

A person is running on a beach at sunset. The sun is low on the horizon, creating a warm, golden glow. The person is in the foreground, slightly out of focus, with their arms and legs in motion. In the background, there are buildings and a body of water. The overall mood is energetic and positive.

Brighter

Brighter AB (publ)

556736-8591

Half Year Report  
January - June  
2015

## About Brighter AB (publ).

By means of its intellectual property Brighter develops innovations for people who live with a medical condition. We develop the tools that improve the situation and every day lives of individuals. Half of Sweden's 4.6 million households will be "connected" for home care or through mobile units within five years. Brighter's objective is to simplify, streamline and strengthen the relationship between patients and healthcare professionals through the development of innovations in the area of mobile health - a market that already today - 2015 - is valued at 120 Billion SEK on a global basis.

The Company's shares are listed on NASDAQOMX First North/BRIG.

Visit our website and subscribe to press releases: [www.brighter.se/en](http://www.brighter.se/en).

## Half Year Report January 1 – June 30 2015.

- Operating revenues totalled TSEK 941 (TSEK 751).
- Profit/loss after financial items totalled TSEK -5,168 (TSEK -3,629).
- Earnings per share before dilution: SEK -0.19.
- Earnings per share after dilution: SEK -0.19.

## Financial calendar.

Interim information January-September  
2015: 2015-11-30.

Year-end report for 2015: 2016-02-19

Interim information January-March  
2016: 2016-05-20.

## Significant events during the period.

- 2015-01-15 – Remium Nordic assumes the role as Certified Adviser.
- 2015-01-26 – Brighter extends its network with Doc. Michael Alvarsson as an advisor.
- 2015-02-06 - Brighter cancels the launch of Brighter One. The Board is investigating the options available to recover development costs from its development partner.
- 2015-02-10 – Brighter presents damage claims against its earlier development partner.
- 2015-02-20 – Brighter selects Veryday as its industrial design partner.
- 2015-03-16 – Brighter selects Helbling as its design & development partner.
- The Board of Directors has taken steps to ensure the financing of the Company.
- 2015-03-26 – Brighter publishes press release about collaboration with Microsoft in e- and m-health.
- 2015-03-30 – Brighter secures loan of 3 MSEK.
- 2015-03-30 – Brighter decides to undertake a rights issue with an over-allotment issue.



- 2015-04-17 – Brighter publishes a memorandum regarding the upcoming rights issue totalling MSEK 16.3.
- 2015-04-24 – Brighter informs the market that PRV, The Swedish Patent and Registration Office, intends to grant Brighter patent for the unique injection technique that will be used in the next generation Brighter One™.
- 2015-04-27 – Brighter informs the market that the company is expanding its global protection.
- 2015-05-08 – Brighter informs the market that the rights issue has been oversubscribed with 1,219%. The company has raised a total of MSEK 19.3 before issuing costs.
- 2015-05-27 – Brighter publishes the annual report for 2014.

## Significant events after the end of the period.

- 2015-07-03 – Brighter launches Go Diabetes – a news app for diabetics.
- 2015-08-26 – Brighter communicates that it has filed a lawsuit against its former development partner HotSwap AB.



## Message from the CEO.

Spring began at an extremely fast pace and our new partners Veryday and Helbling have worked almost fanatically on the development of the next generation Brighter One during the year. The capital received from the successful rights issue in the spring has enabled great successes and allows Brighter to reach a whole new level where many new opportunities are now within reach. This flying start is just the beginning, and we will all work just as hard the rest of the year now as the ball is rolling again and really big things are starting to happen.

This success has mainly been possible thanks to all our wonderful shareholders who have shown great patience.

Along with Veryday and Helbling, we managed to implement several extremely successful focus groups resulting in design and functionality far exceeding expectations. A host of exciting projects beyond the next generation Brighter One are in the pipeline, and we are now expanding our team to be able to offer completely new opportunities for tomorrow's connected devices, in which The Benefit Loop plays an essential role.

The law suit filed against our previous development progresses and we look with confidence to the court's decision. HotSwap was unable to maintain the agreed level of quality and we thus expect to get compensation for the problems they caused. We see HotSwap claiming "better right" to one of our patents as irrelevant as Brighter's rights to all IP is clearly defined in our agreement with them.

Despite the problems that arose during the year, we are pleased and proud of all the progress that has taken place. We are extremely positive about the future and the opportunities lying ahead of us.



*Truls Sjöstedt*, CEO Brighter AB (publ).







We are passionate about  
understanding people

## Investments.

The Company's investments consist mainly of capitalization of development expenses - both external and internal - and patents. During the period January to June 2015 the Company resumed capitalization of development expenses associated with the development of the next generation Brighter One and the Benefit Loop™. During the period investments amounted to SEK 5.8 (7.4) million.

Capitalized expenses for research and development, equipment and tools, installations on third party property at the end of the period amounted to SEK 10.4 million. This mainly refers to the development of the next-generation Brighter One and the Benefit Loop.

## Risks.

Risks relating to the operation are described in the Annual Report for the fiscal year 2014 and also in [the offering memorandum](#) from April 2015 (Swedish only).

