

Enviro

Half Year Report January-June 2022

Half Year Report Scandinavian Enviro Systems AB (publ) January – June 2022

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 2022

- Net revenues for the period were MSEK 1.9 (0.5)
- Earnings after tax for the period were MSEK -21.3 (-15.3)
- Earnings per share for the period (before dilution) was SEK -0.03 (-0.03)
- Cash flow for the period after investments was MSEK -25.8 (-15.7)
- Enviro granted environmental permit for planned facility in Uddevalla
- Enviro's pyrolysis oil approved under REACH - the company is now to execute a MSEK 2 order
- Enviro launches a new branding platform
- Michelin presents an even more sustainable racing tyres using Enviro's recovered carbon black
- Enviro granted renewed loan of MSEK 6.5 associated with Åsensbruk operations

Jan-Jun 2022

- Net revenues for the period were MSEK 3.3 (5.1)
- Earnings after tax for the period were MSEK -39.1 (-27.4)
- Earnings per share for the period (before dilution) was SEK -0.06 (-0.05)
- Cash flow for the period after investments was MSEK -47.6 (-25.0)
- Enviro receives a pyrolysis oil order worth MSEK 2 from a subsidiary of a leading US oil company
- Enviro has EUR 32,000 loan converted to grant as a result of establishment in Chile
- Enviro receives order for recovered carbon black from a major European tyre manufacturer
- Sharp increase of interest in Enviro's recovered materials as a result of the war in Ukraine

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

A quarter during which we passed several key milestones

In this year's second quarter, Enviro continued to tick off key milestones in the company's development. At the end of June, we received the environmental permit for the planned plant in Uddevalla, at the same time as our pyrolysis oil was approved as an intermediate pursuant to the EU REACH regulation. Both events represent critical milestones for the future commercialisation and industrialisation of our unique recycling technology for valuable raw materials.

It was excellent news in many regards when we were able to announce in June this year that we had received an environmental permit for the planned recycling plant in Uddevalla. The planned plant in Uddevalla will become somewhat of a hub for our expansion and will be important both as our first full-scale facility and as a centre of excellence and development for our technology. The relatively quick processing of our application (we submitted our application as late as November last year) was also good news since it means that we have succeeded in implementing a solid process both for preparing and applying for environmental permits. Our success with this is essential for our continued expansion since efficient permit processes will comprise a critical success factor.

The REACH approval we received at the end of June is equally important for our continued expansion and means approval for our recovered pyrolysis oil as an intermediate under the EU REACH regulation, which opens the path for commercial trading in the oil. In tangible terms, the approval allows us to sell up to 1,000 tonnes of our oil each year. It also means we can deliver the previously announced MSEK 2 order from an American oil company. To support broad commercialisation of the oil and the company's expansion plan, Enviro will apply for REACH approval for the sale of unlimited volumes.

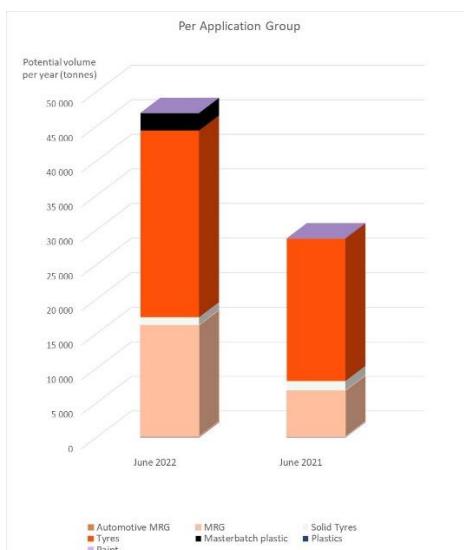
Taken together, the approved environmental permit and REACH approval mean we have now made a major advance towards establishing the planned recycling plant in Uddevalla. As we announced previously, a final decision on establishment depends on several factors, including the granting of an environmental permit. Other decisive prerequisites that need to be secured consist of access to end-of-life tyres and agreements covering deliveries of recovered materials. REACH approval is at the core of the latter as it clearly improves our possibilities in terms of signing long-term supply agreements for recovered oil from the planned Uddevalla plant. By finalising our Front End Engineering Design (FEED) in the quarter, we also completed an important phase in the plant's technical design. Given that all our future plants will be based on the completed design, having it in place is central both for the establishment of the Uddevalla plant and for our commercialisation and industrialisation in general.

