



July – September in summary

- **Genovis signed a distribution agreement with the Chinese company Beijing Zhongyuan Ltd. for sales in the Chinese market. The agreement covers all Genovis products.**

This agreement will enable Genovis, with its growing product portfolio, to establish a foothold in one of the world's largest and most exciting markets. Over the last five years the Chinese market for biopharmaceuticals has grown by more than 40% annually. The market includes both large Chinese companies and a number of global pharma giants that have chosen to locate both their research and development and their manufacturing in China.

- **Net sales** rose by about 14 percent to SEK 5,286k (4,627k).
- **Gross profit** totaled SEK 4,882k (4,953k).
- **Gross margin*** was 90 (92) percent.
- **Operating result** totaled SEK -1,654k (-1,070k).
- **Net loss for the period** was SEK 1,641k (loss: 1,059k).
- **Comprehensive income per share**, basic and diluted, totaled SEK -0.03 (-0.02).
- **Cash flow from operating activities** was a loss of SEK 1,474k (loss: 3,003k).

*Excl. other revenue and "Change in inventory, finished goods"

Financial summary	2017	2016	2017	2016	2016
(SEK 000s)	July – Sept.	July – Sept.	Jan. – Sept.	Jan. – Sept.	full-year
Net sales	5,286	4,627	15,893	13,030	18,542
Other operating income*	0	186	0	5,482	5,798
Gross profit/loss	4,882	4,953	14,899	17,755	23,281
Gross margin** (%)	90	92	88	92	92
Operating profit/loss	(1,654)	(1,070)	(6,690)	(12,472)	(14,769)
Comprehensive income for the period	(1,641)	(1,059)	(6,856)	(12,634)	(15,018)
Comprehensive income per share based on a weighted average of the number of outstanding shares	(0.03)	(0.02)	(0.12)	(0.29)	(0.32)
Cash flow from operating activities	(1,474)	(3,003)	(6,919)	(14,001)	(16,075)
Cash and cash equivalents at close of period	6,490	6,599	6,490	6,599	4,281

Other revenue largely comprises the insurance reimbursement received for the settled patent dispute.

*Excluding other revenue and inventory finished goods.

January – September in brief

- **Net sales** rose by about 22 percent to SEK 15,893k (13,030k).
- **Gross profit** totaled SEK 14,899k (17,755k).
- **Gross margin*** was 88 (92) percent.
- **Operating loss** improved to SEK 6,690k (loss: 12,472k).
- **Comprehensive income for the period** improved by SEK 5,778k to a loss of SEK 6,856k (loss: 12,634k).
- **Comprehensive income per share**, basic and diluted, improved by SEK -0.17 to SEK -0.12 (-0.29).
- **Cash flow from operating activities** was a loss of SEK6,919k (loss: 14,001k).

*Excl. other revenue and "Change in inventory, finished goods"

Events after the end of the period

Genovis has continued to expand in China and signed another distribution agreement with Shanghai Titan Scientific Ltd.

Comments from Fredrik Olsson, CEO



A quarter with intensive marketing efforts and new opportunities in China

Genovis continues its positive sales trend in the third quarter. Sales increased by 14 percent to SEK 5.3 million (4.6), bringing organic growth for the third quarter of the year to 22 percent with sales of SEK 15.9 million (13.0). Sales growth in the third quarter was relatively weak compared with the previous year due to temporary differences between the quarters, though this trend is expected to have limited impact on sales for the full year. We also see a certain negative impact from currency effects that mainly relate to the US market. I am pleased to report that sales have grown for an impressive 12 consecutive quarters and that the margins continue to remain at a high and satisfactory level.

We have launched an impressive five new products this year. Our product portfolio is now significantly broader and consists of a total of 15 product series. The third quarter was characterized by intensive marketing efforts to introduce the new products to customers. We have dedicated our efforts to the roll-out of our new technology for labeling antibodies, GlyCLICK™, and the products for glycan analysis. Genovis has participated in no fewer than five conferences during the quarter and carried out several customer visits. The conferences are well-established and excellent meeting places for us where we receive confirmation of the commercial and scientific strength and viability of our products. While these initiatives have raised our costs for the quarter, we believe they are essential to reach the market. I expect to see the effects of these initiatives already in the fourth quarter, but especially over the coming year as these products enter a more mature phase and volumes increase.

