



Year End Report January – December 2019



Above: This shows a picture of how the verification of our flue-gas cleaning technology now looks in our plant in Åsensbruk

Year End report Scandinavian Enviro Systems AB (publ) January – December 2019

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.

Q4 2019

- Net revenues for the period were MSEK 0.6 (0.3)
- Earnings after tax for the period were MSEK -13.1 (-10.8)
- Earnings per share for the period (before dilution) was SEK -0.03 (-0.08)
- Cash flow for the period after investments was MSEK -13.0 (-6.1)
- New project with RISE for converting the oil of Enviro to base oil products
- Update regarding plant agreements in the US and Denmark as well as a market update

Jan-December 2019

- Net revenues for the period were MSEK 1.1 (1.1)
- Earnings after tax for the period were MSEK -44.8 (-38.8)
- Earnings per share for the period (before dilution) was SEK -0.13 (-0.32)
- Cash flow for the period after investments was MSEK -42.0 (-25.8)
- Trelleborg Lanka places a serial sales order amounting to a yearly value of around EUR 180,000
- Elysium ApS (which is a possible candidate to become a joint venture with Enviro as co-owner) signs a rental agreement in Denmark for a plant in Nyborg
- A Life Cycle Analysis (LCA) covering Enviro's recovered carbon black concludes that its creation saves around 80% CO2 emissions compared to production of virgin carbon black (see graph below)
- Enviro signs a term sheet with TreadCraft Carbon LLC regarding a plant for recovering of Carbon Black, oil and steel from ELT (End of Life Tyres)
- Enviro is going to start up a fully owned holding company in the US as part of the establishment of local plants
- The company signs another term sheet with TreadCraft Carbon LLC, this time regarding the terms and conditions for a license agreement
- Enviro develops financing solutions for plants based on international corporate bonds
- Additional capital of around MSEK 48.6 MSEK before transaction costs has been allocated to the Company through the exercise of warrants (TO2)

Significant events after end of period

- Elysium receives an environmental permit with a 4-week possibility to appeal concerning a plant in Nyborg, Denmark

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

Increased Interest in Recovered Oil Bolsters Business Conditions for Enviro's Technology

We originally saw the sale of recovered carbon black as our biggest business opportunity. Since then, recovered materials have generally become even more attractive to the market—not just carbon black but also the oil that we recover from end-of-life tyres. Over the last quarter, our contacts with the oil industry have deepened and major opportunities are opening up for our recovered oil.

In recent years, Enviro's technology has seen increasing demand in the tyre and rubber industries as it provides answers to central questions of manufacturer liability and demands for a more circular economy with the recycling and reusing of strategic components. Our pyrolysis technology enables us to recover carbon black, which we then supply to tyre and rubber producers for use in new products. One such producer is AnVa Polytech, which uses our recovered carbon black to produce rubber parts for, among others, the automobile industry. Their customer base includes Volvo Cars. Since 2016, AnVa has delivered no fewer than approx. 80 million rubber components where our material has replaced fossil-produced carbon black by 100%. Around the world, more than one million Volvo vehicles are currently on the road that, by virtue of our ingredients, are having a significantly less negative impact on the environment than regular rubber. That is a positive for both the environment and for Volvo, and it emphasises the customer benefits generated by our technology. Enviro is also supplying recovered carbon black for solid tyres—and in 2020 we believe that the tyre industry will be our biggest customers of recovered carbon black.

Recovered Oil

The rubber in the tyres we are recovering with our technology consists not only of carbon black. In fact, our goal has always been to also extract other valuable substances, primarily oil. The oil that we are extracting at our Åsensbruk plant has a high-energy value that makes it suitable for use as fuel.

However, recovered oil—because of its high bio-content (from natural rubber)—has even greater commercial and environmental value when it can be refined into higher-value oil products. Over the past quarter, we have intensified our partnership with research institutions, such as the Swedish Research Institutes of Sweden AB (RISE), as well as various oil companies. Our ambition is to refine our Recovered oil for products with major areas of application, such as base, hydraulic, and lubricant oils. In doing so, the oil will open up even greater opportunities for the tyre and rubber industries to contribute to a more circular economy.