Geopolitical unrest driven by the war in Ukraine continued to grow in the second quarter and was accompanied by sharp hikes in prices for energy and other key commodities. First and foremost, the war is a great human tragedy, but it also impacts the supply of oil and carbon black, thus leading to substantially increased interest both in our recovered carbon black and in our recovered oil. As we have previously communicated, the European tyre and rubber industry's sourcing of a significant proportion of the carbon black it uses from Ukraine, Russia and Belarus has led to an increase in the number of enquiries both from new and old customers. The war has also given rise to an intensified focus on security of supply issues, which has resulted in both Sweden and the rest of Europe conducting investigations to review our security of supply regarding valuable and critical raw materials. Our technology offers the tyre and rubber industry a tremendous opportunity to increase its environmental sustainability, at the same time as it comprises an equally great opportunity to reduce its dependence on complex and vulnerable supply chains.

Thomas Sörensson

Chief Executive Officer

Below: Status of the interest in Enviro's carbon black and potential carbon black customers.



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

Below: Status ongoing customer contacts regarding future plants

Customer	Cap. 'tonnes tyres/year'	Status	Type	Country
Michelin	30	Agreement signed	Tyre Manufacturer	Chile
Own Project	Max 60	Environmental permit approved	N/A	Sweden
Own project	90	Feasability study	N/A	UK

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 2022

Group revenue and results

Net revenues for the period were MSEK 1.9 (0.5). Operating results totalled MSEK -21.4 (-15.3), and earnings after tax were MSEK -21.3 (-15.3).

The decrease of the result compared to last year with MSEK 6.0 is mainly explained by higher external costs, majorly external consultancy costs, but also running costs in connection with improvements in the plant in Åsensbruk – totally MSEK 4.0 higher. The company has incurred higher electricity costs, which are included in the above, of MSEK 0.5 more than last year. The personnel costs were MSEK 3.1 higher than during the same period last year due to strengthening of the staff in both the parent company and the subsidiary, but mainly due to a payment of a stay-on bonus to key employees in connection with the incentive programme LTIP 2021/2024, which was approved by the Annual General Meeting. All employees concerned are still employed within the group. The total cost for this bonus payment was around MSEK 2.6 including social fees. Further the depreciation has been MSEK 0.1 higher than during the same period in 2021. On the other hand, the gross profit is MSEK 1.1 higher than last year mainly due to increased turnover in connection with the project in Chile together with Michelin. Finally, the finance net was MSEK 0.1 higher than during Q2 2021.

Investments and financial standing

Investments of the group in fixed assets amounted to MSEK 10.0 (2.3). The investments consist of additional investments in the plant in Åsensbruk, as well as a FEED (Front End Engineering Design) for future plants, of which Uddevalla is the first one. The cash flow from operating activities after investing activities for the period were MSEK -25.8 (-15.6).

The decrease in the cashflow is related to a lower operating result before adjustments of working capital of MSEK 5.9. However, the changes in working capital have been positive with MSEK 3.3 during the period. This increase is mainly related to an increase in trade payables. Additional to that, the

investments have been MSEK 7.6 higher compared to the same period 2021.

The group has, via its subsidiary Tyre Recycling in Sweden AB, obtained a bank loan of MSEK 6.5, which mainly will be used for financing of a substantial part of the investments in the plant in Åsensbruk. The loan has a duration of 8 (eight) years and has currently an interest of four (4) percent.

JANUARY – MARCH 2022

Group revenues and results

Net revenues for the period were MSEK 3.3 (5.1). Operating results totalled MSEK -39.2 (-27.3), and earnings after tax were MSEK -39.1 (-27.4).

