



Q4

INTERIM REPORT

*October - December 2019*

TargetEveryone AB (publ) 556526-6748

## Fourth quarter

- Net sales amounted to MSEK 0,7 (4.8)
- EBITDA amounted to MSEK -32.6\* (-11.2)
- EBIT amounted to MSEK -34.9\* (-15.4)
- EBT amounted to MSEK – 36.9\* (-17.9)
- Loan agreement amounting to SEK 10 million with largest shareholder
- Extraordinary general meeting held on November 19
- TargetEveryone divests non-core legacy business TEO 1.0

## Full year

- Net sales amounted to MSEK 9.4 (21.6)
- EBITDA amounted to MSEK -56.4 (-27.4)
- EBIT amounted to MSEK -70.1 (-40.4)
- EBT amounted to MSEK -74.6 (-46.8)
- Earnings per share before dilutions amounted to SEK -0,37 (-0,44)

## Significant events after the reporting period

- TargetEveryone completes a directed issue of shares, receives a loan facility and proposes further long-term financing in connection with strategic acquisition of Cloud Explorers.



TargetEveryone's launch party in January

\*) Including loss on sales of subsidiaries amounting to MSEK 28,2

## About TargetEveryone

TargetEveryone is a global MARTECH company, enabling our clients to streamline their 1-1 digital marketing, content and experiences within one SasS online platform. The company's strategy is to approach both the enterprise segment and the SME-segment. Our unique solution makes marketers able to easily target exactly the customers they want, and communicate with them in the channels they prefer, to maximize ROI. Our clients can easily segment their customers based on CRM data, market data and transactional data. Further, they can use a campaign editor to quickly build campaigns, and distribute these through our multichannel distribution system either by Email, SMS or SMS landing pages. The enterprise customers are served with our platform SpectrumOne, combining market analysis, customer segmentation and communication tools. The solution is based on big data to analyze and refine the customers behavior and demands. TargetEveryone's headquarter is in Oslo, with branch office in Sweden. TargetEveryone is listed on Nasdaq First North in Stockholm and Merkur Market in Oslo.

[www.targeteveryone.com](http://www.targeteveryone.com)

# CEO statement

## Closing and a new beginning

*During the last five months of 2019, I have had the opportunity to lead a long-tormented company with amazing people and tremendous potential but in lack of leadership, focus and vision. I set a plan with the board in order to make a complete turnaround of the company, streamline our organisation and have the right focus on the market. What we had planned to be executed on 12 months basis we have accomplished to do in half that time. It turned out our people were more engaged, our potential even larger and our value to our clients much higher than we had expected. The times of insecurity are over, and our future is now brighter than ever.*

*We have built a remarkable pipeline, secured clients on a high level and started processes with partners and new clients we could only have dreamt of earlier. All this a necessity in order to become the best Martech company in Europe. Also furthermore and importantly, become cash-flow positive and generate profit for growth and development increasing our shareholders value.*

*Today we have a highly competitive and unique platform approaching the very demanding and growing business data market, we have a partner program in place with several key partners and a sales structure optimized to enable us to approach the right clients. A clear cultural transformation in TargetEveryone has enabled us to dare to reach for larger clients and thus boost our own self-esteem. This is creating a positive circle, clients and partners are now reaching out to us to elaborate on how to cooperate together. This is truly taking us to a new position in the market*

### **From unstable and unprofitable heading towards a success**

We basically started off at zero after divesting our legacy business in TEO 1.0 in October. A decision not taken easily but looking back to it, we know more than ever that we did everything right. The divestment made it possible for us to have one focus, to develop and adapt our business to what is becoming the future of Martech - a high margin product with great future potentials and incredible testimonials from partners and customers today and I am certain from our future clients.

### **Significantly improved overall results & margin**

TargetEveryone is at this moment experiencing the most remarkable turn-around in its history. Since last Q4 we have managed to cut the majority of operational costs by more than 70%, taking into consideration the extraordinary costs

we have incurred during the reductions in staffing and restructured of our workforce.

Our EBITDA is clearly improved by more than 40% since last Q4, taking in consideration the one-off cost for loss on sales of subsidiary. This is the result of a strict focus on our costs and streamlining the organisation to do the right things at the right time and on-time. All unnecessary costs not contributing to our immediate growth are basically cut off.

