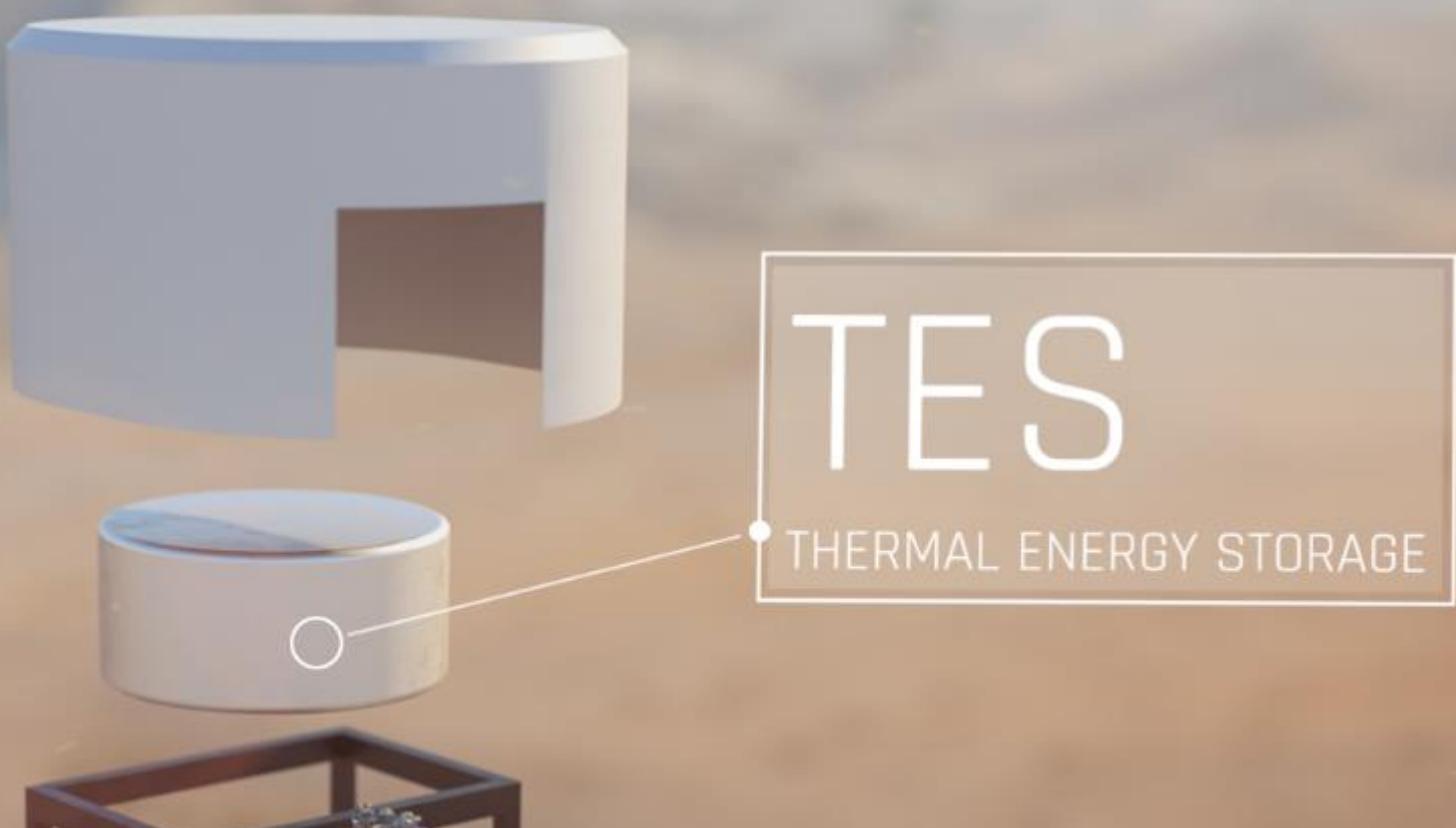


Interim report: 1 January – 31 March 2019



TES

THERMAL ENERGY STORAGE

A POSITIVE FIRST QUARTER

Azelio has started 2019 according to plan. Important elements of this are the preparations for the verification project in Morocco during the fourth quarter of this year, as well as the concretization of the extensive inquiries from potential customers after Azelio's storage technology was demonstrated last summer.