During the third quarter we signed an agreement distribution and sales of our product portfolio in China. Our objective during the year has been to acquire a partner or distributor on location in one of the growing Asian markets. The Chinese biopharmaceuticals market alone has grown by more than 40 percent annually over the past five years. Our Beijing-based partner Beijing Zhongyuan Ltd has resources, expertise, a strong product portfolio and the connections that we need. In addition, we entered into an additional distribution agreement in China after the end of the period. Our latest distributor, Titan Scientific, is based in Shanghai and works with well-known international brands in well-established channels. With this new agreement, another puzzle piece in our Asian venture is now in place. Building relationships with well-established partners is a cornerstone for Genovis to be able to achieve a good foothold and growth in Asia. These agreements also serve as an acknowledgment that our offering holds its own in relation to others and that our products strengthen the portfolios of our respective partners. We can conclude that our sales in Asia have doubled during the year, albeit from a very low level. With two new partners, we hope to accelerate sales further at a rapid pace.

As we now approach the end of 2017 I can see that Genovis is much stronger than last year. Our portfolio is broader and we have strengthened our position as an innovative knowledge partner on the global biologicals market. We will continue our goal-oriented work with customers and partners so that even more people see Genovis as its natural partner in the development of tomorrow's medications.

Genovis Group in brief

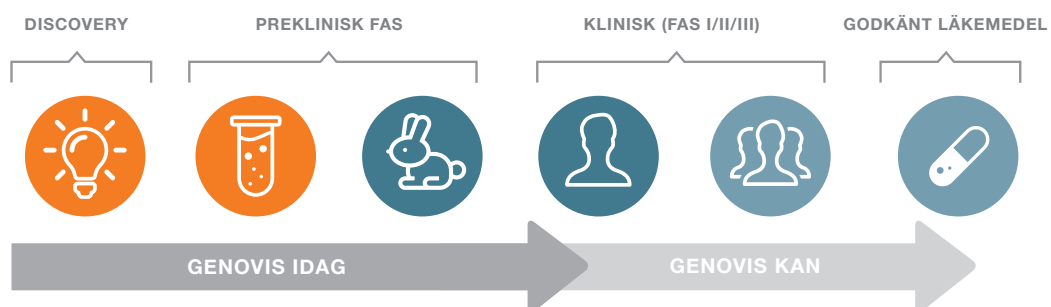
Genovis offers unique tools that contribute to the development of future therapies and has applied its knowledge and imagination to become established as a natural partner for companies in the industry. The company operates globally and markets “SmartEnzymes,” which are 11 enzymes in different product formats, as well as GlyCLICK™, a product for specific labeling of antibodies. In addition to this product, Genovis also provides customers with knowledge and support, where specialists at Genovis assist customers with interpreting and evaluating research findings to best analyze the quality of biological drugs using Genovis’ enzymes.

Currently, Genovis’ primary customers are pharmaceutical companies and biotech companies, as well as contract research companies and contract manufacturing companies. The majority of these customers develop and produce new biopharmaceuticals. The properties of a new drug must be characterized in a variety of ways while it is under development and Genovis’ strategic business development prioritizes several areas of application for customers:

- Processes to develop production protocols for drugs on track for clinical development
- Quality control during commercial production of drugs
- Processes for developing large quantities of antibody fragments
- Screening processes with a large quantity of analyses per project

The road from research to new drugs

It takes between 10 and 20 years to develop a new drug and when Genovis’ enzymes are included in the antibody analysis and selection package, the probability is high that the enzyme will be included in the journey all the way to the release of a new drug, since pharmaceutical companies are reluctant to change a well-established analytical method. While fewer customers are in preclinical and clinical phases, the value of their orders is substantially higher.



Performance

The Group's financial performance in summary

(SEK 000s)	2017 July – Sept.	2016 July – Sept.	2017 Jan. – Sept.	2016 Jan. – Sept.	2016 full-year
Net sales	5,286	4,627	15,893	13,030	18,542
Change in inventory, finished goods	114	502	881	341	422
Other operating income*	0	186	0	5,482	5,798
Raw materials and consumables	(518)	(362)	(1,875)	(1,098)	(1,481)
Gross profit/loss	4,882	4,953	14,899	17,755	23,281
<i>Gross profit/loss excluding other operating income</i>	<i>4,882</i>	<i>4,767</i>	<i>14,899</i>	<i>12,273</i>	<i>17,483</i>
Gross margin** (%)	90	92	88	92	92

*Other revenue largely comprises the insurance reimbursement received for the settled patent dispute.