The decrease of the result compared to last year with MSEK 11.7 is explained of by a lower gross profit of MSEK 2.4 as a sale to Michelin was included in the sales figures of last year, higher external costs of MSEK 7.0 compared with 2021, mainly in connection with consultancy support including the new branding platform of the company, higher running costs in connection with improvements in the plant in Åsensbruk, as well as higher electricity costs in the plant in Åsensbruk. The personnel costs were totally MSEK 2.1 higher than last year partly due to strengthening of the staff in both the parent company and the subsidiary, but mainly due to a payment of a stay-on bonus to key employees in connection with the incentive programme LTIP 2021/2024, which was approved by the Annual General Meeting. In addition to that depreciation has been MSEK 0.3 higher than during the same period last year. The finance net, on the other hand, was MSEK 0.1 higher than during the same period 2021.

Investments and financial standing

Investments of the group in fixed assets amounted to MSEK 19.5 (3.9). The investments consist of additional investments in the plant in Åsensbruk, as well as a Front End Engineering Design (FEED) for the coming plans, of which Uddevalla is the first one. The cash flow from operating activities after investing activities for the period were MSEK -51.7 (-24.7).

The decrease in the cashflow is related to a lower operating result before adjustments of working capital of MSEK 11.5. However, the change in working capital has been positive during the year with MSEK 4.3. The investments have been MSEK 15.6 higher compared to the same period in 2021.

During 2021 the company signed an agreement with an international investment bank, Greenhill & Co, and are currently working together with them on a both long and short term solution for the future financing of the company and its expansion plan.

The group cash amounted to MSEK 81.3 (39.5) at the end of the period.

The equity/assets ratio was 88 (91) percent.

Parent company

The net revenues for the parent company totalled MSEK 2.5 (5.6), and the result after tax was MSEK -36.5 (-25.2). Around 63 (28)% of the turnover are sales related to group companies for internal services. In last year's turnover a part of the engineering services which is included in the previously communicated agreements between the company and Michelin. For the rest the company has incurred higher external expenses of MSEK 5.3 compared to 2021, mainly consultancy expenses as well as the new company branding platform. The staff costs are MSEK 1.7 higher than during the same period last year partly due to strengthening of the staff in both the parent company and the subsidiary, but mainly due to a payment of a stay-on bonus to key employees in connection with the incentive programme LTIP 2021/2024, which was approved by the Annual General Meeting. The investments in fixed assets amounted to MSEK 8.8 (2.5). The investments of the year are mainly related to a FEED for future plants.

The Equity/assets ratio at the period-end was 94 (95) %.

Staff and Organisation

The group has 27 (23) employees at the period-end.

Executed transactions with related parties

The parent company has invoiced Michelin according to existing agreement with MSEK 0.9. Further, in the parent company, for 2022 consultancy fees to P 30 Ltd, (Peter Möller, board member), of MSEK 0.6 have been included. In addition to that consultancy fees to Blomqvist Unlimited AB (Alf Blomqvist, chairman of the board) of MSEK 0.6 have been included. Further, the subsidiary Tyre Recycling in Sweden AB has invoiced three different Michelin-owned companies for an amount of around MSEK 0.8. This concerns sales of recovered carbon black and services. These transactions are evaluated by the company management to be according to market conditions.

Number of shares

Total shares outstanding at the end of the period was 656,615,589 (590,826,115).

Risks and uncertainties

A detailed description of risks and uncertainty factors is provided on page 43 and 56 of the annual report of 2021. Covid-19 could have a negative effect on the commercialisation of the company, not least through potential imbalances in logistical flows and/or lockdown situations of societies or partly thereof.