Once we are able to refine recovered oil further, it will be usable both as a fuel and a raw material for the production of new carbon black. Carbon black is produced by adding oil at high temperatures, and our oil would therefore be usable as an energy source for the process as well as a constituent raw material. Such developments would increase the commercial and environmental relevance of our technology and create additional revenue streams.

Another factor that will contribute to increased interest in our recovered oil includes the rule and excise tax changes that are being introduced to stimulate the increased use of reclaimed oil for environmental reasons in such places as the United Kingdom. There are clear signs that the oil industry is making provisions for these upcoming changes by working actively on lowering their climate change dynamics.

Ongoing Negotiations

Since our plan is to be part owners of future plants, we need to analyse all aspects thoroughly, both legal and operational, before they are built. This new strategy is the reason that our various negotiations about establishing plants have been somewhat protracted. As a small company with limited resources, we also need to identify creative financing solutions. All this takes time as there are many questions on which we need to agree with our partners. It might be going slowly, but we are steadily making progress.

As we have previously announced, Elysium has been granted an environmental permit for a planned plant in Nyborg, Denmark. The Danish authorities have also recently decided to update their plan regulations for a recycling plant at the designated site. The change will make it possible to build a plant without any major changes to the fundamental design after increasing its maximum height to 18 meters. In parallel, the Danish authorities are continuing their regular permit examination process. We are also engaged in negotiations with the American company TreadCraft, but we do not currently have any estimated completion date for those talks. Concurrently, we are conducting negotiations with other potential partners regarding plant establishments.

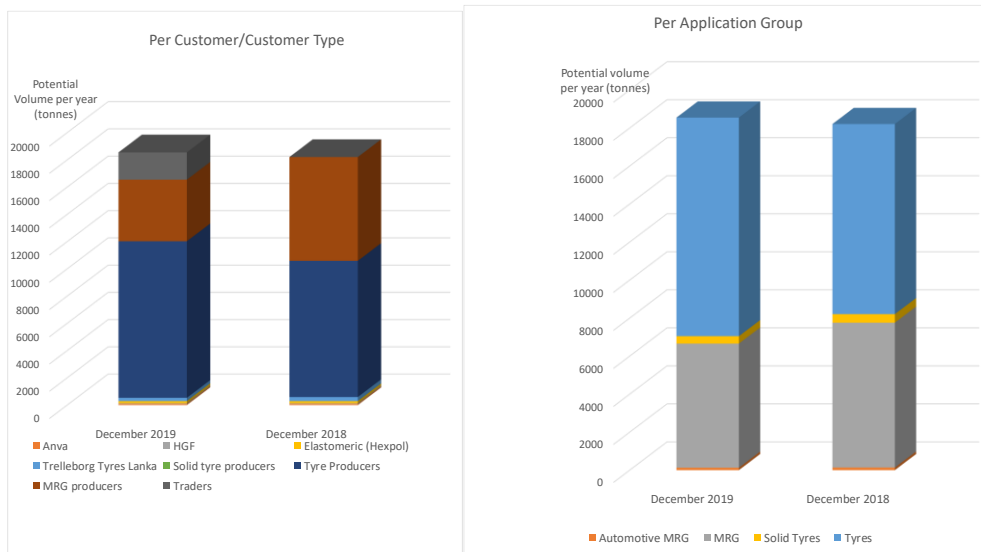
Åsensbruk

The Åsensbruk investment programme is progressing according to plan and we are continuously working on a controlled increase of the volume for the plant. In parallel with this, we are also making the necessary new employments required to be able to produce and supply the expected quantities. A major part of these supplemental investments is that they will provide us with validation of the technology that we will be using for future plants.

Thomas Sörensson

Chief Executive Officer

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



The lowest status of the customers on this list is where production tests have or are being conducted.

Below: Status ongoing customer contacts regarding future plants

Customer	Cap. 'tonnes tyres/year	Status	Type	Country
TreadCraft	30	Signed Term sheet	Recycling	USA
WindSpace	30	Under structuring	Investor	Denmark
Not official	30	Quotation	Investor/Industri	Abu Dhabi
Not official	30	Quotation	Tyre Manufacturer	Chile

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

Financial summary

Q4 2019

Group revenues and results

Net revenues for the period were MSEK 0.6 (0.3). Operating results totalled MSEK -13.1 (-9.5), and earnings after tax were MSEK -13.1 (-10.8).