** Excl. other revenue and "Change in inventory, finished goods."

Net sales

Consolidated net sales for the period rose to SEK 15,893k (13,030k), an increase in sales of 22 percent. Net sales for the third quarter amounted to SEK 5,286k (4,627k), corresponding to a 14 percent increase in sales.

Gross profit/loss

Gross profit for the period declined to SEK 14,899k (17,755k) because Genovis received insurance reimbursements in 2016 that were reported under Other revenue. Excluding other revenue, profit improved by 21 percent. Gross profit in third quarter excluding other revenue improved by 2 percent to SEK 4,882k (4,767k).

Gross margin

Gross margin excluding other operating income and change in finished goods was 90 percent (92) for the period and 88 percent (92) for the third quarter. Production volume varies from quarter to quarter, for which reason Genovis has chosen to recognize gross margin without the item "Change inventory finished goods."

Operating profit/loss (EBIT)

Operating income after depreciation, amortization and impairment for the period amounted to a loss of SEK 6,690k (loss: 12,472k), corresponding to an improvement of SEK 5,782k. Costs relating to the patent dispute that ended in June 2016 had an impact on operating earnings in 2016. Operating loss after depreciation, amortization and impairment for the third quarter was SEK 1,654k (loss: 1,070k).

Comprehensive income

Comprehensive income for the period was a loss of SEK 6,856k (loss: 12,634k). Earnings per share, based on a weighted average of the number of outstanding shares, totaled SEK -0.12 (-0.29).

Comprehensive income for the third quarter was a loss of SEK 1,641k (loss: 1,059k). Earnings per share, based on a weighted average of the number of outstanding shares, totaled SEK -0.03 (-0.02).

Costs

Consolidated expenses for the period declined by SEK 7,861k to SEK 23,464k (31,325k). Expenses for the third quarter was SEK 7,054k (6,385k). Other external costs for the period in 2016 include attorney fees that relate to the patent dispute that was settled in June 2016.

Investments

Consolidated capital expenditure for the period totaled SEK 1,627 (1,194), of which SEK 431k (10k) is attributable to property, plant, and equipment, primarily laboratory equipment and computers, and SEK 1,196 (1,184k) is attributable to investments in intangible assets. Net capital expenditure for the third quarter totaled SEK 230k (340k) and is attributable in its entirety to intangible fixed assets.

Cash flow and financial position

Consolidated cash flow for the period was SEK 2,209k (4,547k). Cash flow from financing activities totaled SEK 10,755k (19,742k). Consolidated cash flow for the third quarter was a loss of 1,704k (loss: 3,412k) and cash flow from financing activities totaled SEK 0 (loss: 69k).

Consolidated cash and cash equivalents at the end of the period amounted to SEK 6,490k (6,599k). Taking into account the private placement in April 2017, which raised SEK 11,500k for the Company before issue expenses, along with expected revenue, the Board believes that the existing working capital is sufficient to run the Company over the next twelve months.

The Company does not have any interest-bearing liabilities.

Total shareholders' equity for the Group was SEK 19,444k (17,929k) after taking the result for the period into account. Equity per share based on the weighted average of the number of outstanding shares (basic and diluted) at the end of the period was SEK 0.33 (0.41). The Group's equity ratio at the end of the period was 78 (77) percent.

Taxes

The Group has a deferred tax asset that arises from the Parent Company, amounting to SEK 1,718k (1,718k) at the end of the period.

Employees

On September 30, 2017, the Group had seventeen employees, compared with the same period the previous year, when the Group had fifteen employees. All employees were in the Parent Company.

Share capital and share performance

Share capital at the end of the period amounted to SEK 15,073,540.50 and the total number of shares amounted to 60,294,162 with a par value of SEK 0.25. Genovis' shares are traded on Nasdaq First North Stockholm under the ticker symbol GENO. First North is an alternative market, operated by the various exchanges within Nasdaq OMX. Companies on First North are subject to the rules of First North and not the legal requirements for admission to trading on a regulated market. Erik Penser Bank is the Certified Advisor for Genovis; T: +46 (0)8-463 83 00.