Essentially, starting off at zero in Q4 we have invoiced only for the fully implemented customers about 700 KSEK. We no longer offer any free trials or discounted contracts. Our product offering is strong and we do not experience that any of our clients are unwilling to pay from the beginning. Therefore, although these figures might seem somewhat low, with a

levels that does not make us profitable in the short term – they should be seen as the beginning of our fundamental pricing and incomes, with each client fully invoiced earlier in the implementation phase giving us more *solid, predictable, reliable incomes* and *growth*. Additional to that, several customers were signed at the end of the quartile leading to their revenue not contributing in the Q4 but in Q1 to come.

### **Major revenue growth**

We foresee a major client onboarding and revenue growth in the coming quarters. Derived from the clients recently signed or about to be signed, along with our strong pipeline via direct sales and our partners. This coupled with the acquisition of Cloud Explorers and the ability to greatly shorten the length of implementation period grants us an even faster tempo to our progress. In addition to this we are in the process of acquiring several more companies in order to broaden our offer and strengthen our position in the market. This growth is not only making our company's future brighter, but the strength for growth and our opportunities is becoming even more visible for me, and hopefully also for every shareholder of this company.

### **Growth and acquisition strategy finally starting off**

This week we have completed the financial plan required for us to implement our strategy. The finalized plan grants us the opportunity to act goal-oriented with clear and important foresight into what will come. It also gives our shareholders relevant insights and a much appreciated transparency of what lays ahead us.

The following three aspects are of major importance in the financial agreement we communicated yesterday

#### **1. An opportunity to act on our highly ambitious acquisition strategy**

- I. We start our acquisition tour with the acquisition of Cloud Explorers, a highly successful tech-company we have worked closely with the last two years
- II. With the presented financial plan we get the necessary strength to execute on further strategic acquisitions without any additional rights issues
- III. By strengthening our balance sheet, we also become more interesting for major actors to cooperate and engage with in many ways

#### **2. Strong funding secured**

- I. Having the continued support from existing major shareholder and new professional investors investing in us secures our ability to accomplish our strategy and commitment of growth

#### **3. One company – tremendous resources, talent and opportunities**

- I. Becoming one with our associated company we finally have the opportunity to work with their many existing clients and broaden the services provided
- II. SpectrumOne is profoundly strengthened with the offerings we can add to it from Cloud Explorers services, hence increasing revenue streams
- III. Synergies coming from the acquisition will directly affect our financials positively from day one – reduced developing costs and increased revenue
- IV. By becoming one company we can also allocate all of our resources to further develop SpectrumOne into a service for the future were technologies such as machine learning and AI-modules can become an integrated part of the platform

## **Our ambitions**

This is indeed a very important crossroad for our company. A couple of years ago The Economist published an article "*The world's most valuable resource is no longer oil, but data*". The article emphasizes that today's world has made data abundant, ubiquitous and far more valuable than any other resource on the planet. It states that "*...collecting more data, a firm has more scope to improve its products, which attracts more users, generating even more data, and so on.*" Our contribution to this era of data is making it possible to act on the resource most companies collect. We provide our customers with a unique tool giving them easy yet unprecedented ability to work with and visualize their data. This enables our customers to get a precise view of their customer behaviors and drive smart decisions based on insights and powerful analyzes.

I have no doubt we are right on target and in precisely the right place to make all of the above reality. We have begun a journey on which we have now taken our first fundamental steps. I am looking forward to you joining us in the very exciting times ahead of us.

STOCKHOLM, FEB 2020  
HOSNI TEQUE-OMEIRAT  
CEO

## OPERATIONS

### CUSTOMERS AND NEW BUSINESSES

The fourth quarter was the first quarter when all sales efforts could be focused solely on SpectrumOne after the divestment of the old platform TEO 1.0. A lot of time and resources had to be spent on handing over the old business to the new owners of TEO 1.0, but we managed to get some new customers during the last quarter. Especially was our associated company Cloud Explorers successful in getting well-known reference customers such as DHL and PostNord.

The sales work in Sweden had to be re-built from scratch after the divestment of TargetEveryone Sweden AB. A new sales manager were recruited and started his work on December, 1. The plan is to take the experience and success from Norway and quickly implement this on the Swedish market and rest Europe.