During the quarter, Azelio's agreement with Chinese Datang Holdings New Energy Technologies has been extended, a sign that the technology is attractive for the progressive Chinese market. Azelio has also been well received by the World Bank and the European Commission for its sustainable solutions.

Following the end of the period, a MOU was signed with Pakistani JD Aviation on cooperation for reliable and sustainable electricity supply in Pakistan.

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Group financial development

Q1: January–March 2019

- Income for the period including own work capitalised amounted to SEK 24,802,000 (14,227,000)
- Operating profit EBIT decreased to SEK -28,161,000 (-15,563,000)
- Earnings per share SEK -0.66 (-0.08)
- Profit/loss for the period decreased to SEK -28,152,000 (-15,553,000)
- Cash flow decreased to SEK -73,071,000 (2,476,000)

Full year: January–December 2018

- Income for the period including own work capitalised amounted to SEK 70,341,000 (78,602,000)
- Operating profit/loss (EBIT) improved to SEK -91,959,000 (-95,645,000)
- Earnings per share SEK -0.77 (-0.77)
- Profit/loss for the period improved to SEK -91,845,000 (-97,443,000)
- Cash flow increased to SEK 313,011,000 (-2,596,000), attributable to share issues in 2018

Significant events

Q1: January–March 2019

- Expansion of test facilities at the development centre in Åmål
- Partnership agreement with Chinese company Datang Holdings New Energy Technologies extended
- World Bank invites Azelio to a conference in South Africa on plans for sustainable energy development
- Azelio is invited by the European Commission to take part in an InvestEU event as a holder of the EU Seal of Excellence

After the end of the period

- Memorandum of Understanding with Pakistan-based JD Aviation for reliable and sustainable electricity supply in Pakistan
- Move to new head office in Gothenburg

Key Figures Group

	Jan–Mar 2019	Jan–Mar 2018	Full year 2018
Net sales, SEK 000	508	611	1,942
Operating profit/loss, SEK 000	-28,161	-15,563	-91,959
Profit/loss for the year, SEK 000	-28,152	-15,553	-91,845
Earnings per share, SEK	-0.66	-0.08	-0.77
Equity, SEK 000	536,107	247,538	561,876
Equity/assets ratio, %	89%	84%	87%
Cash flow from operating activities, SEK 000	-51,129	-10,025	-36,015

Comments from CEO



“Azelio has been recognized by the World Bank and by them invited to South Africa to discuss a sustainable future through, among other things, energy storage. It is another sign that our solution is an important part of shaping a future sustainable energy system.” – Jonas Eklind, CEO

Azelio starts 2019 with continued positive development as planned. Inquiries received from potential customers, especially in connection with the technology demonstration in June 2018, have begun to concretize. An example of this is the memorandum of understanding signed after the end of the quarter.

The organization has also been strengthened with significant competencies to take Azelio further in the industrialization towards an increasingly close commercial breakthrough. The work has been characterized by a good balance between intermediate goals in the short term and greater future ambitions. The next major goal is to build a full-scale verification project in Morocco during Q4. It will then, in line with the previously communicated plan, be followed by the first commercial installations in 2020 and larger volumes in 2021. In the long term, the ambition is to replace fossil fuels with a cost-effective, reliable and renewable energy solution.

Comments on the period's results

Azelio is now in an intensive industrialization period where the organization is strengthened, while the development entails increased costs, which is entirely according to plan. In connection with Azelio choosing to focus on electricity production with energy storage, the gas business was paused and the revenues from that have then decreased, again according to plan.

The company is convinced that focusing on cost-effective electricity production with thermal energy storage is a winning strategy. The need for a renewable base load is large and Azelio's solution is very competitive. Azelio makes investment decisions that are expected to benefit the company's competitiveness in the global market. One example is the ongoing expansion of test facilities in the development centre in Åmål, which entails short-term increased costs but benefits the company's future.

Comments on business essentials

Azelio's unique solution has created a great interest globally. As previously communicated, inquiries have been received from 52 countries to a potential order value of 50 billion SEK. The extension of the agreement with Chinese Datang Holdings New Energy Technologies is an acknowledgment that the company has an attractive solution also for the Chinese market, which is investing heavily in sustainable solutions with efficient energy storage.