## Financial position.

Cash on June 30 2015 amounted to approx. SEK 10.6 million (24.1).

The Company's equity amounted to SEK 21.1 million (28.8), affected by the rights issue in April 2015 and the loss reported for 2014.

In April and May 2015 the Company executed two unit issues, which brought an additional SEK 19.3 million in capital

before deduction of issuing expenses. The Company took a loan of SEK 3 million during the issuing period which was then repaid from the raised funds.

## Cash flow.

Cash flow from operations during the period January to June 2015 amounted to approx. SEK -3,7 (-2.1) million, from investment activities to approx. SEK -5,8 (-7,4) million and from financing activities to approx. SEK +16.3 (+24.1) million.

The Company's operating expenses consist mainly of rent, personnel expenses and other administrative expenses. The Company's investments during the period consisted of mainly research & development and IP. Financing was exclusively acquired by the issuance of new shares in the two unit issues in April & May 2015.

## Financial performance.

Net turnover for januari to June 2015 was approx. SEK 0.0, unchanged from the previous year.

Operating income for the period was approx. SEK -5.1 million (-3.6).

The Company did not capitalize any costs during January. This due to the Board of Directors' decision to abort the launch of Brighter One. Capitalization was resumed from February when the development of the next generation of Brighter One and the Benefit Loop was up to speed.





## The share.

Brighter AB (publ) is listed on the NASDAQOMX First North exchange under the abbreviation BRIG. NASDAQOMX First North is a trading platform designated as an MTF (Multilateral Trading Facility). As of June 30 2015, 33,020,966 shares had been issued. All shares grant equal rights to the Company's profits and assets.

Brighter's Certified Advisor at Nasdaq OMX First North is Remium Nordic AB.

## Development of the share capital.

Year	Event	Change in shares	Change in share capital	Total shares	Total share capital	Quota value
2007	Company creation	-	-	1,000,000	100,000.00	0.10
	Aggregation	-925,000	-	75,000	100,000.00	1.33
2011	Stock dividend issue	25,000	33,333.00	100,000	133,333.00	1.33
	Stock dividend issue	-	366,667.00	100,000	500,000.00	5.00
	Split	9,900,000	-	10,000,000	500,000.00	0.05
2011	Rights issue	1,236,510	61,825.50	11,236,510	561,825.50	0.05
2012	Rights issue	660,971	33,048.55	11,897,481	594,874.05	0.05
2014	Rights issue	3,571,428	178,571.40	15,468,909	773,445.45	0.05
	Rights issue	1,487,185	74,359.25	16,956,094	847,804.70	0.05
2015	Rights issue	13,564,872	678,243.60	30,520,966	1 526,048.30	0.05
2015	Oversubscription issue	2,500,000	125,000.00	33,020,966	1 651,048.30	0.05

## Insiders' holdings.

Shares.	2014-06-30	Change.	2015-06-30
Truls Sjöstedt – CEO	4,924,343	+ 424,737	5,349,080
Michael Frantzén	3,745,310	0	3,745,310
Gert Westergren – Chairman	380,386	+ 125,000	505,386
Lars Flening – Board member	26,696	+ 28,179	53,041
Henrik Norström – COO	23,744	+ 389,124	412,868
Nadezda Ershova – Manager QA/RA	5,889	+ 5,108	10,997
Afsaneh Ghatan Bauer – Board member	0	+ 51,600	51,600
Petra Kaur Ljungman – Board member	0	+11,780	11,780
Sara Murby Forste – Board member	0	+ 10,480	10,480



Options.	2014-06-30	Change.	2015-06-30
Truls Sjöstedt – CEO	71,125	+ 284,868	355,993
Michael Frantzén	30,014	0	30,014
Gert Westergren – Chairman	512,459	+ 68,250	580,709
Lars Flening – Board member	580,014	+ 7,893	587,907
Henrik Norström – COO	0	+ 86,251	86,251
Nadezda Ershova – Manager QA/RA	0	+ 136,776	136,776
Afsaneh Ghatan Bauer – Board member	0	+ 6,650	6,650
Petra Kaur Ljungman – Board member	0	+ 19,445	19,445
Sara Murby Forste – Board member	0	+ 15,120	15,120





## Income statement in thousands kronor in summary.

Thousand SEK.	2015-01-01 2015-06-30	2014-01-01 2014-06-30	2014-01-01 2014-12-31
Operating revenue.	942	759	1,758
Capitalization of development expenses	929	751	1,758
Other operating revenue.	13	8	0
Operating expenses.	-6,050	-4,247	-24,192
Other external expenses.	-2,922	-1,887	-4,024
Staff expenses.	-2,886	-1,399	-4 544
Depreciation and amortization of tangible and intangible fixed.	-241	-961	-15,624
Operating income.	-5,107	-3,488	-22,434
Income from financial items.	-61	-141	-7
Income after financial items.	-5,168	-3,629	-22,441
Earnings.	-5,168	-3,629	-22,441
Earnings per share, before dilution.	-0.19	-0,22	-1,32
Earnings per share, after dilution.	-0.19	-0,22	-1,32
Number of shares, before dilution.	33,020,966	16,956,094	16,956,094
Number of shares, after dilution.	41,348,295	18,149,706	19,267,205
Average number of shares, before dilution.	26,798,035	16,312,117	16,312,117
Average number of shares, after dilution.	35,125,364	17,505,729	18,623,228