### REVENUE AND EARNINGS

The consolidated income statement for the fourth quarter of 2019 comprises the parent company TargetEveryone AB and the subsidiaries VMSPlay Sweden AB and SpectrumOne AS. The 30% ownership of Cloud Explorers AS is also included in the results. In addition, revenues and earnings for the first 14 days until closing on the October 15, 2019 of the divested companies TargetEveryone AS and TargetEveryone Sweden AB have been included.

#### Fourth quarter

Net sales for the fourth quarter of the year amounted to SEK 0.7 (4.8) million, a decrease of SEK 4.1. The lower net sales are primarily caused by the divestment of TargetEveryone AS and TargetEveryone Sweden during October 2019. The gross profit amounted to SEK 0.4 (1.8) million for the consolidated operations,

with a gross margin at 56 (38) %. The higher gross margin is a result of better margins on SpectrumOne in comparison to the old platform TEO 1.0.

Operating expenses excluding direct costs and depreciation amounted to SEK 32.4 (14.1) million. The reason for the significantly higher operating expenses during the quarter is a result of loss on sale of subsidiaries amounting to SEK 28.2 million. Disregarding this one-off cost, the operating expenses excluding direct costs and depreciation have decreased from SEK 14.1 million to SEK 4.2 million. The personnel costs have decreased compared to previous quarters from SEK 4.1 million to SEK 1.7 million due to divestment of TargetEveryone AS and TargetEveryone Sweden AB. Two FTEs were laid off during the quarter with full effect from Q1 2020. Other external costs have decreased, mainly because of divestment of TargetEveryone AS and TargetEveryone Sweden AB as well as general cost-cutting measures. Depreciation and amortizations amounts to SEK 2.3 (3.5) million. The decrease compared to last year is mainly a result of divestment of TargetEveryone AS and TargetEveryone Sweden AB.

Operating profit (EBIT) for the period amounted to SEK -34.9 (-15.4) million. The operating margin is negative. Net financial items amounted to SEK -2.0 (-2.5) million. Profit before tax for the period amounted to SEK -36.9 (-17.9) million. Earnings per share before dilution amounted to SEK -0.37 (-0.44).

In total, there has been one-off costs related to the divestment of TargetEveryone AS and TargetEveryone Sweden AB at approximately SEK 28.2 million in the fourth quarter.

#### Twelve months

Net sales after twelve months amounted to SEK

9.4 (21.6) million, a decrease of SEK 16.8 million, where the majority of 2018 revenues came from our old platform TEO 1.0, which was divested in October. The gross profit was SEK 4.0 (8.1) million for the consolidated operations.

Operating expenses excluding direct costs and depreciation amounted to SEK 60.4 (40.5) million. The majority of the costs related to development are capitalized. The development cost after twelve months includes only the SpectrumOne platform. In general, the costs related to running operations have been substantially decreased during the period. Depreciation and amortizations amounts to SEK 16.0 (13.1) million including share of earnings from associated companies at SEK -2,4 (-2.6). This relates to intangible fixed assets relating to SpectrumOne.

Operating profit (EBIT) for the period amounted to SEK -70.1 (-40.4) million. Net financial items amounted to SEK -4.6 (-6.4) million. The Group has been charged with interest expenses for convertible loans and short-term loans. Profit before tax for the period amounted to SEK -74.6 (-46.8) million. Earnings per share before dilution amounted to SEK -0.37 (-0.44).

## **CASH FLOW AND FINANCIAL POSITION**

### **Fourth quarter**

Cash flow from operating activities before changes in working capital amounted to SEK -34.0 (-9.1) million for the fourth quarter. Changes in working capital have affected cash flow by SEK 3.9 (5.8) million. Cash flow from operating activities after changes in working capital amounted to SEK -30.2 (-3.3) million. Investment activities had a cash flow effect of SEK 25.6 (10.8) million during the period, after the divestment of TargetEveryone AS and TargetEveryone Sweden AB. Cash flow from financing activities was SEK 4.0 (-5.3) million after a new share issue in November 2019 amounting to SEK 6.2 million.

### **Twelve months**

Cash flow from operating activities before changes in working capital amounted to SEK -58.9 (-26.5) million for the full year. Changes in working capital had a negative impact on cash flow with SEK 1.1 (10.4) million. Cash flow from operating activities after changes in working capital amounted to SEK -60.0 (-16.1) million. Investment activities affected cash flow during the period with SEK 19.4 (9.0) million. Financing activities amounted to SEK 36.1 (2.7) million are explained by issuance of share capital during the year.