Even the fact that Azelio has been recognized by the World Bank and invited by them to South Africa to discuss a sustainable future through, among other things, energy storage, shows that the solution is an important part for a sustainable energy system.

Africa is a continent that largely lacks a well-functioning power grid. The plan to remedy this is not primarily based on an expansion of large-scale centralized electricity production with accompanying large investments in power grids (compare with how mobile telephony was expanded in Africa without ground-based power grids). Instead, more cost-effective investments are planned for distributed solutions in the form of "microgrids", adapted to specific geographical conditions.

Within the EU Sustainability Research and Development project, Horizon 2020, Azelio has been awarded the "Seal of Excellence" on two occasions. The award is a quality mark of the EU for interesting innovations. As a holder of the award, Azelio was invited by the European Commission to an investEU event in Brussels, aiming to bring together investments and actors from the private and public sectors, which gave rise to several interesting meetings and contacts.

The need for a distributed sustainable baseload

The goals of reduced emissions and improved access to electricity require cost-effective solutions for energy storage. Azelio's unique technology enables distributed electricity generation around the clock at a low cost. It also provides the opportunity to largely replace the operation of the diesel generators that today dominate the small-scale base load market (<100 MW) against a more cost-effective and sustainable alternative.

Outlook

The development is proceeding according to plan. A solid organization with a strong partner network is created to take place on the global arena. As previously communicated, the current funding will last until early 2020. The plan is to make a financing round in 2019. We are now evaluating different ways of doing this, where not all options include current owners. The project in Morocco at the end of 2019 is an important milestone for Azelio and will provide the opportunity for the company to showcase its solution for both potential customers and the general public. It deserves to be repeated that the potential market for Azelio's solution is very large.

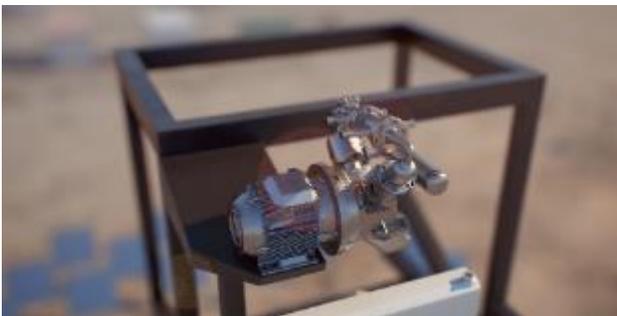
The business



Azelio has a focus on distributed electricity where and when it is needed through its unique solution for thermal energy storage with efficient electricity production based on demand. The company initially focuses on areas within and around to the sun belt regions, with no electricity or weak grid connection. This can be as a part of a "microgrid" system. Azelio offers a scalable solution for sustainable electricity around the clock at a very low cost.

Azelio's highly efficient Stirling engine

The Stirling engine is a 200-year-old innovation and Azelio has developed its unique Stirling engine for 25 years with over two million operating hours and with an impressive 6000-hour service interval on engines used in field conditions. The engine is powered by heat and is free from emissions. The conversion rate from heat to electricity is about 30%. The high efficiency of the Stirling engine is an important contributor to the system's cost efficiency.



Flexible heliostat field

Azelio's heliostat field, where the sun's rays concentrate the thermal energy to the storage, is adaptable in size depending on local conditions and easy to maintain. Thanks to the high efficiency of the entire system, less installed mirror surface is required in relation to competing solutions. A production unit has a nominal effect of 13 kW with around the clock production capacity, occupying an area of approximately 25x25 meters. The

scalability of the system means that units can be added to the desired capacity. Thanks to high volume production of components, the solution is cost effective already from smaller projects in the size of 0.5 MW up to 100 MW, initially aiming at 0.5 MW to 20 MW.



Ground-breaking energy storage solution

To cost-effective store renewable energy is crucial for a sustainable development, where Azelio's solution will play a central role. The storage solution consists of an aluminium alloy. The storage does not need refilling of storage media for retained capacity and no degradation of power occurs over time. The unique solution has a storage capacity of 13 hours production at nominal power, and can cost-effectively distribute sustainable electricity, around the clock, based on demand.



Significant events

Q1: January - March 2019

Expansion of test facilities at the development centre in Åmål

Azelio is carrying out an extensive expansion of the existing test facilities at the development centre in Åmål. A new test facility is under construction with a number of platforms for testing complete engine units, storage, control systems, electronics and other subsystems. The test rigs will allow function, performance and life cycles to be tested with 24-hour monitoring under every conceivable simulated circumstance and to be logged using advanced measuring equipment.

