

Interim Report Quarter 2 2015



## Second quarter 2015 in summary

### Significant events

- Anders Lindén appointed as acting CEO
- Initiated implementation of new business strategy
  - Review of company collaborations and partnerships.
  - Review of the Company's operating structure. Tech department centralized to Stockholm
  - New partner, Ambientmedia, Philippines.
  - Focus on the Philippine and Indian diaspora.
- The Middle East a prioritized market.
- Agreement signed with leading telecom operators Etisalat and Du in the Middle East
- Launch of Mavshack on Google Chromecast, Amazon Fire TV and Fire Stick.

### Significant events after end Q2

- Completed acquisition of 51 percent of Ambientmedia in the Philippines.
- Accounts Receivable MSEK 34 from the 2014 financial year transferred to half the value as part of payment for Ambientmedia, the remainder balance will be booked as a write-off in Q3 2015<sup>th</sup>.
- New Board of Directors as a result of a new major shareholder that is taking two board seats, Tobias Fridman appointed chairman
- Launched in the UAE in partnership with Etisalat and Du.
- Long-term financing procured.

### Key Figures Group

Variable	Q. 2 2015	Q.2 2014	Q.1 2015	FY 2014	FY 2013
<b>Sales (tkr)</b>	<b>511</b>	<b>9 549</b>	<b>323</b>	<b>50 871</b>	<b>5 081</b>
<b>Net Income (tkr)</b>	<b>-11 878</b>	<b>-15 208</b>	<b>-12 583</b>	<b>-32 078</b>	<b>-14 022</b>
<b>Balancesheet total (tkr)</b>	<b>72 828</b>	<b>31 367</b>	<b>61 149</b>	<b>64 842</b>	<b>15 393</b>
<b>Equity (tkr)</b>	<b>37 541</b>	<b>8 075</b>	<b>10 492</b>	<b>23 507</b>	<b>11 775</b>
<b>Solidity (%)</b>	<b>52</b>	<b>26</b>	<b>17</b>	<b>36</b>	<b>77</b>
<b>Net Income per share (kr) before dilution</b>	<b>-0,25</b>	<b>-0,49</b>	<b>-0,35</b>	<b>-1,04</b>	<b>-0,64</b>
<b>Net Income per share (kr) after dilution</b>	<b>-0,20</b>	<b>-0,28</b>	<b>-0,24</b>	<b>-1,01</b>	<b>-0,57</b>

### Mavshack

Mavshack operates a global Internet TV services with Asian entertainment. The service, which is available through Internet connected devices, is genuinely global with users in over 80 countries. With the largest library of Filipino and Indian titles, as well as agreements with Asia's leading content providers, Mavshack the obvious choice for Asian entertainment around the world. Mavshack AB (publ) is a publicly traded company listed on Nasdaq OMX First North under the ticker MAV. Certified adviser is Erik Penser Limited. More information about the company is available at [www.mavshack.se](http://www.mavshack.se)

## Letter from the CEO

This is my first quarterly report as CEO of Mavshack. My ambition is to give a clear and comprehensive view of where we stand today, how we got here and how we will progress going forward.

In this year's first quarter report, a need of several structural changes and improvements to the service was conveyed. Work during the second quarter has been dominated by implementing these changes. Thus, the revenue figures for April - June 2015 remained unsatisfactory. That being said, I believe Mavshack's offering, the company's organization and future prospects have been strengthened thanks to the efforts made during the quarter and thereafter.

On July 29 Ambientmedia became a part of Mavshack. This as a result of a evolution of the partnership agreement the two companies entered into during the second quarter. The acquisition gives Mavshack good position to strengthen its offering with relevant and attractive content especially for the Philippine market (local and diaspora). Ambientmedia has significant expertise on the content side and a strong network within the Filipino entertainment industry. Local representation also gives Mavshack access to cultural knowledge of the target group and gives the company a firm Filipino connection. Mavshack also takes a step closer to opening new revenue channels through the production and sale of IP rights. One of the benefits is that new movies and TV shows have again started to be published on a regular basis in the third quarter.