## **EQUITY AND SHARE**

The average number of shares amounted to 99,857,905 before and after dilution. The number of registered shares at the end of the quarter amounted to 164 111 921. The company's equity ratio amounts to 20.1 (65.3) %. The Group's equity decreased SEK 39.1 million during the fourth quarter, mainly due to reduction of the share capital from SEK 54.2 million to SEK 12.0 million through coverage of loss. After the reduction of the share capital, the quota value for the TargetEveryone AB:s shares is SEK 0.1 per share.

### **Significant events after the reporting period**

TargetEveryone completes a directed issue of shares, receives a loan facility and proposes further long-term financing in connection with strategic acquisition of Cloud Explorers.

### **Investments**

No material investments in tangible assets was made in the fourth quarter.

### **Personnel**

The number of employees at the end of the quarter amounted to 7 (40) persons, of which 2 persons receive compensation through invoicing from their own companies. The Swedish



companies had 4 employees and the Norwegian 3 employees. Two employees were laid off with full effect from first quarter 2020.

#### **Parent company**

Parent company sales for the fourth quarter amounted to SEK 0 (3.6) million and other income to SEK 0.0 (-0.1) million. Profit before tax for the period amounted to SEK -63.8 (-36.6) million.

#### **Transactions with related parties**

Fredric Forsman, chairman of the board, has during the quarter invoiced the Company for legal services amounting to SEK 0.36 million.

#### **RISKS**

Regarding risks, please refer to the Annual Report 2018.

#### **ACCOUNTING POLICIES**

From fiscal year 2014, the annual and consolidated financial statements are established by applying the Swedish Annual Accounts Act and the Swedish Accounting Standards Board BFNAR 2012:1 Annual report and consolidated (K3).

#### **AUDIT**

This report has not been reviewed by an auditor.

#### **ANNUAL REPORT**

TargetEveryone AB's annual report has been available on the website - [www.targeteveryone.com](http://www.targeteveryone.com), from April 11, 2019.

#### **UPCOMING REPORTS AND EVENTS**

Annual Report 2019 April 7, 2020

Interim Report Q1 2020 May 19, 2020

Annual General Meeting May 20, 2020

Half year Report 2020, August 20, 2020

Interim Report Q3 2020, November 10, 2020

#### **Stockholm February 2020**

Fredric Forsman, chairman of the board

Hosni Teque-Omeirat, member

Erik Fagerlid, member

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## INCOME STATEMENT - GROUP

SEK, thousands	Q4 19	Q4 18	YTD 19	YTD 18
Net revenue	678	4 766	9 416	21 548
Other income	-	305	-	2 469
<b>Total revenue</b>	<b>678</b>	<b>5 071</b>	<b>9 416</b>	<b>24 017</b>
Cost of services	-299	-2 963	-5 423	-13 471
Other external costs	-2 590	-7 154	-20 352	-22 717
Personnel costs	-1 652	-4 052	-9 558	-11 005
Depreciation and amortization	-2 308	-3 456	-13 617	-10 460
Other expenses	-	-1 930	-	-4 169
Loss on sale of subsidiaries	-28 166		-28 166	
Share of earnings from associated companies	-567	-915	-2 357	-2 632
<i>Total operating expenses</i>	<i>-35 582</i>	<i>-20 470</i>	<i>-79 474</i>	<i>-64 454</i>
<b>Operating profit</b>	<b>-34 904</b>	<b>-15 399</b>	<b>-70 058</b>	<b>-40 437</b>
Interest income and similar items	-21	555	174	1 049
Interest expenses and similar items	-1 995	-3 036	-4 765	-7 430
<i>Net financial</i>	<i>-2 016</i>	<i>-2 481</i>	<i>-4 591</i>	<i>-6 381</i>
<b>Earnings before tax</b>	<b>-36 920</b>	<b>-17 880</b>	<b>-74 649</b>	<b>-46 818</b>
Tax on profit		551	2 111	2 204
<b>Earnings</b>	<b>-36 920</b>	<b>-17 329</b>	<b>-72 538</b>	<b>-44 614</b>
Earnings attributable to parent company	-36 920	-17 329	-72 538	-44 614
Earnings attributable to minority interest	-	-	-	-
<b>Earnings</b>	<b>-36 920</b>	<b>-17 329</b>	<b>-72 538</b>	<b>-44 614</b>
Number of shares before dilution	99 857 905	54 188 407	99 857 905	54 188 407
Number of shares after dilution	99 857 905	54 188 407	99 857 905	54 188 407
Number of shares on average before dilution	99 857 905	43 433 218	99 857 905	43 433 218
Earnings per share, before dilution	-0,37	-0,40	-0,37	-1,03
Number of shares on average after dilution	99 857 905	44 171 146	99 857 905	44 171 146
Earnings per share, after dilution	-0,37	-0,39	-0,37	-1,01