## Balance sheet in thousand kronor in summary.

Thousand SEK.	2015-06-30	2014-06-30	2014-12-31
<b>ASSETS.</b>			
Fixed assets.			
Intangible assets.	13,267	14,759	8,511
Capitalized R&D and similar work.	542	702	622
Concessions, IP and similar rights.	250	50	50
Stock	646		
Total fixed assets.	14,706	15,510	9,183
Current assets			
Current receivables	1,538	1,255	942
Cash and bank balances.	10,562	14,399	3,686
Restricted funds.	208	259	256
Total current assets.	12,307	15,914	4,884
<b>TOTAL ASSETS.</b>	<b>27,013</b>	<b>31,424</b>	<b>14,067</b>
<b>EQUITY AND LIABILITIES.</b>			
Equity.			
Share capital.	1,651	848	848
Undistributed earnings / accumulated loss.	19,479	27,967	9,164
Total equity.	21,130	28,815	10,012
Short term debt.	5,883	2,610	4,054
<i>Accounts payable.</i>	<i>2,485</i>	<i>2,272</i>	<i>2,090</i>
<i>Other liabilities.</i>	<i>430</i>	<i>293</i>	<i>249</i>
<i>Accrued expenses.</i>	<i>2,968</i>	<i>45</i>	<i>1,715</i>
<b>TOTAL EQUITY AND LIABILITIES.</b>	<b>27,013</b>	<b>31,424</b>	<b>14,067</b>
<b>PLEDGES.</b>	<b>2,208</b>	<b>2,053</b>	<b>2,256</b>
Restricted funds.	208	53	256
Corporate mortgages.	2,000	2,000	2,000
<b>CONTINGENT LIABILITIES.</b>	<b>None</b>	<b>None</b>	<b>None</b>





We believe simplicity and access  
drive behavioral change.



## Cash flow analysis in summary.

	2015-01-01 2015-06-30	2014-01-01 2014-06-30
Cash flow from operating activities before changes in working capital	-4,927	-2,676
Changes in working capital		
Decrease/increase in current receivables	-596	-755
Decrease/Increase in current liabilities	1,822	1,351
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>-3,700</b>	<b>-2,080</b>
Investment activities		
Acquisition of intangible fixed assets	-4,756	-7,018
Acquisition of tangible fixed assets	0	-369
Acquisition of financial assets.	-200	0
Acquisition of shares in subsidiaries.	0	-50
Changes in stock.	-808	0
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>-5,764</b>	<b>-7,437</b>
Financing activities		
New share issue (net after issuing costs)	16,285	32,144
Change in restricted funds	54	-259
Loans taken	0	-8,022
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>16,285</b>	<b>24,122</b>
Cash flow for the period	6,821	14,606
Opening cash	3,687	0
<b>CLOSING CASH.</b>	<b>10,562</b>	<b>14,399</b>



## Summary of changes in equity.

Changes in equity	2015-01-01 2015-06-30	2014-01-01 2014-06-30	2014-01-01 2014-12-31
OPENING EQUITY	10,012	309	309
Profit for the period	-5,167	-3 637	-22,438
New share issue (net after issuing costs).	16,285	32,144	32,144
Option payments.	0	0	0
EQUITY AT END OF PERIOD	21,130	28,815	10,012

## Accounting principles.

The accounting principles applied in this interim information January - March 2015 are in accordance with BFNAR 2007:1.

Brighter AB (publ) is the parent company in a group of companies, but it does not prepare any consolidated financial statements, with reference to the exemption rule in Chapter 7 Section 3 of the Swedish Annual Accounts Act (smaller groups of companies).

## Auditors review.

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

## Certified Advisor.

Brighter's Certified Advisor at Nasdaq OMX First North is Remium Nordic AB

Submission of half year report January - June 2015.

Stockholm August 28, 2015.

Brighter AB (publ).

Board of directors.

## For further information please contact:

Truls Sjöstedt, CEO

Telephone: +46 709 73 46 00

E-mail: [truls.sjostedt@brighter.se](mailto:truls.sjostedt@brighter.se)

Henrik Norström, COO

Telephone: +46 733 40 30 45

E-mail: [henrik.norstrom@brighter.se](mailto:henrik.norstrom@brighter.se)



A person is running on a beach at sunset. The person is shirtless and wearing dark shorts. They are splashing water, and the scene is bathed in a warm, golden light from the setting sun. The background shows a building and the ocean.

## Brighter AB (publ)

Corp. ID. 556736-8591

Norgegatan 2 4tr | SE-164 28 Kista | Sweden

tel: +46 8 55 00 88 20 | fax: +46 8 55 00 88 30

[www.brighter.se](http://www.brighter.se)