A significant part of the company's restructuring has been the revision of its partners. I know that several shareholders have raised questions over the outcome of certain agreements. Our review of partners shows that some partnerships work well while others have not met expectations. Hence I want to comment on some of these partnerships below.

We are currently reviewing the agreement with 1Mainstream. The company's mission was to shorten time to market for Mavshacks applications (apps) for leading game consoles and set-top boxes. Unfortunately 1Mainstream has been unsuccessful delivering on that. Mavshack own development department has taken over their commitments and has already successfully built and launched Mavshacks Amazon Fire TV Apps. Next in line is the Roku, Humax and Samsung Smart TVs.

In regards to our sales channels, our collaborations with IMS in the Middle East and Snapdeal in India have unfortunately been a disappointment and have not delivered what we expected. These agreements are therefore also under evaluation. We are however very optimistic about our partnership with telecom operators Etisalat and Du in the Middle East. The first indications from these partnerships have been very positive. Out of respect to the companies' requests, we chose to delay the launch until after the religious festival of Ramadan. That is why Mavshacks launch in the Middle East took place in late August.

The sales strategy to move focus back to the Philippine and Indian diaspora from domestic markets has meant that the customer base has changed fundamentally. It does not mean that we have abandoned the domestic markets. We will however await these markets to mature both in regards to consumption habits and infrastructure. Mavshack customer base has thus gone from bulk sales to recurring subscriptions with electronic payments such as mobile and credit cards payments. It has in practice meant a restart and a rebuild of the customer base. The launch in the Middle East along with new quality content is an important part of this reconstruction process. I am aware of requests to communicate the number of subscribers. My goal is to implement a format for presenting information about the number of subscribers and its development in prioritized markets at the next reporting date.

Now that we have implemented the structural changes we are able to look forward and continue to improve the product, increase the number of paying subscribers and cultivate new revenue channels. In other words, we are now going full speed ahead. Recently, Mavshacks offering expanded with quality content from Filipino content providers. This has so far included digital premiers of two movies, as well as a number of popular TV shows. Late autumn we plan to launch our first Mavshack original series. I look forward to in the near future announce more information about our Mavshack original content strategy.

In regards to our content offering, I also want to briefly touch upon the topic of piracy. Along with Mavshacks content providers, we will in future actively use the legal tools available to remove copyrighted materials from leading channels such as Google-owned YouTube. It will be done through so-called DMCA takedowns, an effective and proven method.

As is known, we have implemented a number of new share issues and been forced to short-term loans with high interest rates. This obviously consumed a lot of time and effort from management, and we have evaluated various options to achieve a more long-term financing of the business. It resulted in the selection of a so called "Equity placement facility" solution which was announced on July 10, 2015. This enables management to put full focus on developing the business.

Exciting and positive things are happening with Mavshack right now. I hope you as a shareholder want to continue the journey forward together with us. Finally, I would urge you to follow Mavshack on social media (Twitter and Facebook) where we will regularly communicate with both our subscribers and shareholders.

Stockholm, August 28, 2015

Anders Lindén, CEO

## **Operations**

### **Sales and earnings**

Sales for Q2 2015 (April-June) amounted to MSEK 0.5 (MSEK 9.5). The reason for the low sale figures is that there have been no "offline" sales (sales to local distributors / partners) during Q2, in the same way as in Q1, which was announced in the press release dated 12 May 2015.

Operating profit for Q2 2015 amounted to MSEK -10.4 (MSEK -15.0). The improved result is attributable to the company, just like in the previous quarter, has limited ongoing marketing campaigns and not invested in further movie rights. With the refocusing of sales towards the diaspora, with the Middle East becoming the first market to be entered, marketing investments resumed at the end of the quarter. The Company expects that the ongoing new share issues and external financing will enable investment in new film rights and that further marketing campaigns can be started during the end of Q3 2015.

As a result of the financing process the company has undergone, the company financed its working capital through short-term loans at high interest rates, and is why the financial result burdened with MSEK 1.4 in the period.