The total turnover has been doubled compared with Q4 2018 as the plant has been taken into operation after a number of investment projects during spring and summer. The decrease of the result is mainly explained by higher external costs of MSEK 1.8 consisting of mainly legal costs in connection with creation of future agreements, patent costs and running costs that are not balanced during the implementation of the plant in Åsensbruk. Further the personnel costs of totally MSEK 1.7 higher than last year mainly in connection with additional employment of staff, travelling expenses and staff returning from maternity leave. The interest net is MSEK 1.3 better than last year thanks to that all interest-bearing short-term loans in the mother company have been amortized.

Investments and financial standing

During the quarter investments made were of MSEK 4.6 (0.5). The investments are related to additional investments in the plant in Åsensbruk as well as ongoing patents. Cash flow from operating activities after investing activities for the period were MSEK -13.0 (-6.1). The decrease is mainly due to lower operating income as well as interest net of MSEK 2.2 compared to Q4 2018, but also due to a higher CAPEX of MSEK 4.0 compared to last year. This is compensated with an improvement of the change of the working capital of MSEK 0.7 compared to the same period last year.

JANUARY – DECEMBER 2019

Group revenues and results

Net revenues for the period were MSEK 1.1 (1.1). Operating results totalled MSEK -44.4 (-36.1), and earnings after tax were MSEK -44.8 (-38.8). The decrease of the result compared to last year is mainly explained of by the following factors: Higher fixed costs in connection with legal support for future agreements and running costs in connection with improvements in the plant in Åsensbruk of totally MSEK 4.8. The

personnel costs of totally MSEK 2.7 higher than last year mainly in connection with additional employment of staff, travelling expenses and staff returning from maternity leave. The interest net is MSEK 2.4 lower thanks to that all interest-bearing loans in the mother company now have been amortised.

Investments and financial standing

Investments of the group in fixed assets amounted to MSEK 11.0 (0.8). On top of that the company has paid a deposit of MSEK 0.2 in connection with a new office rental contract. The investments consist of additional investments in the plant in Åsensbruk and of patent application costs. The cash flow from operating activities after investing activities for the period were MSEK -42.0 (-25.8). The decrease in the cashflow is mainly due to lower operating income after adjustment of working capital of MSEK 6.0 as well as higher investments of MSEK 10.2 compared to the same period 2018. Further around MSEK 48.6 (before rights costs) of capital was added in connection with the subscription of warrants (TO2) during September 2019.

The group cash amounted to MSEK 58.7 (24.9) at the end of the period.

The equity/assets ratio was 90 (84) percent.

Mother company

The net revenues for the parent company totalled MSEK 3.2 (3.22), and profit after financial items was MSEK -34.5 (-32.0). 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 4.1 higher than last year as well as staff expenses, which are MSEK 1.9 higher than last year in connection with among others travelling expenses and staff returning from maternity leave. The interest net has improved with MSEK 2.0 due to that all interest bearing, short term liabilities have been amortized. The investments in fixed assets amounted to MSEK 0.7 (0.4). The investments of the year are mainly related to the patents of the Company.

The Equity/assets ratio at the period-end was 97 (91) %.

Staff and Organisation

The group has 20 (17) employees at the period-end.

Executed transactions with related parties

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

Number of shares

Total shares outstanding at the end of the period was 464,660,892 (132,019,140).

Risks and uncertainties

A detailed description of risks and uncertainty factors is provided on pages 18-22 in the 2018

share issue prospectus. No new risks are assessed to have arisen in relation to those listed there.