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

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
EBITDA (KSEK)	-17,924	-11,926	-32,280	-20,707	-43,453
Operating margin (%) ¹⁾	neg.	neg.	neg.	neg.	neg.
Equity Ratio (%) ²⁾	-	-	87.5%	91.1%	93.5%
Return on capital employed (%) ³⁾	-10.5%	-11.1%	-18.5%	-18.9%	-30.4%
Interest-bearing liabilities (KSEK) ⁴⁾	-	-	6,432	2,360	776
Earnings per share before dilution (SEK)	-0.03	-0.03	-0.06	-0.05	-0.10

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, 2022

Shareholders	Ownership share
Michelin Ventures S.A.S	20.00%
Försäkringsbolaget Avanza Pension	7.55%
Nordnet Pensionsförsäkring AB	2.53%
Peak AM Securities AB (Lennart Persson)	1.82%
BNY Mellon BA/NV, Brussels	1.47%
10 largest owners	36.76%
Others	63.24%

Planned reporting schedule

Interim Report January-September 2022

Nov 24, 2022

Year End Report 2022

Feb 23, 2023

Gothenburg August 24, 2022

The board of directors and Managing Director

Scandinavian Enviro Systems AB (publ)

This interim report has not been subject to auditing by the company's auditors.

Questions answered by

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Urban Folcker, CFO, Phone: +46 760 00 13 11, urban.folcker@envirosystems.se

CONSOLIDATED STATEMENT OF INCOME

Amounts in KSEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operating income					
Net sales	1,857	484	3,306	5,124	7,592
Other operating income	146	-	146	-	403
Changes in stocks of finished goods	- 311	23	- 549	34	586
	1,692	507	2,902	5,158	8,580
Operating expenses					
Raw materials and consumables	- 292	- 215	- 718	- 559	- 1,493
Other external costs	- 9,761	- 5,705	- 19,354	- 12,332	- 26,517
Personnel costs	- 9,563	- 6,513	- 15,111	- 12,973	- 24,024
Depreciation of tangible and intangible assets	- 3,167	- 3,072	- 6,327	- 6,031	- 12,227
Amortization of acquired goodwill	- 305	- 305	- 610	- 610	- 1,219
	- 23,087	- 15,811	- 42,120	- 32,504	- 65,480
Operating profit/loss	- 21,395	- 15,304	- 39,217	- 27,347	- 56,900
Profit/loss from financial items					
Interest income and similar items	106	3	146	61	163
Interest expenses and similar items	- 24	- 14	- 51	- 90	- 298
	81	- 11	95	- 29	- 135
Profit/loss after financial items	- 21,313	- 15,314	- 39,122	- 27,375	- 57,034
Tax for the period	-	-	-	-	-
Profit/loss for the period	- 21,313	- 15,314	- 39,122	- 27,375	- 57,034
Number of shares at the end of the period	656,615,589	590,826,115	656,615,589	590,826,115	656,615,589
Average number of shares before dilution	656,615,589	581,595,346	656,615,589	581,212,855	599,757,622
Average number of shares after dilution	674,563,117	585,737,083	674,563,117	583,295,165	609,149,342
Earnings per share before dilution (SEK)	- 0.03	- 0.03	- 0.06	- 0.05	- 0.10
Earnings per share after dilution (SEK)	- 0.03	- 0.03	- 0.06	- 0.05	- 0.09

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in KSEK	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development	42,229	33,595	36,383
Patents and similar rights	3,095	3,605	3,410
Goodwill	1,829	3,048	2,438
	47,152	40,248	42,232
<i>Property, plant and equipment</i>			
Machinery and other technical facilities	78,160	68,885	70,543
Equipment, tools, and installations	143	90	129
	78,302	68,976	70,672
<i>Financial non-current assets</i>			
Other non-current receivables	148	148	148
	148	148	148
Total fixed assets	125,602	109,371	113,051
Current assets			
<i>Inventories, etc.</i>			
Raw materials and consumables	37	41	96
Goods in progress	28	82	110
Finished products and goods for resale	820	622	1,276
Inventory spare parts	895	1,016	817
	1,780	1,761	2,298
<i>Current receivables</i>			
Trade receivables	1,397	233	368
Other receivables	2,828	2,433	2,671
Prepaid costs and accrued income	1,978	1,178	1,402
	6,202	3,844	4,441
<i>Cash and cash equivalents</i>			
	81,307	39,494	123,245
Total current assets	89,290	45,098	129,984
TOTAL ASSETS	214,892	154,470	243,036
EQUITY AND LIABILITIES			
Equity			
Share capital	26,265	23,633	26,265
Other capital contributions	544,701	431,229	544,701
Other capital, including profit/loss for the year	- 382,924	- 314,143	- 343,802
	188,041	140,719	227,163
Non-current liabilities			
Other liabilities to credit institutions	5,616	-	-
	5,616	-	-
Current liabilities			
Amounts owed to credit institutions	816	2,360	776
Trade payables	7,100	1,956	5,543
Other current liabilities	1,677	2,479	1,375
Accrued expenditures and prepaid income	11,641	6,956	8,178
	21,235	13,751	15,872
TOTAL EQUITY AND LIABILITIES	214,892	154,470	243,036