### **Looking forward**

Through the acquisition of Ambientmedia Mavshack will benefit from new revenue channels. Ambientmedia has numerous large corporate clients in both the Philippines and North America. Mavshacks first original production is planned to be launched on the streaming service in the fourth quarter 2015. Original content will be monetized through its own streaming service, as well as through sales to non-competing channels and/ or markets.

The decision to focus sales to the diaspora creates good conditions to lay the foundations for stable subscription sales. The launch in the Middle East, a prioritized region, is now proceeding according to plan after a slightly delayed start. The cooperation with leading telecom operators Etisalat and Du in the United Arab Emirates is seen as very promising. The next country in the Middle East to launch the service in is Saudi Arabia, where discussions with appropriate parties has commenced.

Efforts to gain ground in California and Canada will commence by the end of the year. The Middle East and North America have the highest concentration of both of Mavshacks main target groups, the Filipino and Indian diaspora. There is a significant gap in the North American market for Mavshack to fill among those seeking Asian entertainment from their home countries.

### **After end of reporting period**

Mavshack has signed the previously announced agreement to acquire 51 percent of the Philippine partner Ambientmedia, a subsidiary of Global Link Group. The agreement was signed on July 29, in Stockholm. The acquisition strengthens Mavshacks ability to continuously offer an attractive range of Philippine movies and TV series. The acquisition also gives Mavshack an in-house production capability that includes subtitling and dubbing of films and television series.

The acquisition will be paid in part through the issuance of 20 million new shares in Mavshack and by trade receivables arising in the Philippines in the 3rd quarter of 20 million, and in India during the 4th quarter at 14 million, is left to the Global Link to half their value. Sales of accounts receivable thus giving rise to a write-off of MSEK 17. This write-off will be booked in Q3 2015th

Ambientmedia is a production company that works with audio, video and animated film. The company has 40 employees with the majority working with animation of their own productions and commissioned production. Global Link, a service conglomerate, remains the owner of the remaining 49 percent. Since March 2015 Ambientmedia is Mavshacks partner for the Filipino market. In this role, the company together with Mavshack developed a sales and marketing strategy for the Filipino diaspora.

The acquisition gives Mavshack good position to strengthen its offering with relevant and attractive content: TV series and films, especially for the Filipino audience. Besides its own production capacity and location capabilities (dubbing, voice-over and subtitles) Ambientmedia also has significant expertise on the content side and a strong network within the Filipino entertainment industry. Local representation also gives Mavshack access to cultural knowledge of the target audience giving the company a firm Filipino connection.

### **Report of the Board and CEO**

Board and CEO certify that this report gives a true and fair view of Mavshacks financial position and results and describes significant risks and safety factors Mavshack face.

### **Auditor's examination**

The interim report has not been subject to auditor review.

### **Accounting and valuation principles**

From 1 January 2014, the Group / Company applies BFNAR 2012 1. The interim report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board BFNAR 2012: 1 Annual report and consolidated (K3).

### **Risks and uncertainties**

Mavshacks significant risks and uncertainties are described in the prospectus prepared in connection with the rights issue carried out during the first half. The prospectus is available at the Company's website. No new significant risks or uncertainties are judged to have occurred.

### **Next report**

Interim Report 3 for the financial year 2015 will be published October 30<sup>th</sup> 2015.

Stockholm August 28<sup>th</sup>, 2015

Mavshack AB (publ)  
Board of Directors

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All reports after publication is available on the company website: [www.mavshack.se](http://www.mavshack.se).