FINANCIAL KEY RATIOS

Accounting policies

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

Financial Key Ratios

	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
EBITDA (KSEK)	-9,886	-6,344	-31,716	-23,445
Operating margin (%) ¹⁾	neg.	neg.	neg.	neg.
Equity Ratio (%) ²⁾	-	-	90,0%	83,6%
Return on capital employed (%) ³⁾	-7,5%	-6,3%	-25,5%	-23,0%
Interest-bearing liabilities (KSEK) ⁴⁾	-	-	7,112	22,280
Earnings per share before dilution (SEK)	-0,03	-0,08	-0,13	-0,32

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

December 30, 2019

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Shareholders	Ownership share
Pegroco Invest AB (including Pegroco Holding AB)	7,82%
Försäkringsbolaget Avanza Pension	7,22%
Nordnet Pensionsförsäkring AB	3,96%
TAMT AB (including main owner)	3,32%
Lennart Persson	2,56%
10 largest owners	29,72%
Others	70,28%

Planned reporting schedule

Year End Report 2019

Feb 28, 2020

Annual Report 2019

Apr 23, 2020

Interim Report Jan-Mar 2020

May 19, 2020

General Meeting 2020

May 19, 2020

Results Disposition	KSEK
Unrestricted Equity	
Share Premium Reserve	376,814
Retained Earnings	-188,007
Profit/Loss for the period	-43,327
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	145,479
The Board of Directors propose that the whole unrestricted equity, KSEK 145,479 be carried over to the next financial year	

Gothenburg Feb 28, 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	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018	Jan-Dec 2018
Operating income					
Net sales	609	264	1,089	1,129	1,129
Other operating income	30	308	63	345	345
Changes in stocks of finished goods	-81	110	35	-17	-17
	558	682	1,187	1,457	1,457
Operating expenses					
Raw materials and consumables	-179	-174	-621	-600	-600
Other external costs	-4,888	-3,109	-15,393	-10,608	-10,608
Personnel costs	-5,377	-3,744	-16,888	-13,693	-13,693
Depreciation of tangible and intangible assets	-2,892	-2,865	-11,500	-11,433	-11,433
Amortization of acquired goodwill	-305	-305	-1,219	-1,219	-1,219
	-13,641	-10,196	-45,622	-37,554	-37,554
Operating profit/loss	-13,083	-9,514	-44,435	-36,097	-36,097
Profit/loss from financial items					
Interest income and similar items	84	19	178	61	61
Interest expenses and similar items	-99	-1,341	-498	-2,749	-2,749
	-15	-1,322	-320	-2,689	-2,689
Profit/loss after financial items	-13,098	-10,836	-44,755	-38,786	-38,786
Tax for the period	-	-	-	-	-
Profit/loss for the period	-13,098	-10,836	-44,755	-38,786	-38,786
Number of shares at the end of the period	464,660,892	132,019,140	464,660,892	132,019,140	132,019,140
Average number of shares before dilution	462,021,520	131,355,091	357,069,314	122,720,995	122,720,995
Average number of shares after dilution	462,021,520	131,355,091	357,069,314	122,720,995	122,720,995
Earnings per share before dilution (SEK)	-0,03	-0,08	-0,13	-0,32	-0,32
Earnings per share after dilution (SEK)	-0,03	-0,08	-0,13	-0,32	-0,32

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in KSEK	Dec 31, 2019	Dec 31, 2018
ASSETS		
Committed but not paid capital	-	45,069
Fixed assets		
<i>Intangible fixed assets</i>		
Capitalized expenditures for development	34,903	40,020
Patents and similar rights	4,108	4,200
Goodwill	4,876	6,095
	43,887	50,316
<i>Property, plant and equipment</i>		
Machinery and other technical facilities	69,885	65,349
Equipment, tools, and installations	135	72
	70,020	65,421
<i>Financial non-current assets</i>		
Other non-current receivables	148	-
	148	-
Total fixed assets	114,054	115,737
Current assets		
<i>Inventories, etc.</i>		
Raw materials and consumables	84	97
Goods in progress	49	63
Finished products and goods for resale	165	116
Inventory spare parts	361	-
	659	276
<i>Current receivables</i>		
Trade receivables	320	148
Other receivables	2,019	2,011
Prepaid costs and accrued income	1,074	847
	3,413	3,006
<i>Cash and cash equivalents</i>	58,666	24,869
Total current assets	62,738	28,151
TOTAL ASSETS	176,792	188,957
EQUITY AND LIABILITIES		
Equity		
Share capital	18,586	5,281
Other capital contributions	377,315	344,728
Other capital, including profit/loss for the year	-236,766	-192,011
	159,136	157,997
Non-current liabilities		
Other liabilities to credit institutions	3,944	7,112
	3,944	7,112
Current liabilities		
Amounts owed to credit institutions	3,168	3,168
Trade payables	3,178	2,629
Other current liabilities	2,550	14,787
Accrued expenditures and prepaid income	4,817	3,263
	13,713	23,848