## BALANCE SHEET – GROUP

SEK, thousands	Dec 30, 2019	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sep 30, 2018	Jun 30, 2018
<b>ASSETS</b>							
<i>Fixed assets</i>							
<b>Intangible assets</b>							
Goodwill				-	-	4 259	4 509
Capital expenditure for research and development	19 782	67 597	71 609	72 040	72 739	74 003	71 628
<b>Total intangible assets</b>	<b>19 782</b>	<b>67 597</b>	<b>71 609</b>	<b>72 040</b>	<b>72 739</b>	<b>78 262</b>	<b>76 137</b>
<b>Tangible assets</b>							
Equipment, tools and installations	-	120	211	250	258	310	314
<b>Total tangible assets</b>	<b>-</b>	<b>120</b>	<b>211</b>	<b>250</b>	<b>258</b>	<b>310</b>	<b>314</b>
<b>Financial assets</b>							
Shares in associated companies	7 083	7 649	8 220	8 836	9 440	10 355	11 871
Other financial assets	-	62	90	89	60	63	50
<b>Total financial assets</b>	<b>7 083</b>	<b>7 712</b>	<b>8 310</b>	<b>8 925</b>	<b>9 500</b>	<b>10 418</b>	<b>11 921</b>
<b>Total fixed assets</b>	<b>26 865</b>	<b>75 429</b>	<b>80 129</b>	<b>81 215</b>	<b>82 497</b>	<b>88 990</b>	<b>88 372</b>
<i>Current assets</i>							
<b>Receivables</b>							
Account receivables	478	1 948	1 927	2 638	2 456	3 381	4 042
Other receivables	618	3 340	21 276	1 568	1 775	18 819	23 984
Prepayments and accrued income	308	663	1 493	733	722	524	374
<b>Total receivables</b>	<b>1 403</b>	<b>5 951</b>	<b>24 696</b>	<b>4 939</b>	<b>4 953</b>	<b>22 724</b>	<b>28 400</b>
<b>Cash and bank balance</b>	<b>134</b>	<b>692</b>	<b>1 832</b>	<b>863</b>	<b>4 580</b>	<b>2 449</b>	<b>924</b>
<b>Total current assets</b>	<b>1 537</b>	<b>6 643</b>	<b>26 527</b>	<b>5 802</b>	<b>9 533</b>	<b>25 173</b>	<b>29 324</b>
<b>TOTAL ASSETS</b>	<b>28 402</b>	<b>82 072</b>	<b>106 656</b>	<b>87 017</b>	<b>92 030</b>	<b>114 163</b>	<b>117 696</b>