## Summary per quarter and half-year – Group

(Ksek)	Three months ending					Six months ending	
	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Jun 30, 2015	Jun 30, 2014
Revenues	511	323	18 181	21 712	9 549	834	14 908
Operating expenses	- 10 949	- 11 200	- 22 903	- 19 599	- 24 521	- 22 149	- 42 970
Operating result	- 10 438	- 10 877	- 4 722	2 113	- 14 972	- 21 315	- 28 062
Financials, net	- 1 440	- 1 706	436	- 1 582	- 236	- 3 146	- 261
Net result	- 11 878	- 12 583	- 4 286	531	- 15 208	- 24 461	- 28 323
Fixed assets	17 256	19 770	21 931	4 361	4 781	17 256	4 781
Working capital	55 572	41 380	42 749	41 753	26 586	55 572	26 586
Equity	37 541	10 492	23 507	27 805	8 075	37 541	8 075
Long term liabilities	4 749	6 531	7 124	-	-	4 749	-
Current liabilities	30 538	44 126	34 049	18 309	23 292	30 538	23 292
Balance sheet total	72 828	61 149	64 680	46 114	31 367	72 828	31 367
<b>Cash flow</b>							
-operating activities	- 9 393	- 10 370	- 4 361	1 076	- 15 016	- 19 763	- 27 410
-working capital	- 22 153	9 203	11 396	- 23 211	715	- 12 950	5 246
-investments	52	- 52	- 17 154	- 123	- 286	-	- 680
-financing	29 342	- 833	12 127	19 197	2 826	28 509	24 622
Cash flow for the period	- 2 152	- 2 052	2 008	- 3 061	- 11 761	- 4 204	1 778
Cash beginning of period	2 231	4 283	2 275	5 336	17 097	4 283	3 558
Cash end of period	79	2 231	4 283	2 275	5 336	79	5 336
Number of shares	59 964 701	35 458 545	35 458 545	35 068 545	31 458 545	59 964 701	31 458 545
Net result per share	- 0,20	- 0,35	- 0,12	0,02	- 0,48	- 0,41	- 0,90
Solidity	52%	17%	36%	60%	26%	52%	26%

## Net Income per share

	3 months end of period			12 months end of period	
	Jun 30, 2015	Jun 30, 2014	Mar 31, 2015	2014	2013
<b>Before dilution</b>					
Number of shares	59 964 701	31 458 545	35 458 545	35 458 545	26 383 864
Weigthed number of shares	47 711 623	31 284 934	35 458 545	30 921 205	21 893 162
Net Income	- 11 877 649	- 15 207 365	- 12 583 305	- 32 078 448	- 14 021 529
Weigthed number of shares	47 711 623	31 284 934	35 458 545	30 921 205	21 893 162
Net Income per share before dilution	- 0,249	- 0,486	- 0,355	- 1,037	- 0,640
<b>After dilution</b>					
Subscribed shares under registration	500 175		11 275 687		
Not used mandate for board of directors to issue new shares	-	5 000 000		1 000 000	
Stockoptions, equivalent number of shares	11 779 809	18 000 000	5 000 000		2 500 000
Weigthed number of shares after dilution	59 991 607	54 284 934	51 734 232	31 921 205	24 393 162
Net Income	- 11 877 649	- 15 207 365	- 12 583 305	- 32 078 448	- 14 021 529
Weigthed number of shares	59 991 607	54 284 934	51 734 232	31 921 205	24 393 162
Net Income per share after dilution	- 0,198	- 0,280	- 0,243	- 1,005	- 0,575

## Income Statement – Group

	3 months		3 months		6 months		6 months	
	1 apr - 30 jun 2015		1 apr - 30 jun 2014		1 jan - 30 jun 2015		1 jan - 30 jun 2014	
Revenues								
Net Revenue		135 821		9 207 650		188 118		14 374 797
Other Income		375 055		342 811		645 681		533 411
<b>Total Revenues</b>		<b>510 876</b>		<b>9 550 461</b>		<b>833 799</b>		<b>14 908 208</b>
Operating Expenses								
Direct cost of goods sold	-	1 690 426	-	2 385 588	-	3 389 296	-	3 084 164
Other External costs	-	4 946 871	-	17 591 907	-	8 969 148	-	30 582 577
Personnel costs	-	1 780 477	-	2 134 233	-	4 522 808	-	3 825 635
Depreciation	-	2 513 472	-	2 266 543	-	4 726 506	-	5 076 254
Other operating expenses	-	17 254	-	379 266	-	540 974	-	637 389
<b>Total operating expenses</b>	-	<b>10 948 500</b>	-	<b>24 757 537</b>	-	<b>22 148 732</b>	-	<b>43 206 019</b>
<b>Operating profit/loss (-)</b>	-	<b>10 437 624</b>	-	<b>15 207 076</b>	-	<b>21 314 933</b>	-	<b>28 297 811</b>
Financials								
Other interest income and similar profit/loss		7		23		72		11
Other interest expenses and similar profit/loss	-	1 440 032	-	266	-	3 146 093	-	24 815
<b>Financials, net</b>	-	<b>1 440 025</b>	-	<b>289</b>	-	<b>3 146 021</b>	-	<b>24 804</b>
<b>Profit/Loss (-) after financials</b>	-	<b>11 877 649</b>	-	<b>15 207 365</b>	-	<b>24 460 954</b>	-	<b>28 322 615</b>
Taxes								
<b>Net Income for the period</b>	-	<b>11 877 649</b>	-	<b>15 207 365</b>	-	<b>24 460 954</b>	-	<b>28 322 615</b>