European Commission invites Azelio to InvestEU event as holder of Seal of Excellence

In a European Commission venture aimed at bringing the public and private sector together in its work to highlight progressive initiatives and technologies, Azelio was invited to participate in a matchmaking event in Brussels. Azelio was invited because it has been awarded the Seal of Excellence within Horizon 2020, the EU's research and innovation funding programme. Two of Azelio's innovation projects have received the Seal of Excellence, which is a quality label from the EU for first-class innovation ideas worthy of investment.



The European Commission invited Azelio to an InvestEU event as a holder of the Seal of Excellence for two projects related to Horizon 2020, the EU's research and innovation

Partnership agreement with Chinese company Datang Holdings New Energy Technologies extended

Azelio and Datang Holdings New Energy Technologies are extending their partnership agreement, which includes products for a planned solar park in China. The extension of the agreement is a clear acknowledgement that Azelio has an attractive product for the Chinese market, which has great ambitions as regards concentrated solar power and energy storage.

World Bank invites Azelio to conference in South Africa on planning for sustainable energy development

Azelio was invited by the World Bank to a conference in South Africa held in February. The aim of the conference was to highlight solutions for a sustainable future through progressive energy technologies and investments. Azelio's solution has attracted great interest. It is clear that distributed long-term storage of renewable energy with cost-effective electricity production has a significant part to play in sustainable future development.



Azelio was represented by Jonas Wallmänder, VP Partners and Collaborations, at an invitation-only conference in South Africa organised by the World Bank to discuss sustainable future development.

After the end of the period

Memorandum of Understanding with Pakistan-based JD Aviation for reliable and sustainable electricity supply in Pakistan

A Memorandum of Understanding (MoU) has been signed with JD Aviation in Pakistan, which implements renewable energy solutions. Azelio's technology is well suited to Pakistan as a sustainable alternative baseload to diesel generators. The MoU is a first step in introducing the technology to the Pakistani market.

Move to new head office in Gothenburg

Azelio has moved into a new head office in Gothenburg. The building is called Kuggen (The Cog) and is a landmark in the district of Lindholmen, well located for Chalmers University of Technology with which Azelio has an ongoing partnership. The move gives Azelio plenty of room for the new recruits who joined the Company in the second half of 2018 and at the beginning of 2019, when the Company grew from 61 employees to nearly 100.

Group financial development

Q1: January - March 2019

Income, expenses and profit/loss

Operating income

Net sales for the first quarter amounted to SEK 508,000 (611,000). The decrease is due to the focus on solar power and energy storage as well as decreased revenues from gas, which is entirely in line with the business plan. Own work capitalised amounted to SEK 24,125,000 (13,616,000) for the quarter.

Operating expenses

Costs for the first quarter amounted to SEK -52,963,000 (-29,790,000). The decrease is largely attributable to increased raw materials costs and consulting costs.

Operating profit/loss

The operating loss amounted to SEK -28,161,000 (-15,563,000).

Financial items

Income from financial items during the period amounted to SEK 9,000 (10,000) and consisted mainly of interest income, interest expense and similar income items.

Profit/loss for the period

The result for the first quarter was a loss of SEK -28,152,000 (-15,553,000). Earnings per share amounted to SEK -0.66.

Cash flow, investments and financial position

Cash flow

Cash flow from operating activities during the period amounted to SEK -51,129,000 (-10,025,000). Cash flow from financing activities amounted to SEK 2,728,000 (26,112,000).

Investments

Investments affecting cash flow during the period amounted to SEK -24,669,000 (-13,611,000), mainly in the form of capitalised development.

Financial position

Cash and cash equivalents amounted to SEK 258,229,000 (20,644,000) as of 31 March. Equity at the end of the period amounted to SEK 536,107,000 (247,538,000) or SEK 12.66 (1.27) per share. The equity/assets ratio as of the same date was 89% (84), closing balance.

Full year: January - December 2018

Income, expenses and profit/loss

Operating income

Net sales for the period amounted to SEK 1,942,000 (2,921,000). The decrease is attributable to the development of an energy storage solution in connection with the focus on solar power and energy storage. Own work capitalised amounted to SEK 66,392,000 (72,980,000) for the year.

