	-	-	
Expenses related to issue	-	-	-	-4,163	-	-	
Closing balance, equity	1,862	502	-	215,106	-79,229	-28,129	

Jan 1 - Dec 31, 2016							
	Restricted equity			Share premium reserve	Unrestricted equity		
	Share capital	Statutory reserve	Fund for development costs		Retained earnings	Profit/loss for the period	
Opening balance, equity	1,862	502	-	219,269	-49,756	-29,473	
Adjustment of previous year's profit and loss	-	-	-	-	-29,473	29,473	
Profit/loss for the period	-	-	-	-	-	-33,092	
Fund for development costs	-	-	1,896	-	-1,896	-	
New share issue	2,793	-	-	49,557	-	-	
Expenses related to issue	-	-	-	-7,586	-	-	
Closing balance, equity	4,655	502	1,896	261,240	-81,125	-33,092	

STATEMENT OF CASH FLOW, CONSOLIDATED

Amounts in KSEK	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
<i>Operating activities</i>					
Operating profit/loss	-10,370	-8,909	-31,233	-28,135	-38,118
Adjustments for items not part of the cash flow	1,425	92	4,083	271	1,594
Interest received	18	11	86	69	107
Interest paid	-3	-20	-16	-62	-81
Cash flow from operating activities before changes in working capital	-8,931	-8,825	-27,080	-27,858	-36,497
<i>Cash flow from changes in working capital</i>					
Increase (-)/reduction (+) in other receivables	568	1,344	-28	-1,707	-1,840
Increase (+)/reduction (-) in trade payables	-239	2,304	-1,301	2,080	872
Increase (+)/reduction (-) in current liabilities	-890	2,007	-1,084	2,007	1,509
Cash flow from ordinary course of business	-9,492	-3,171	-29,492	-25,477	-35,956
Investment activities					
Acquisition of intangible assets	264	-	-2,169	-	-2,467
Acquisition of property, plant and equipment	-	-26	-	-65	-
Changes in long-term receivables	2,132	465	2,762	4,745	4,373
Cash flow from investment activities	2,396	439	593	4,680	1,906
Financing activities					
New rights issue	-	-	-	-	52,350
Expenses related to issue	-	-4,163	-	-4,163	-7,586
Amortisation of debts	-184	2,312	-552	1,944	-736
Cashflow from financing activities	-184	-1,851	-552	-2,219	44,028
Cash flow for the period	-7,280	-4,583	-29,451	-23,017	9,977
Cash and cash equivalents at the beginning of the period	14,613	8,374	36,784	26,808	26,808
Cash and cash equivalents at the end of the period	7,333	3,791	7,333	3,791	36,784