**Balancesheet – Group**

ASSETS	2015-06-30	2014-06-30	2014-12-31	2013-12-31
Fixed assets				
<i>Intangible fixed assets</i>				
Balanced expenses for research and development	2 631 401	3 579 046	3 237 610	3 221 822
Concessions, patents, licenses, trademarks and	13 740 693	9 281	17 760 949	514 317
Goodwill	0	199 730	0	879 594
<b>Total intangible fixed assets</b>	<b>16 372 094</b>	<b>3 788 057</b>	<b>20 998 559</b>	<b>4 615 733</b>
<i>Tangible fixed assets</i>				
Inventories	284 024	392 588	332 196	308 085
<b>Total tangible fixed assets</b>	<b>284 024</b>	<b>392 588</b>	<b>332 196</b>	<b>308 085</b>
<i>Financial fixed assets</i>				
Other long term interests	600 000	600 000	600 000	600 000
<b>Total financial fixed assets</b>	<b>17 256 118</b>	<b>4 780 645</b>	<b>21 930 755</b>	<b>5 523 818</b>
<i>Current Assets</i>				
Trade receivables	37 097 500	11 408 280	37 404 123	4 019 505
Tax receivables	10 812	6 994	6 996	6 994
Other receivables	17 745 271	1 428 130	687 969	1 945 792
Prepaid cost and accrued income	639 939	8 405 718	367 127	338 813
<b>Total current receivables</b>	<b>55 493 522</b>	<b>21 249 122</b>	<b>38 466 215</b>	<b>6 311 104</b>
Cash and bank balances	78 916	5 336 603	4 282 823	3 558 230
<b>Total current assets</b>	<b>55 572 438</b>	<b>26 585 725</b>	<b>42 749 038</b>	<b>9 869 334</b>
<b>TOTAL ASSETS</b>	<b>72 828 556</b>	<b>31 366 370</b>	<b>64 679 793</b>	<b>15 393 152</b>

**Balancesheet – Group**

EQUITY AND LIABILITIES	2015-06-30	2014-06-30	2014-12-31	2013-12-31
<i>Fixed Equity</i>				
Issued and paid-up-share capital	29 982 351	15 729 273	17 729 273	13 191 932
Ongoing rights issue	7 603 955	0	0	733 784
<b>Sum fixed equity</b>	<b>37 586 306</b>	<b>15 729 273</b>	<b>17 729 273</b>	<b>13 925 716</b>
<i>Unrestricted equity</i>				
Share premium reserve	102 975 712	58 101 084	79 528 774	36 107 830
Free reserves	-78 559 859	-37 433 108	-41 672 908	-24 236 658
Net profit/loss of the period	-24 460 954	-28 322 615	-32 078 448	-14 021 529
<b>Sum unrestricted equity</b>	<b>-45 101</b>	<b>-7 654 639</b>	<b>5 777 418</b>	<b>-2 150 357</b>
<b>Total equity</b>	<b>37 541 205</b>	<b>8 074 634</b>	<b>23 506 691</b>	<b>11 775 359</b>
<i>Non-current liabilities</i>				
Other non-current liabilities	4 749 514	0	7 124 270	0
<b>Total non-current liabilities</b>	<b>4 749 514</b>	<b>0</b>	<b>7 124 270</b>	<b>0</b>
<i>Current liabilities</i>				
Liabilities to credit institutions	4 965 136	0	4 837 949	0
Trade creditors	10 636 850	14 632 461	5 500 356	1 624 571
Other current liabilities	10 417 737	5 409 503	18 449 817	478 970
Accrued expenses and deferred income	4 518 114	3 249 772	5 260 710	1 514 252
<b>Total current liabilities</b>	<b>30 537 837</b>	<b>23 291 736</b>	<b>34 048 832</b>	<b>3 617 793</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>72 828 556</b>	<b>31 366 370</b>	<b>64 679 793</b>	<b>15 393 152</b>