Operating expenses

Costs during the period amounted to SEK -162,300,000 (-174,246,000). The decrease is largely attributable to raw materials costs and consulting costs.

Operating profit/loss

The operating loss amounted to SEK -91,959,000 (-95,645,000).

Financial items

Income from financial items during the period amounted to SEK 114,000 (-1,799,000) and consisted mainly of interest income, interest expense and similar income items.

Profit/loss for the period

The result for the period was a loss of SEK -91,845,000 (-97,443,000). Earnings per share amounted to SEK -0.77.

Cash flow and investments

Cash flow

Cash flow from operating activities during the period amounted to SEK -36,015,000 (-83,876,000). Cash flow from financing activities amounted to SEK 416,527,000 (160,561,000) and is attributable to new share issues.

Investments

Investments affecting cash flow during the period amounted to SEK -67,500,000 (-79,281,000), mainly in the form of capitalised development.

Share capital

The Group's share capital at the end of the period amounted to SEK 21,174,000, consisting of 42,347,495 shares.

Largest shareholders, holding > 10%

Name	Shares, %
Blue Marlin AB / Kent Janér	27%

Warrants

At the end of the period there were 39,908,167 warrants issued in seven different series with exercise prices of between SEK 10 and SEK 180. The 16,666,667 warrants to Masen mentioned in the year-end report were registered during the period. Full conversion of warrants will lead to 4 478 167 new shares.

Share data

At the end of the previous period, December 31, 2018, Azelio's share price was SEK 13.00. At the end of the current period, 29 March 2019, the share price was SEK 16.85.

Related party transactions

No related party transactions were recorded in the first quarter of 2019.

Group accounting

The financial statements for the Group are considered to essentially accord with the figures for the parent company.

Significant risks and uncertainties

The current valuation of the Company's assets in the form of capitalised development costs and inventory is based on adherence to the prepared business plan. The Board expects the future sales volumes to be so extensive that the discounted cash flows generated will justify the current valuation with a good margin. The Board believes there is good potential to implement the business plan and that capitalised development costs are likely to lead to future economic benefits. The Company's capitalised development costs relate to various technologies. All of them are, however, linked to the Stirling engine and the energy storage, the technologies upon which the Company has built its business. The Board believes that, due to technical synergies, the current solar engine was made possible by the development of gas engine technology. Due to the close relationship between

these technical solutions, the machines are not assigned to separate cash-generating units. The engine is a further development of earlier technology and thus no impairment losses have been reported on development costs for earlier versions. On the other hand, inventory disposals have been made for components that were unique to previous versions of the product.

Following authorisation by the general meeting, the Board of Directors completed a new share issue in conjunction with listing on Nasdaq First North on 10 December 2018. The listing provided the Company with proceeds of SEK 242 million before transaction costs. The Board is of the opinion that the share issue secures the capital requirement based on the established business and liquidity plans for a period of 12 months from the date of listing. The Board plans a new share issue at earliest summer 2019 for financing the Company's commercialisation, including production facilities. The Board's perception is that there is a great interest in the company's technology among investors, including those that are not shareholders in Azelio today, and that the Company has a strong ownership structure. The potential for implementing future comprehensive financing plans is therefore considered to be good.

The "going concern" accounting principle according to the Swedish Annual Accounts Act prescribes a basic assumption regarding the valuation of a company's assets. With respect to capitalised development, there are further assumptions regarding necessary financing of continued development as well as commercial realisation. Thus, a valuation not made on the basis on these assumptions would result in different valuation of the Company's assets. The Board is in favour of the assumptions described above and considers that the necessary conditions are in place. The Board is aware that uncertainties exist when estimating the time and costs involved in implementing full-scale commercialisation and industrialisation of the Company's product. This has been taken into account in the Company's plans and forecasts, by the Board actively exploring alternative scenarios and being prepared to handle these types of challenges. This includes various financing solutions and having flexible development plans.

Review

This interim report has not been reviewed by the Company's auditors.