Parent Company

Net sales and operating profit/loss in the Parent Company are attributable to the primary and only business area: product sales and/or outlicensing of research-based innovations. According to Genovis, the company does not meet the definition of geographical areas under IAS 14 and therefore no secondary segment information is provided.

Revenue

The parent company's revenue for the period was SEK 13,536k (15,839k), of which SEK 12,655k (10,016k) was attributable to external sales and 0 (5,482k) was attributable to other revenue. Revenue for the third quarter was SEK 4,461k (3,997k), of which SEK 4,347k (3,291k) was attributable to sales and SEK 0 (204k) relates to other revenue.

Costs

The parent company's operating expenses for the period totaled SEK 20,271k (28,531k) and expenses for the second quarter totaled SEK 5,932k (5,606k). Other external costs for the period in 2016 include attorney fees that relate to the patent dispute that was settled in June 2016.

Performance

The net loss for the period for the parent company totaled SEK 6,735k (loss: 12,821k) and the net loss for the third quarter was SEK 1,471k (loss: 1,609k).

Investments

The parent company's capital expenditure for the period totaled SEK 1,627 (1,194), of which SEK 431k (10k) is attributable to property, plant, and equipment, primarily laboratory equipment and computers, and SEK 1,196 (1,184k) is attributable to investments in intangible assets. Net capital expenditure for the third quarter totaled SEK 230k (340k) and is attributable in its entirety to intangible fixed assets.

Taxes

The Parent Company has a deferred tax asset amounting to SEK 1,718k (1,718k) at the end of the period, corresponding to a loss carryforward of SEK 7,809k. The loss-carryforward is expected to be utilized in the foreseeable future. The Company's total tax loss amounts to SEK 161,119k.

Subsidiary Genovis Inc.

The subsidiary Genovis Inc. handles all sales in the North American market.

Related party transactions

Genovis' board member and principal owner Mikael Lönn, who holds a 20.72 percent stake in Genovis, owns 12.24 percent of the shares in Redeye AB, for which Mikael Lönn is also a board member. Genovis has purchased analysis services from Redeye AB for a total of SEK 975k.

Nomination Committee

Nomination Committee prior to the 2018 Annual General Meeting:

Mikael Lönn

Gunnar Bergstedt, appointed by Aduno AB

Erik Walldén

Thorbjörn Frid

The Nomination Committee had its first meeting, at which Mikael Lönn was appointed chairman. Shareholders wishing to submit comments or proposals to the Nomination Committee should do so no later than March 1, 2018, by email to info@genovis.com or by letter to Genovis AB, Valberedningen, Box 790, SE-220 07 Lund, Sweden.

Outlook

Although the Life Science field is relatively independent of business cycles, periods of uncertainty can influence our customers' appetite to invest in new technology. With all development projects proceeding according to plan, Genovis is positioned to make additional advances with respect to both new products and sales. Taken together, volume growth is expected to be positive in 2017.

Risk Factors

Genovis' general view of the financial risks that could affect operations has not changed since the description published in the most recent annual report. Genovis' business risks include the difficulties in retaining skilled personnel and the risk that anticipated revenue might not materialize since the Company is active in a market in which competing companies have substantially larger financial resources at their disposal. For a detailed overview of the Company's financial risks please refer to page 54 in Genovis' 2016 annual report.

Financial calendar 2018

Year-end Report	January 1 – December 31	February 26
Interim Report	January 1 – March 31	May 15
Annual General Meeting	Time and place to be announced	May 17
Half-Yearly Report	January 1 – June 30	August 28

Interim reports may be ordered from the Company or downloaded at the Genovis website:

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www.genovis.com.

Accounting policies

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the relevant provisions of the Swedish Annual Accounts Act. The report for the Parent Company has been prepared in accordance with chapter 9 of the Swedish Annual Accounts Act, Interim Reports. The accounting policies applied for the Group and the Parent Company are consistent with the accounting policies used in the preparation of the most recent annual report.