**Changes in Equity - Group**

Group	jan-jun 2015	jan-jun 2014	FY 2014
Total equity at the beginning of the period	23 506 691	11 775 359	11 775 359
Change in share issues	19 857 033	1 803 557	3 803 557
Change in share premium reserve	23 433 526	23 039 183	42 319 643
Cost of new issues	-4 795 091	-220 850	-2 313 420
Profit or loss for the period	-24 460 954	-28 322 615	-32 078 448
Total equity at the end of the period	37 541 205	8 074 634	23 506 691

**Cash Flow Statement – Group**

GROUP CONSOLIDATED STATEMENT OF CASH FLOW (SEK)	6 months		6 months		12 months		12 months	
	1 jan - 30 jun 2015		1 jan - 30 jun 2014		1 jan - 31 dec 2014		1 jan - 31 dec 2013	
<i>Operating activities</i>								
Net Income	-	24 460 954	-	28 322 615	-	32 078 448	-	14 021 529
Adjustments to reconcile net income to cash		4 697 629		927 598		8 119 143		5 340 772
Adjusted Income	-	19 763 325	-	27 395 017	-	23 959 305	-	8 680 757
Cash flow from current operations before changes in working capital	-	19 763 325	-	27 395 017	-	23 959 305	-	8 680 757
<i>Cash flow from changes in working capital</i>								
Increase(-)/Decrease(+) in operating receivables	-	10 470 472	-	4 504 459	-	31 727 882	-	9 059 602
Increase(-)/Decrease(+) in operating liabilities	-	2 478 989	-	9 736 144	-	25 143 664	-	371 764
Cash flows from operating activities	-	32 712 786	-	22 163 332	-	30 543 523	-	17 368 595
<i>Investing activities</i>								
Acquisition of subsidiary		-		-		12 010		-
Investments in intangible assets		-		557 185		24 579 184		3 312 227
Investments in tangible assets		-		123 000		75 300		165 970
Cash flow som investing activities		-		680 185		24 515 894		3 478 197
<i>Financing activities</i>								
Share issue		43 303 970		24 842 740		46 135 210		25 237 705
Cost of new issues	-	4 795 091	-	220 850	-	2 313 419	-	833 314
Borrowings	-	10 000 000	-	-	-	11 962 219	-	-
Cash flow from financing activities		28 508 879		24 621 890		55 784 010		24 404 391
Cash flow for the period	-	4 203 907	-	1 778 373	-	724 593	-	3 557 599
Cash and cash equivalents, beginning of period		4 282 823		3 558 230		3 558 230		631
Cash and cash equivalents, end of period		78 916		5 336 603		4 282 823		3 558 230