Key figures Group

	Jan-Mar 2019	Jan-Mar 2018	Pro forma Jan-Mar 2018	Full year 2018	Pro forma Jan-Dec 2018
Earnings per share before dilution, SEK	-0.66	-0.08	-0.80	-0.77	-2.97
Earnings per share after dilution, SEK	-0.60	-0.06	-0.61	-0.58	-2.49
Equity per share, SEK	12.66	1.27		4.73	

The extraordinary general meeting held on 11 November 2018 approved a 10:1 reverse split. Pro forma calculation – earnings per share calculated on the split in Q4 2018 for all periods.

Condensed financial statements

Consolidated income statement

SEK 000	Jan-Mar 2019	Jan-Mar 2018	Full year 2018	
Income				
Net sales	508	611		1,942
Own work capitalised	24,125	13,616		66,392
Other operating income	169	0		2,007
Total operating income	24,802	14,227		70,341
Costs				
Raw materials and consumables	3	-1,184		-7,758
Other external expenses	-28,554	-10,956		-65,821
Employee benefit expenses	-20,605	-13,774		-72,961
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets	-3,768	-3,863		-15,546
Other operating expenses	-40	-13		-215
Total operating expenses	-52,963	-29,790		-162,300
Operating profit/loss	-28,161	-15,563		-91,959
Financial items				
Income from securities and receivables held as non-current assets	0	0		0
Other interest income and similar profit/loss items	63	67		403
Interest expense and similar profit/loss items	-54	-57		-289
Total financial items	9	10		114
Profit/loss after financial items	-28,152	-15,553		-91,845
Tax on profit for the period	0	0		0
Profit/loss for the period	-28,152	-15,553		-91,845
			Pro forma Jan-Mar 2018	Pro forma Jan-Dec 2018
Earnings per share	-0.66	-0.08	-0.80	-0.77
Earnings per share before dilution, SEK	-0.66	-0.08	-0.80	-2.97
Earnings per share after dilution, SEK	-0.60	-0.06	-0.61	-2.49
<i>Number of shares before dilution</i>	42,347,495	195,066,740	19,506,674	118,707,118
<i>Number of shares after dilution</i>	46,825,662	256,345,531	25,634,553	158,443,311
				30,927,085
				36,915,879

Condensed financial statements

Consolidated balance sheet

SEK 000	31 Mar 2019	31 Mar 2018	31 Dec 2018
ASSETS			
Capitalised development costs and similar	309,849	248,401	291,224
Investments in progress, intangible assets	4,038	0	1,353
Total intangible non-current assets	313,887	248,401	292,577
Property, plant and equipment			
Leasehold improvements	930	1,161	987
Equipment, tools, fixtures and fittings	6,445	8,675	6,798
Total property, plant and equipment	7,375	9,836	7,785
Total non-current assets	321,262	258,238	300,361
Inventories			
Raw materials and consumables	9,739	10,460	8,809
Finished goods and goods for resale	678	3,376	618
Advance payments to suppliers	3,083	678	179
Total inventories	13,499	14,514	9,606
Trade receivables	55	573	69
Current tax assets	172	-138	919
Other receivables	3,115	272	336
Prepaid expenses and accrued income	3,928	1,267	3,157
Cash and bank balances	258,229	20,644	331,196
Total current assets	278,998	37,130	345,283
TOTAL ASSETS	600,261	295,368	645,644
EQUITY AND LIABILITIES			
Equity			
Share capital	21,174	10,680	21,174
Other paid-in capital	1,294,699	915,739	1,291,971
Reserves	-686	-366	-341
Retained earnings including profit/loss for the period	-779,080	-678,516	-750,928
Total equity	536,107	247,538	561,876
Provisions			
Provisions	0	71	0
Total provisions	0	71	0
Non-current liabilities			
Other liabilities	22,850	22,990	22,850
Total non-current liabilities	22,850	22,990	22,850
Current liabilities			
Advances from customers	0	93	0
Trade payables	12,776	5,720	34,332
Other current liabilities	8,283	10,372	8,828
Accrued expenses and deferred income	20,244	8,584	17,757
Total current liabilities	41,304	24,769	60,918
TOTAL EQUITY AND LIABILITIES	600,261	295,368	645,644

Condensed financial statements

Consolidated statement of changes in equity

SEK 000	Share capital	Other paid-in capital	Reserves	Retained earnings incl. profit/loss for the period	Total equity
Opening balance 1 January	21,174	1,291,971	-341	-750,928	561,876
Share issue		2,728			
Warrants sold					
Profit/loss for the period				-28,152	
Translation difference			-346		
Closing balance 31 March	21,174	1,294,699	-686	-779,080	536,107