## BALANCE SHEET - GROUP

SEK, thousands	Dec 30, 2019	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sep 30, 2018	Jun 30, 2018
<b>EQUITY and LIABILITIES</b>							
<i>Equity</i>							
Share capital	16 411	54 188	108 377	108 377	108 377	108 377	106 308
Not registered share capital	-	-	26 255	-	-	-	-
Other capital contribution	101 075	100 303	111 217	111 217	105 609	105 609	105 272
Other equity	-111 656	-109 587	-1 889 963	-173 432	-155 325	-134 618	-125 331
<b>Total equity</b>	<b>5 829</b>	<b>44 905</b>	<b>55 886</b>	<b>46 161</b>	<b>58 661</b>	<b>79 368</b>	<b>86 249</b>
<i>Provisions</i>							
Deferred taxes	0	9 158	9 697	10 236	11 269	11 819	12 371
<b>Total provisions</b>	<b>0</b>	<b>9 158</b>	<b>9 697</b>	<b>10 236</b>	<b>11 269</b>	<b>11 819</b>	<b>12 371</b>
<i>Liabilities</i>							
<b>Long-term liabilities</b>							
Convertible loans	15 193	16 346	16 181	-	-	-	-
Other long-term liabilities	0	1 729	2 179	2 153	2 459	3 040	3 081
<b>Total long-term liabilities</b>	<b>15 193</b>	<b>18 075</b>	<b>18 360</b>	<b>2 153</b>	<b>2 459</b>	<b>3 040</b>	<b>3 081</b>
<b>Short-term liabilities</b>							
Bank overdraft					482	505	277
Account payables	3 519	3 836	10 227	6 584	4 736	3 804	6 994
Convertible loans	-	-		17 165		1 230	3 429
Other current liabilities	1 705	4 619	9 709	2 097	11 904	11 761	1 822
Accrued expenses and deferred income	2 155	1 479	2 777	2 622	2 519	2 636	3 473
<b>Total short-term liabilities</b>	<b>7 379</b>	<b>9 934</b>	<b>22 713</b>	<b>28 467</b>	<b>19 641</b>	<b>19 936</b>	<b>15 995</b>
<b>Total liabilities</b>	<b>22 572</b>	<b>28 009</b>	<b>41 073</b>	<b>30 620</b>	<b>22 100</b>	<b>22 976</b>	<b>19 076</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>28 402</b>	<b>82 072</b>	<b>106 656</b>	<b>87 017</b>	<b>92 030</b>	<b>114 163</b>	<b>117 696</b>

TargetEveryone – Report for the fourth quarter of 2019

SHAREHOLDER'S EQUITY - GROUP

Group	Share capital	Not registered share cap.	Other contributed capital	Currency translation reserve	Retained earnings	Total	Minority interest	Total shareholder capital
<b>Opening balance Oct 1, 2019</b>	<b>54 189</b>	-	<b>100 303</b>	<b>5 386</b>	<b>-114 973</b>	<b>44 905</b>	-	<b>44 905</b>
New issue						-	-	-
Costs new issue			-1 000			-1 000		-1 000
Convertible bonds, equity part						-		-
Not registered capital	-	-	-	-		-		-
Sale of subsidiary	-	-	-	-	28 166	28 166		28 166
Earnings in sold daughters	-	-	-	-	17 148	17 148		17 148
Translation difference	-	-	-	-1 903	106	-1 797		-1 797
Earnings	-	-	-	-	-36 920	-36 920		-36 920
Equity reduction	-37 777	-	1 771	-	-8 667	-44 673		-44 673
<b>Closing balance Des 31, 2019</b>	<b>16 412</b>	-	<b>101 074</b>	<b>3 483</b>	<b>-115 140</b>	<b>5 830</b>	-	<b>5 830</b>

Group	Share capital	Not registered share cap.	Other contributed capital	Currency translation reserve	Retained earnings	Total	Minority interest	Total shareholder capital
<b>Opening balance Oct 1, 2018</b>	<b>108 377</b>	-	<b>105 609</b>	<b>3 737</b>	<b>-138 355</b>	<b>79 368</b>	-	<b>79 368</b>
Translation difference	-	-	-	630	-	630		630
Earnings	-	-	-	-	-17 329	-17 329		-17 329
<b>Closing balance Dec 31, 2018</b>	<b>108 377</b>	-	<b>105 609</b>	<b>4 367</b>	<b>-155 684</b>	<b>62 669</b>	-	<b>62 669</b>

TargetEveryone – Report for the fourth quarter of 2019

Group	Share capital	Not registered share cap.	Other contributed capital	Currency translation reserve	Retained earnings	Total	Minority interest	Total shareholder capital
<b>Opening balance Jan 1, 2019</b>	<b>108 377</b>	-	<b>105 609</b>	<b>4 367</b>	<b>-159 692</b>	<b>58 661</b>	-	<b>58 661</b>
New issue						-	-	-
Costs new issue			-7 532		-	-7 532	-	-7 532
Convertible bonds, equity part			1 227			1 227		1 227
Not registered capital	-	-	-	-	-	-	-	-
Sale of subsidiary	-	-	-	-	28 166	28 166	-	28 166
Earnings in sold daughters	-	-	-	-	17 148	17 148	-	17 148
Translation difference	-	-	-	-885		-885	-	-885
Earnings	-	-	-	-	-72 538	-72 538	-	-72 538
Equity reduction	-91 966	-	1 771	-	71 777	-18 418	-	-18 418
<b>Closing balance Des 31, 2019</b>	<b>16 411</b>	-	<b>101 075</b>	<b>3 483</b>	<b>-115 140</b>	<b>5 830</b>	-	<b>5 830</b>