## Income Statement – Parent Company

	3 months		3 months		6 months		6 months	
	1 apr - 30 jun 2015		1 apr - 30 jun 2014		1 jan - 30 jun 2015		1 jan - 30 jun 2014	
<i>Revenues</i>								
Net Revenue		11 547		1 272		23 096		4 463
Other Income		4 836		23 594	-	3 994		102 488
<b>Total Revenues</b>		<b>16 383</b>		<b>24 866</b>		<b>19 102</b>		<b>106 951</b>
<i>Operating Expenses</i>								
Direct cost of goods sold	-	436 374	-	372 590	-	1 052 691	-	774 645
Other External costs	-	3 741 713	-	2 196 016	-	5 977 040	-	3 636 884
Personnel costs		20 088		1 816 929		24 525		3 357 817
Depreciation	-	333 403	-	312 119	-	666 806	-	603 837
Other operating expenses		476		9 025	-	7 583	-	13 662
<b>Total operating expenses</b>	-	<b>4 490 926</b>	-	<b>4 706 679</b>	-	<b>7 679 595</b>	-	<b>8 386 845</b>
<b>Operating profit/loss (-)</b>	-	<b>4 474 543</b>	-	<b>4 681 813</b>	-	<b>7 660 493</b>	-	<b>8 279 894</b>
<i>Financials</i>								
Other interest income and similar profit/loss	-	29	-	31	-	33	-	-
Other interest expenses and similar profit/loss	-	1 387 556	-	262	-	3 038 041	-	24 736
<b>Financials, net</b>	-	<b>1 387 585</b>	-	<b>293</b>	-	<b>3 038 008</b>	-	<b>24 736</b>
<b>Profit/Loss (-) after financials</b>	-	<b>5 862 128</b>	-	<b>4 682 106</b>	-	<b>10 698 501</b>	-	<b>8 304 630</b>
<i>Taxes</i>								
<b>Net Income for the period</b>	-	<b>5 862 128</b>	-	<b>4 682 106</b>	-	<b>10 698 501</b>	-	<b>8 304 630</b>

**Balancesheet – Parent Company**

ASSETS	2015-06-30	2014-06-30	2014-12-31	2013-12-31
<i>Fixed Assets</i>				
<i>Intangible fixed assets</i>				
Balance expenses for research and development	2 544 260	3 445 753	3 127 393	3 465 453
<b>Total intangible fixed assets</b>	<b>2 544 260</b>	<b>3 445 753</b>	<b>3 127 393</b>	<b>3 465 453</b>
<i>Tangible fixed assets</i>				
Inventories	174 286	216 006	206 090	186 979
<b>Total tangible fixed assets</b>	<b>174 286</b>	<b>216 006</b>	<b>206 090</b>	<b>186 979</b>
<i>Financial fixed assets</i>				
Subsidiary shares	35 710 539	8 723 944	20 710 400	8 723 944
Other long term assets	600 000	600 000	600 000	600 000
<b>Total financial fixed assets</b>	<b>36 310 539</b>	<b>9 323 944</b>	<b>21 310 400</b>	<b>9 323 944</b>
<b>Total fixed assets</b>	<b>39 029 085</b>	<b>12 985 703</b>	<b>24 643 883</b>	<b>12 976 376</b>
<i>Current Assets</i>				
<i>Current receivables</i>				
Trade receivables	-	73 750	41 009	62 500
Receivables from group companies	22 644 048	25 837 814	30 928 164	5 436 894
Other receivables	16 977 400	859 539	614 996	1 015 637
Prepaid cost and accrued income	411 940	274 041	312 443	333 059
<b>Total current receivables</b>	<b>40 033 388</b>	<b>27 045 144</b>	<b>31 896 612</b>	<b>6 848 090</b>
Cash and bank balances	61 545	5 252 786	2 354 646	3 491 491
<b>Total current assets</b>	<b>40 094 933</b>	<b>32 297 930</b>	<b>34 251 258</b>	<b>10 339 581</b>
<b>TOTAL ASSETS</b>	<b>79 124 018</b>	<b>45 283 633</b>	<b>58 895 141</b>	<b>23 315 957</b>