Consolidated cash flow statement

SEK 000	Jan-Mar 2019	Jan-Mar 2018	Jan-Dec 2018
OPERATING ACTIVITIES			
Profit/loss after financial items	-28,152	-15,553	-91,845
Adjustment for non-cash items	4,549	3,858	18,628
Income tax paid	0	0	-227
Cash flow from operating activities before changes in working capital	-23,603	-11,695	-73,444
Increase (-)/decrease (+) in inventories	-3,894	1,711	3,532
Increase (-)/decrease (+) in operating receivables	-3,678	1,305	-257
Increase (-)/decrease (+) in operating liabilities	-19,955	-1,346	34,154
Cash flow from operating activities	-51,129	-10,025	-36,015
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	-544	5	-1,108
Purchase of intangible assets	-24,125	-13,616	-66,392
Purchase of financial assets	0	0	0
Cash flow from investing activities	-24,669	-13,611	-67,500
FINANCING ACTIVITIES			
New share issue	2,728	26,112	416,067
Warrant programme	0	0	600
Borrowings	0	0	0
Repayment of debt	0	0	-140
Cash flow from financing activities	2,728	26,112	416,527
CASH FLOW FOR THE PERIOD	-73,071	2,476	313,011
Cash and cash equivalents at beginning of period	331,196	18,020	18,020
Exchange rate differences in cash and cash equivalents	104	149	165
Cash and cash equivalents at end of period	258,229	20,644	331,196

Condensed financial statements

Parent company income statement

SEK 000	Jan-Mar 2019	Jan-Mar 2018	Full year 2018
Income			
Net sales	508	611	1,942
Own work capitalised	24,125	13,616	66,392
Other operating income	169	0	2,007
Total operating income	24,802	14,227	70,341
Costs			
Raw materials and consumables	3	-1,184	-7,758
Other external expenses	-28,092	-10,676	-64,720
Employee benefit expenses	-19,983	-12,999	-69,770
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets	-3,767	-3,863	-15,530
Other operating expenses	-40	-13	-215
Total operating expenses	-51,878	-28,735	-157,992
Operating profit/loss	-27,076	-14,507	-87,651
Financial items			
Income from interests in Group companies	-1,373	0	-6,865
Income from securities and receivables held as non-current assets	0	0	-1,683
Other interest income and similar profit/loss items	89	64	395
Interest expense and similar profit/loss items	-54	-57	-289
Total financial items	-1,338	7	-8,442
Profit/loss after financial items	-28,414	-14,500	-96,093
Tax on profit for the period	0	0	0
Profit/loss for the period	-28,414	-14,500	-96,093

Condensed financial statements

Parent company balance sheet

SEK 000	31 Mar 2019	31 Mar 2018	31 Dec 2018
ASSETS			
Capitalised development costs and similar	309,849	248,401	291,224
Investments in progress, intangible assets	4,038	0	1,353
Total intangible non-current assets	313,887	248,401	292,577
Property, plant and equipment			
Leasehold improvements	930	1,161	987
Equipment, tools, fixtures and fittings	6,445	8,662	6,796
Total property, plant and equipment	7,375	9,823	7,783
Financial non-current assets	50	5,513	50
Total non-current assets	321,312	263,738	300,410
Inventories			
Raw materials and consumables	9,739	10,460	8,809
Finished goods and goods for resale	678	3,376	618
Advance payments to suppliers	3,083	678	179
Total inventories	13,499	14,514	9,606
Trade receivables	55	573	69
Receivables from Group companies	0	1,645	0
Current tax assets	172	-138	919
Other receivables	2,959	133	189
Prepaid expenses and accrued income	3,814	1,078	3,041
Cash and bank balances	256,584	17,791	330,061
Total current assets	277,083	35,596	343,884
TOTAL ASSETS	598,395	299,334	644,294
EQUITY AND LIABILITIES			
Equity			
Share capital	21,174	10,680	21,174
Reserves	243,731	170,868	222,291
Share premium reserve	1,294,699	915,739	1,291,971
Retained earnings including profit/loss for the period	-1,018,015	-838,975	-968,161
Total equity	541,588	258,312	567,274
Provisions			
Provisions	0	71	0
Total provisions	0	71	0
Non-current liabilities			
Other liabilities	22,850	22,990	22,850
Total non-current liabilities	22,850	22,990	22,850
Current liabilities			
Advances from customers	0	93	0
Trade payables	12,776	5,720	34,332
Other current liabilities	936	3,564	2,081
Accrued expenses and deferred income	20,244	8,584	17,757
Total current liabilities	33,956	17,961	54,170
TOTAL EQUITY AND LIABILITIES	598,395	299,334	644,294