Group	Share capital	Not registered share cap.	Other contributed capital	Currency translation reserve	Retained earnings	Total	Minority interest	Total shareholder capital
<b>Opening balance Jan 1, 2018</b>	<b>141 654</b>	<b>7 515</b>	<b>107 236</b>	<b>305</b>	<b>-206 202</b>	<b>50 508</b>	-	<b>50 508</b>
New issue	59 215	-7 515	10 034	-	-	61 734	-	61 734
Costs new issue	-	-	-9 021	-	-	-9 021	-	-9 021
Translation difference	-	-	-2 640	4 062	2 640	4 062	-	4 062
Earnings	-	-	-	-	-44 614	-44 614	-	-44 614
Equity reduction	-92 492	-	-	-	92 492	-	-	-
<b>Closing balance Dec 31, 2018</b>	<b>108 377</b>	-	<b>105 609</b>	<b>4 367</b>	<b>-155 684</b>	<b>62 669</b>	-	<b>62 669</b>

## CASH FLOW STATEMENT – GROUP

SEK, thousands	Q4 19	Q4 18	YTD 19	YTD 18
Cash flow from operating activities before working capital changes	-34 045	-9 101	-58 873	-26 519
Changes in working capital	3 881	5 775	-1 099	10 435
<b>Cash flow from operating activities after working capital changes</b>	<b>-30 164</b>	<b>-3 326</b>	<b>-59 972</b>	<b>-16 084</b>
Cash flow from investing activities	25 558	10 762	19 420	8 966
Cash flow from financing activities	4 047	-5 305	36 106	2 671
<b>Cash flow for the period</b>	<b>-558</b>	<b>2 131</b>	<b>-4 446</b>	<b>-4 447</b>
Cash and cash equivalents at beginning	692	2 449	4 580	9 027
<b>Cash and cash equivalents at end</b>	<b>134</b>	<b>4 580</b>	<b>134</b>	<b>4 580</b>
	<b>134</b>	<b>4 580</b>	<b>134</b>	<b>4 580</b>

## INCOME STATEMENT – PARENT COMPANY

SEK, thousands	Q4 19	Q4 18	YTD 19	YTD 18
Net revenue	0	3 655	0	5 155
Other income	-	-91	-	141
<b>Total revenue</b>	<b>0</b>	<b>3 564</b>	<b>0</b>	<b>5 296</b>
Other external costs	-1 443	-6 961	-8 849	-11 696
Personnel costs	-930	-	-1 217	-219
Other expenses	-	-201	-	-589
<i>Total operating expenses</i>	<i>-2 373</i>	<i>-7 162</i>	<i>-10 066</i>	<i>-12 504</i>
<b>Operating profit</b>	<b>-2 373</b>	<b>-3 598</b>	<b>-10 066</b>	<b>-7 208</b>
Share of earnings from associated companies	-	-32 660	-	-30 734
Interest income and similar items	-21	2 392	912	3 011
Interest expenses and similar items	-61 359	-2 774	-63 947	-6 099
Unrealized loss	-	-	-	-
<i>Net financial</i>	<i>-61 379</i>	<i>-382</i>	<i>-63 036</i>	<i>-3 088</i>
<b>Earnings before tax</b>	<b>-63 753</b>	<b>-36 640</b>	<b>-73 102</b>	<b>-41 030</b>
Group contribution	-	-	-	-
Tax on profit	-	-	-	-
<b>Earnings</b>	<b>-63 753</b>	<b>-36 640</b>	<b>-73 102</b>	<b>-41 030</b>