**Balancesheet – Parent Company**

<b>Equity and Liabilities</b>	2015-06-30	2014-06-30	2014-12-31	2013-12-31
<b>Equity</b>				
<i>Fixed Equity</i>				
Issued and paid-up-share capital 59.704.901 shares)	29 982 351	15 729 273	17 729 273	13 191 932
Ongoing rights issue	7 603 955	0	0	733 784
<b>Sum fixed equity</b>	<b>37 586 306</b>	<b>15 729 273</b>	<b>17 729 273</b>	<b>13 925 716</b>
<i>Unrestricted equity</i>				
Share premium reserve	102 975 712	58 101 084	79 528 774	37 209 131
Retained earnings	-58 487 857	-28 505 233	-32 745 036	-17 682 085
Net profit/loss of the period	-10 698 501	-8 304 630	-20 947 730	-12 749 531
<b>Sum unrestricted equity</b>	<b>33 789 354</b>	<b>21 291 221</b>	<b>25 836 008</b>	<b>6 777 515</b>
<b>Total equity</b>	<b>71 375 660</b>	<b>37 020 494</b>	<b>43 565 281</b>	<b>20 703 231</b>
<i>Current liabilities</i>				
Trade creditors	4 374 411	1 839 326	1 513 054	762 388
Liabilities to group companies	0	2 480	293 498	561 040
Other current liabilities	4 799	5 208 159	11 179 501	252 744
Accrued expenses and deferred income	3 369 148	1 213 174	2 343 807	1 036 554
<b>Total current liabilities</b>	<b>7 748 358</b>	<b>8 263 139</b>	<b>15 329 860</b>	<b>2 612 726</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>79 124 018</b>	<b>45 283 633</b>	<b>58 895 141</b>	<b>23 315 957</b>

## ITEMS

Pledges	None	None	None	None
Liabilities	None	None	None	None

**Changes in Equity – Parent Company**

Parent	jan-jun 2015	jan-jun 2014	FY 2014
Total equity at the beginning of the period	43 565 281	20 703 231	20 703 231
Change in share issues	19 857 033	1 803 557	3 803 557
Change in share premium reserve	23 446 938	23 039 186	42 319 643
Cost of new issues	-4 795 091	-220 850	-2 313 420
Profit or loss for the period	-10 698 501	-8 304 630	-20 947 730
Total equity at the end of the period	71 375 660	37 020 494	43 565 281

**Cash Flow Statement – Parent Company**

CASH FLOW STATEMENT, PARENT COMPANY (SEK)	6 months 1 jan - 30 jun 2015	6 months 1 jan - 30 jun 2014	12 months 1 jan - 31 dec 2014	12 months 1 jan - 31 dec 2013
<i>Operating activities</i>				
Net Income	- 10 698 501	- 8 304 630	- 20 947 730	- 12 749 531
Adjustments to reconcile net income to cash	666 807	603 837	1 245 673	1 035 892
Adjusted Income	- 10 031 694	- 7 700 793	- 19 702 057	- 11 713 639
Cash flow from current operations before changes in working capital	- 10 031 694	- 7 700 793	- 19 702 057	- 11 713 639
<i>Cash flow from changes in working capital</i>				
Increase(-)/Decrease(+) in operating receivables	- 8 167 383	- 20 197 054	- 25 081 581	- 4 709 994
Increase(-)/Decrease(+) in operating liabilities	- 7 550 895	5 323 303	12 719 765	- 3 797 211
Cash flows from operating activities	- 25 749 972	- 22 574 544	- 32 063 873	- 20 220 844
<i>Investing activities</i>				
Shareholders contributions paid	- 15 000 139		- 12 000 000	
Acquisition of subsidiary			- 12 010	
Acquisition of intangible assets	- 51 869	- 211 304	- 850 223	- 567 100
Acquisition of tangible assets		- 74 750	- 20 520	- 124 980
Cash flow som investing activities	- 15 052 008	- 286 054	- 12 882 753	- 692 080
<i>Financing activities</i>				
<i>Share issue</i>				
Cost of new issues	43 303 970	24 842 743	46 123 200	25 237 707
Borrowings	- 4 795 091	- 220 850	- 2 313 419	- 833 314
Cash flow from financing activities	38 508 879	24 621 893	43 809 781	24 404 393
Cash flow for the period	- 2 293 101	1 761 295	- 1 136 845	3 491 469
Cash and cash equivalents, beginning of period	2 354 646	3 491 491	3 491 491	22
Cash and cash equivalents, end of period	61 545	5 252 786	2 354 646	3 491 491