CHANGES IN EQUITY, CONSOLIDATED

Amounts in KSEK	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

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

STATEMENT OF CASH FLOW, CONSOLIDATED

Amounts in KSEK	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018	Jan-Dec 2018
<i>Operating activities</i>					
Operating profit/loss	-13,083	-9,514	-44,435	-36,097	-36,097
Adjustments for items not part of the cash flow	3,197	3,170	12,719	12,652	12,652
Capital gain/loss on fixed assets	-	-	-	4	4
Interest received	84	19	178	61	61
Interest paid	-99	-1,341	-498	-2,749	-2,749
Cash flow from operating activities before changes in working capital	-9,901	-7,666	-32,035	-26,130	-26,130
<i>Cash flow from changes in working capital</i>					
Increase (-)/reduction (+) in inventories	-282	-169	-383	4	4
Increase (-)/reduction (+) in trade receivables	-225	38	-172	-78	-78
Increase (-)reduction (+) in other receivables	275	68	-235	33	33
Increase (+)/reduction (-) in trade payables	2,151	1,072	548	1,065	1,065
Increase (+)/reduction (-) in current liabilities	-453	1,010	1,317	152	152
Cash flow from ordinary course of business	-8,435	-5,647	-30,960	-24,953	-24,953
Investment activities					
Acquisition of intangible assets	-200	-64	-580	-402	-402
Acquisition of property, plant and equipment	-4,361	-409	-10,309	-409	-409
Changes in long-term receivables	-	-	-148	-	-
Cash flow from investment activities	-4,561	-473	-11,037	-811	-811
Financing activities					
New rights issue	-	2,303	93,633	13,622	13,622
Expenses related to issue	-25	-14,290	-2,671	-14,502	-14,502
Ongoing rights issue	-	37,120	-	39,423	39,423
Amortisation/Increase of debts	-792	-1,792	-15,168	2,624	2,624
Cashflow from financing activities	-817	23,342	75,794	41,167	41,167
Cash flow for the period	-13,813	17,222	33,797	15,403	15,403
Cash and cash equivalents at the beginning of the period	72,479	7,647	24,869	9,466	9,466
Cash and cash equivalents at the end of the period	58,666	24,869	58,666	24,869	24,869

STATEMENT OF INCOME, PARENT COMPANY

Amounts in KSEK	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018	Jan-Dec 2018
Operating revenues					
Net sales	798	798	3,192	3,192	3,192
Other Operating Income	30	308	63	345	345
	828	1,106	3,255	3,537	3,537
Operating expenses					
Other external costs	-9,557	-7,789	-34,931	-30,760	-30,760
Personnel expenses	-3,242	-2,304	-10,489	-8,575	-8,575
Depreciation of tangible and intangible assets	-1,470	-1,441	-5,811	-5,745	-5,745
	-14,268	-11,535	-51,232	-45,081	-45,081
Operating profit/loss	-13,441	-10,429	-47,977	-41,545	-41,545
Profit/loss from financial items					
Interest income and similar items	84	-	178	4	4
Interest expenses and similar items	-0	-1,105	-29	-2,032	-2,032
	84	-1,105	149	-2,028	-2,028
Profit/loss after financial items	-13,357	-11,534	-47,827	-43,573	-43,573
Group contributions	4,500	6,200	4,500	6,200	6,200
Profit/loss after balance sheet allocations	-8,857	-5,334	-43,327	-37,373	-37,373
Tax on net profits for the period					
Profit/loss for the period	-8,857	-5,334	-43,327	-37,373	-37,373