CHANGES IN EQUITY, CONSOLIDATED

Amounts in KSEK	Jan 1 - Jun 30, 2022		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
Opening balance, equity	26,265	544,701	- 343,802
Profit/loss for the period	-	-	- 39,122
Added capital via warrant programmes	-	-	-
New share issue	-	-	-
Expenses related to issue	-	-	-
Closing balance, equity	26,265	544,701	- 382,924

Amounts in KSEK	Jan 1 - Jun 30, 2021		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
Opening balance, equity	23,233	405,165	- 286,768
Profit/loss for the period	-	-	- 27,375
Fund for development costs	-	-	4,444
Profits brought forward	-	-	- 4,444
New share issue	400	26,136	-
Expenses related to issue	-	-	- 73
Closing balance, equity	23,633	431,302	- 314,216

Amounts in KSEK	Jan 1 - Dec 31, 2021		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
Opening balance, equity	23,233	405,165	- 286,768
Profit/loss for the period	-	-	- 57,034
Added capital via warrant programmes	-	5,586	-
New share issue	3,032	142,919	-
Expenses related to issue	-	- 8,969	-
Closing balance, equity	26,265	544,701	- 343,802

STATEMENT OF CASH FLOW, CONSOLIDATED

Amounts in KSEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
<i>Operating activities</i>					
Operating profit/loss	- 21,395	- 15,304	- 39,217	- 27,347	- 56,900
Adjustments for items not part of the cash flow	3,471	3,377	6,937	6,640	13,446
Interest received	106	3	146	61	163
Interest paid	- 24	- 14	- 51	- 90	- 298
Cash flow from operating activities before changes in working capital	- 17,842	- 11,937	- 32,185	- 20,735	- 43,588
<i>Cash flow from changes in working capital</i>					
Increase (-) / reduction (+) in inventories	288	19	519	30	- 508
Increase (-) / reduction (+) in trade receivables	134	36	- 1,029	- 79	- 214
Increase (-) reduction (+) in other receivables	- 603	- 76	- 733	- 562	- 1,025
Increase (+)/reduction (-) in trade payables	1,975	- 977	1,557	- 1,261	2,326
Increase (+)/reduction (-) in current liabilities	216	- 292	3,766	1,591	1,709
Cash flow from ordinary course of business	- 15,832	- 13,228	- 28,106	- 21,017	- 41,299
<i>Investment activities</i>					
Acquisition of intangible assets	- 3,226	- 1,766	- 8,719	- 2,487	- 8,095
Acquisition of property, plant and equipment	- 6,738	- 572	- 10,769	- 1,459	- 6,337
Changes in long-term receivables	-	-	-	-	-
Cash flow from investment activities	- 9,964	- 2,338	- 19,488	- 3,946	- 14,432
<i>Financing activities</i>					
New rights issue	-	26,536	-	26,536	145,950
Expenses related to issue	-	- 73	-	- 73	- 8,969
Added capital via warrant programmes	-	-	-	-	5,586
Amortisation/Increase of debts	6,374	- 792	5,656	- 1,584	- 3,168
Cashflow from financing activities	6,374	25,672	5,656	24,880	139,399
Cash flow for the period	- 19,422	10,106	- 41,938	- 83	83,669
Cash and cash equivalents at the beginning of the period	100,729	29,388	123,245	39,576	39,576
Cash and cash equivalents at the end of the period	81,307	39,493	81,307	39,493	123,245