Condensed financial statements

Parent company statement of changes in equity

SEK 000	Share capital	Share premium reserve	Reserves	Retained earnings	Profit/loss for the period	Total equity
Opening balance 1 January	21,174	1,291,971	222,291	-872,069	-96,093	567,274
Share issue	0	2,728				
Warrants sold						
Profit/loss for the period					-28,414	
Transfer			21,440	-21,440		
Closing balance 31 March	21,174	1,294,699	243,731	-893,509	-124,506	541,588

Parent company cash flow statement

SEK 000	Jan-Mar 2019	Jan-Mar 2018	Jan-Dec 2018
OPERATING ACTIVITIES			
Profit/loss after financial items	-28,414	-14,500	-96,093
Adjustment for non-cash items	5,140	3,863	27,159
Income tax paid	0	0	-227
Cash flow from operating activities before changes in working capital	-23,274	-10,637	-69,160
Increase (-)/decrease (+) in inventories	-3,894	1,711	3,532
Increase (-)/decrease (+) in operating receivables	-3,687	1,273	-396
Increase (-)/decrease (+) in operating liabilities	-19,309	-1,297	34,199
Cash flow from operating activities	-50,164	-8,950	-31,826
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	-544	0	-1,092
Purchase of intangible assets	-24,125	-13,616	-66,392
Purchase of financial assets	-1,373	0	-1,401
Cash flow from investing activities	-26,041	-13,616	-68,885
FINANCING ACTIVITIES			
New share issue	2,728	26,112	416,067
Warrant programme	0	0	600
Borrowings	0	0	0
Repayment of debt	0	0	-140
Cash flow from financing activities	2,728	26,112	416,527
CASH FLOW FOR THE PERIOD	-73,477	3,546	-315,816
Cash and cash equivalents at beginning of period	330,061	14,245	14,245
Exchange rate differences in cash and cash equivalents	0	0	0
Cash and cash equivalents at end of period	256,584	17,791	330,061

Board of Directors' assurance

The Board of Directors and CEO hereby provide an assurance that the interim report provides a true and fair view of the Company's business, financial position and results, and describes the significant risks and uncertainties that the Company faces.

Gothenburg, 25 April 2019

Bo Dankis
Chairman of the Board

Chris Beaufait
Board member

Mattias Bergman
Board member

Hicham Bouzekri
Board member

Kent Janér
Board member

Pär Nuder
Board member

Lars Thunell
Board member

Bertil Villard
Board member

Teo Jörlén
Employee representative

Jonas Eklind
CEO

Accounting principles

The interim report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 on annual financial statements and consolidated financial statements (K3). For more detailed information on the accounting principles, refer to the Company's 2017 Annual Report.

Financial calendar

Annual Report 201816 May 2019

Interim report for the period
1 April - 30 June 2019, Q2 21 August 2019

Annual General Meeting 201918 June 2019

Definitions

Number of shares

Average number of shares – weighted average number of outstanding shares for a certain period. $\text{Opening balance} + \text{closing balance} / 2$.

Equity

Shareholders' equity at the end of the period.

Equity per share

Shareholders' equity divided by the total number of outstanding shares.

Employee benefit expenses

Personnel expenses for the period, including salaries, other remuneration and social security costs.

Earnings per share

Profit/loss for the period attributable to the parent company's shareholders divided by the average number of shares in the market.

Earnings per share after dilution

Profit/loss for the period attributable to the parent company's shareholders divided by the average number of shares in the market after estimated utilisation of incentive programmes.

Operating income

All income including own work capitalised.

Operating profit/loss (EBIT)

Profit/loss before financial items and taxes.

Equity/assets ratio

Total equity divided by total assets. Total equity refers to taxed equity plus 78% of untaxed reserves.

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Contact

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Certified Adviser

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