STATEMENT OF FINANCIAL POSITION, PARENT COMPANY

Amounts in KSEK	Dec 31, 2019	Dec 31, 2018
ASSETS		
Committed but not paid capital	-	45,069
Fixed assets		
<i>Intangible fixed assets</i>		
Capitalized expenditures for development	34,853	39,970
Patents and similar rights	4,108	4,200
	38,960	44,170
<i>Tangible fixed assets</i>		
Equipment, tools, and installations	135	72
	135	72
<i>Financial non-current assets</i>		
Investments in group companies	36,891	36,891
Long-term receivables, group enterprises	38,001	29,211
Other long-term receivables	148	-
	75,039	66,101
Total fixed and non-current assets	114,134	110,344
Current assets		
<i>Current receivables</i>		
Other receivables	1,938	1,951
Prepaid costs, accrued earnings	671	473
	2,609	2,425
<i>Cash and cash equivalents</i>	56,300	23,553
Current assets, total	58,909	25,978
TOTAL ASSETS	173,043	181,391
EQUITY AND LIABILITIES		
Equity		
<i>Restricted equity</i>		
Share capital	18,586	5,281
Share capital not registered	-	8,449
Statutory reserve	502	502
Fund for development expenses	2,820	3,192
<i>Unrestricted equity</i>		
Share premium reserve	376,814	296,530
Ongoing share issue	-	76,043
Share right issue costs	-	-36,796
Retained earnings	-188,007	-151,006
Profit/loss for the period	-43,327	-37,373
	167,388	164,823
Current liabilities		
Amounts owed to credit institutions	-	-
Trade payables	881	1,141
Other current liabilities	1,406	13,367
Accrued costs and prepaid income	3,368	2,061
	5,654	16,568
TOTAL EQUITY AND LIABILITIES	173,043	181,391

CHANGES IN EQUITY, MOTHER COMPANY

Amounts in KSEK		Jan 1-Dec 31, 2019							
	Restricted equity				Fund for development costs	Unrestricted equity			Profit/loss for the period
	Share capital	Ongoing rights issue	Statutory reserve			Share premium reserve	Ongoing rights issue	Retained earnings	
Opening balance, equity	5,281	8,449	502		3,193	274,024	61,753	-151,006	-37,373
Adjustment of previous year's profit and loss	-	-	-	-	-	-	-	-37,373	37,373
Profit/loss for the period	-	-	-	-	-	-	-	-	-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

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

STATEMENT OF CASH FLOW, MOTHER COMPANY

Amounts in KSEK	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018	Jan-Dec 2018
<i>Operating activities</i>					
Operating profit/loss	-13,441	-10,429	-47,977	-41,545	-41,545
Adjustments for items not part of the cash flow	1,470	1,441	5,811	5,745	5,745
Capital gain/loss on fixed assets	-	-	-	4	4
Interest received	84	-	178	4	4
Interest paid	-0	-1,105	-29	-2,032	-2,032
Cash flow from operating activities before changes in working capital	-11,887	-10,093	-42,016	-37,824	-37,824
<i>Cash flow from changes in working capital</i>					
Increase (-) reduction (+) in other receivables	236	4	-184	-17	-17
Increase (+)/reduction (-) in trade payables	417	287	-259	696	696
Increase (+)/reduction (-) in current liabilities	616	771	1,345	-147	-147
Cash flow from ordinary course of business	-10,617	-9,031	-41,114	-37,291	-37,291
Investment activities					
Acquisition of intangible assets	-200	-64	-580	-402	-402
Changes in long-term receivables	-8,335	-3,885	-8,938	2,160	2,160
Cash flow from investment activities	-8,561	-3,949	-9,602	1,758	1,758
Financing activities					
New rights issue	-	2,303	93,633	13,622	13,622
Expenses related to issue	-25	-14,290	-2,671	-14,502	-14,502
Ongoing rights issue	-	37,120	-	39,423	39,423
Group Contributions	4,500	6,200	4,500	6,200	6,200
Amortisation/Increase of debts	-	-1,000	-12,000	6,000	6,000
Cashflow from financing activities	4,475	30,334	83,462	50,743	50,743
Cash flow for the period	-14,704	17,354	32,746	15,210	15,210
Cash and cash equivalents at the beginning of the period	71,002	6,198	23,553	8,342	8,342
Cash and cash equivalents at the end of the period	56,299	23,553	56,299	23,553	23,553