## BALANCE SHEET – PARENT COMPANY

SEK, thousands	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sep 30, 2018	Jun 30, 2018
<b>ASSETS</b>							
<i>Fixed assets</i>							
<b>Financial assets</b>							
Shares in subsidiaries	16 054	60 931	60 931	60 931	60 931	65 941	65 941
Shares in associated companies	11 016	12 072	12 072	12 072	12 072	12 072	12 072
<b>Total financial assets</b>	<b>27 070</b>	<b>73 003</b>	<b>73 003</b>	<b>73 003</b>	<b>73 003</b>	<b>78 013</b>	<b>78 013</b>
<b>Total fixed assets</b>	<b>27 070</b>	<b>73 003</b>	<b>73 003</b>	<b>73 003</b>	<b>73 003</b>	<b>78 013</b>	<b>78 013</b>
<i>Current assets</i>							
<b>Receivables</b>							
Account receivables	-	135	135	135	135	135	135
Receivables from group companies	9 331	20 667	11 660	4 982	69	29 308	16 553
Other receivables	516	1 656	21 274	1 563	1 717	16 860	22 238
Prepayments and accrued income	308	480	906	372	571	439	160
<b>Total receivables</b>	<b>10 154</b>	<b>22 938</b>	<b>33 976</b>	<b>7 052</b>	<b>2 492</b>	<b>46 742</b>	<b>39 086</b>
<b>Cash and bank balance</b>	<b>51</b>	<b>301</b>	<b>980</b>	<b>60</b>	<b>2 184</b>	<b>146</b>	<b>109</b>
<b>Total current assets</b>	<b>10 205</b>	<b>23 239</b>	<b>34 956</b>	<b>7 112</b>	<b>4 676</b>	<b>46 888</b>	<b>39 195</b>
<b>TOTAL ASSETS</b>	<b>37 275</b>	<b>96 242</b>	<b>107 958</b>	<b>80 115</b>	<b>77 679</b>	<b>124 901</b>	<b>117 208</b>

## BALANCE SHEET – PARENT COMPANY

SEK, thousands	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sep 30, 2018	Jun 30, 2018
<b>EQUITY and LIABILITIES</b>							
<i>Equity</i>							
<b>Restricted equity</b>							
Share capital	16 411	54 188	108 337	108 377	108 377	108 377	106 308
<b>Total restricted equity</b>	<b>16 411</b>	<b>54 188</b>	<b>108 337</b>	<b>108 377</b>	<b>108 380</b>	<b>108 380</b>	<b>106 311</b>
<b>Unrestricted equity</b>							
Not registered share capital	-						
Share premium reserve	106 683	105 912	132 542	105 609	105 606	105 606	105 269
Accumulated loss	-33 921	-76 126	-156 570	-150 962	-100 086	-100 086	-100 100
Earnings	-73 102	-9 238	-7 908	-3 975	-50 872	-4 390	-3 668
<b>Total unrestricted equity</b>	<b>-339</b>	<b>20 547</b>	<b>-31 936</b>	<b>-49 328</b>	<b>-45 352</b>	<b>1 130</b>	<b>1 501</b>
<b>Total equity</b>	<b>16 072</b>	<b>74 736</b>	<b>76 441</b>	<b>59 049</b>	<b>63 028</b>	<b>109 510</b>	<b>107 812</b>
<i>Liabilities</i>							
<b>Long-term liabilities</b>							
Convertible loans	15 193	16 346	16 181	-	-	-	-
<b>Total long-term liabilities</b>	<b>15 193</b>	<b>16 346</b>	<b>16 181</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Short-term liabilities</b>							
Account payables	1 929	697	4 030	1 981	2 451	810	3 067
Convertible loans	0	-		17 165	737	1 230	3 429
Other current liabilities	2 375	3 472	9 101	1 105	10 409	11 787	395
Accrued expenses and deferred income	1 706	991	2 205	816	1 054	1 564	2 505
<b>Total short-term liabilities</b>	<b>6 010</b>	<b>5 160</b>	<b>15 336</b>	<b>21 066</b>	<b>14 651</b>	<b>15 391</b>	<b>9 396</b>
<b>Total liabilities</b>	<b>21 203</b>	<b>21 506</b>	<b>31 517</b>	<b>21 066</b>	<b>14 651</b>	<b>15 391</b>	<b>9 396</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>37 275</b>	<b>96 242</b>	<b>107 958</b>	<b>80 115</b>	<b>77 679</b>	<b>124 901</b>	<b>117 208</b>