STATEMENT OF INCOME, PARENT COMPANY

Amounts in KSEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operating revenues					
Net sales	1,712	824	2,515	5,647	8,612
Other Operating Income	134	-	134	-	391
	1,847	824	2,649	5,647	9,003
Operating expenses					
Other external costs	- 12,565	- 9,837	- 24,671	- 19,406	- 41,252
Personnel expenses	- 6,957	- 4,300	- 10,300	- 8,606	- 15,197
Depreciation of tangible and intangible assets	- 1,609	- 1,462	- 3,212	- 2,923	- 5,954
	- 21,131	- 15,599	- 38,184	- 30,935	- 62,403
Operating profit/loss	- 19,285	- 14,775	- 35,535	- 25,288	- 53,400
Profit/loss from financial items					
Interest income and similar items	72	- 1	92	56	154
Interest expenses and similar items	- 1	- 0	- 20	- 0	- 162
	71	- 1	73	55	- 8
Profit/loss after financial items	- 19,213	- 14,776	- 35,462	- 25,233	- 53,408
Group contributions	-	-	-	-	-
Profit/loss after balance sheet allocations	- 19,213	- 14,776	- 35,462	- 25,233	- 53,408
Tax on net profits for the period					
Profit/loss for the period	- 19,213	- 14,776	- 35,462	- 25,233	- 53,408

STATEMENT OF FINANCIAL POSITION, PARENT COMPANY

Amounts in KSEK	Jun 30, 2022	Jun 30, 2021	Dec 31, 2021
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized expenditures for development	42,179	33,545	36,333
Patents and similar rights	3,095	3,605	3,410
	45,274	37,150	39,744
<i>Tangible fixed assets</i>			
Equipment, tools, and installations	143	90	129
	143	90	129
<i>Financial non-current assets</i>			
Investments in group companies	36,891	36,891	36,891
Long-term receivables, group enterprises	55,451	53,141	50,031
Other long-term receivables	148	148	148
	92,489	90,179	87,069
Total fixed and non-current assets	137,906	127,420	126,942
Current assets			
<i>Current receivables</i>			
Trade receivables	1,003	4	117
Other receivables	2,729	2,316	2,513
Prepaid costs, accrued earnings	1,302	701	871
	5,033	3,021	3,500
<i>Cash and cash equivalents</i>	74,183	32,276	119,172
Current assets, total	79,216	35,297	122,673
TOTAL ASSETS	217,121	162,717	249,614
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	26,265	23,633	26,265
Share capital not registered	-	-	-
Statutory reserve	502	502	502
Fund for development expenses	22,369	6,893	13,125
<i>Unrestricted equity</i>			
Share premium reserve	544,199	433,487	544,199
Retained earnings	- 352,834	- 283,950	- 290,183
Profit/loss for the period	- 35,462	- 25,233	- 53,408
	205,039	155,331	240,501
Current liabilities			
Trade payables			
Trade payables	3,606	943	3,185
Other current liabilities	792	1,154	389
Accrued costs and prepaid income	7,685	5,289	5,540
	12,082	7,386	9,114
TOTAL EQUITY AND LIABILITIES	217,121	162,717	249,614

CHANGES IN EQUITY, PARENT COMPANY

Amounts in KSEK				Jan 1-Jun 30, 2022				
	Restricted equity			Fund for development costs	Unrestricted equity			
	Share capital	Ongoing rights issue	Statutory reserve		Share premium reserve	Ongoing rights issue	Retained earnings	Profit/loss for the period
Opening balance, equity	26,265	-	502	13,126	544,199	-	-290,183	- 53,408
Adjustment of previous year's profit and loss	-	-	-	-	-	-	-53,408	53,408
Profit/loss for the period	-	-	-	-	-	-	-	-35,462
Fund for development costs	-	-	-	9,244	-	-	-9,244	-
New share issue	-	-	-	-	-	-	-	-
Expenses related to issue	-	-	-	-	-	-	-	-
Added capital via warrant programmes	-	-	-	-	-	-	-	-
Closing balance, equity	26,265	-	502	22,370	544,199	-	-352,835	- 35,462
	Restricted equity			Fund for development costs	Unrestricted equity			
	Share capital	Ongoing rights issue	Statutory reserve		Share premium reserve	Ongoing rights issue	Retained earnings	Profit/loss for the period
Opening balance, equity	23,233	-	502	2,449	404,664	-	-230,962	- 48,544
Adjustment of previous year's profit and loss	-	-	-	-	-	-	-48,544	48,544
Profit/loss for the period	-	-	-	-	-	-	-	-25,233
Fund for development costs	-	-	-	4,444	-	-	-4,444	-
New share issue	400	-	-	-	28,896	-	-	-
Expenses related to issue	-	-	-	-	-73	-	-	-
Closing balance, equity	23,633	-	502	6,893	433,487	-	-283,951	- 25,233
	Restricted equity			Fund for development costs	Unrestricted equity			
	Share capital	Ongoing rights issue	Statutory reserve		Share premium reserve	Ongoing rights issue	Retained earnings	Profit/loss for the period
Opening balance, equity	23,233	-	502	2,449	404,664	-	-230,962	- 48,544
Adjustment of previous year's profit and loss	-	-	-	-	-	-	-48,544	48,544
Profit/loss for the period	-	-	-	-	-	-	-	-53,408
Fund for development costs	-	-	-	10,677	-	-	-10,677	-
New share issue	3,032	-	-	-	142,919	-	-	-
Expenses related to issue	-	-	-	-	-8,969	-	-	-
Added capital via warrant programmes	-	-	-	-	5,586	-	-	-
Closing balance, equity	26,265	-	502	13,126	544,199	-	-290,183	- 53,408

STATEMENT OF CASH FLOW, PARENT COMPANY

Amounts in KSEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
<i>Operating activities</i>					
Operating profit/loss	- 19,285	- 14,775	- 35,535	- 25,288	- 53,400
Adjustments for items not part of the cash flow	1,609	1,462	3,212	2,923	5,954
Interest received	72	- 1	92	56	154
Interest paid	- 1	- 0	- 20	- 0	- 162
Cash flow from operating activities before changes in working capital	- 17,604	- 13,314	- 32,250	- 22,310	- 47,454
<i>Cash flow from changes in working capital</i>					
Increase (-) reduction (+) in other receivables	- 1,425	- 46	- 1,533	- 448	- 927
Increase (+)/reduction (-) in trade payables	147	- 54	421	421	2,663
Increase (+)/reduction (-) in current liabilities	1,173	13	2,548	1,756	1,241
Cash flow from ordinary course of business	- 17,708	- 13,401	- 30,813	- 20,582	- 44,477
<i>Investment activities</i>					
Acquisition of intangible assets	- 3,226	- 1,766	- 8,719	- 2,487	- 8,095
Changes in long-term receivables	- 1,985	- 9,435	- 5,420	- 10,620	- 7,510
Cash flow from investment activities	- 5,249	- 11,201	- 14,176	- 13,107	- 15,659
<i>Financing activities</i>					
New rights issue	-	29,296	-	29,296	145,950
Expenses related to issue	-	- 73	-	- 73	- 8,969
Added capital via warrant programs	-	-	-	-	5,586
Cashflow from financing activities	-	29,223	-	29,223	142,567
Cash flow for the period	- 22,957	4,621	- 44,990	- 4,465	82,432
Cash and cash equivalents at the beginning of the period	97,140	27,655	119,173	36,741	36,741
Cash and cash equivalents at the end of the period	74,183	32,276	74,183	32,276	119,173