Consolidated statement of comprehensive income

(SEK 000s)	2017 July-Sept.	2016 July-Sept.	2017 Jan.- Sept.	2016 Jan.-Sept.	2016 full-year
Net sales	5,286	4,627	15,893	13,030	18,542
Change in inventory, finished goods	114	502	881	341	422
Other operating income	0	186	0	5,482	5,798
Raw materials and consumables	(518)	(362)	(1,875)	(1,098)	(1,481)
Gross profit/loss	4,882	4,953	14,899	17,755	23,281
Employee benefits expense	(2,675)	(2,213)	(9,276)	(7,650)	(10,750)
Other external costs	(3,325)	(3,499)	(10,886)	(21,608)	(26,006)
Other operating expenses	(181)	18	(388)	0	0
Operating profit/loss before depreciation and amortization (EBITDA)	(1,299)	(741)	(5,651)	(11,503)	(13,475)
Depreciation, amortization, and impairment losses of plant, property, and equipment and intangible assets	(355)	(329)	(1,039)	(969)	(1,294)
Operating profit/loss (EBIT)	(1,654)	(1,070)	(6,690)	(12,472)	(14,769)
Net financial items	(12)	0	(27)	(131)	(132)
Profit/loss after financial items	(1,666)	(1,070)	(6,717)	(12,603)	(14,901)
Taxes	57	0	4	2	(130)
Profit/loss after tax for the period	(1,609)	(1,070)	(6,713)	(12,601)	(15,031)
Other comprehensive income	(32)	11	(143)	(33)	13
Comprehensive income for the period	(1,641)	(1,059)	(6,856)	(12,634)	(15,018)
-attributable to shareholders in Genovis AB	(1,641)	(1,059)	(6,856)	(12,634)	(15,018)
	2017 July-Sept.	2016 July-Sept.	2017 Jan.-Sept.	2016 Jan.-Sept.	2016 full-year
Earnings per share (SEK)*					
Based on weighted average of the number of outstanding shares (basic and diluted)*.	(0.03)	(0.02)	(0.12)	(0.29)	(0.32)
Number of outstanding shares					
Weighted average for the period	60,294,162	55,294,162	58,156,616	43,677,141	46,589,486
Number of shares at beginning of period	60,294,162	55,294,162	55,294,162	36,862,775	36,862,775
Number of shares at end of period	60,294,162	55,294,162	60,294,162	55,294,162	55,294,162
Share price at end of period, SEK	4.00	2.46	4.00	2.46	2.55

Summary Consolidated Balance Sheet

(SEK 000s)

	2017	2016	2016
	Sept. 30.	Sept. 30.	Dec. 31
Assets			
<i>Non-current assets</i>			
Intangible non-current assets	4,081	3,358	3,438
Property, plant and equipment	1,029	1,245	1,084
Non-current financial assets	1,718	1,718	1,718
Current assets	11,654	10,237	11,330
Cash and cash equivalents	6,490	6,599	4,281
Total assets	24,972	23,157	21,851
Equity and liabilities			
Shareholders' equity	19,444	17,929	15,545
Noncurrent liabilities	0	135	0
Current liabilities	5,528	5,093	6,306
Total shareholders' equity and liabilities	24,972	23,157	21,851
Changes in consolidated equity			
(SEK 000s)	2017	2016	2016
	Jan.-Sept.	Jan.-Sept.	full-year
Amount at start of period	15,545	8,822	8,822
Issue of new shares	10,755	21,741	21,741
Exchange rate difference	(143)	(43)	12
Profit/loss for the period	(6,713)	(12,591)	(15,030)
Amount at end of period	19,444	17,929	15,545
Attributable to shareholders in Genovis AB	19,444	17,929	15,545
Key financial figures			
	2017	2016	2016
	Sept. 30.	Sept. 30.	Dec. 31
Equity/assets ratio (%)	78	77	71
Equity per share at end of period* (SEK)	0.33	0.41	0.33

* Based on weighted average of the number of outstanding shares (basic and diluted).

Summary consolidated statement of cash flows

(SEK 000s)	2017	2016	2017	2016	2016
	July-Sept.	July-Sept.	Jan.-Sept.	Jan.-Sept.	full-year
Cash flow from operations	(1,654)	(1,070)	(6,691)	(12,472)	(14,770)
Adjustment for items not affecting cash flow	323	340	896	936	1,307
Change in working capital	(131)	(2,273)	(1,097)	(2,334)	(2,480)
Net financial items	(12)	0	(27)	(131)	(132)
Cash flow from operating activities	(1,474)	(3,003)	(6,919)	(14,001)	(16,075)
Investing activities	(230)	(340)	(1,627)	(1,194)	(1,437)
Cash flow after investing activities	(1,704)	(3,343)	(8,546)	(15,195)	(17,512)
Financing activities	0	(69)	0	2,500	2,500
Issue of new shares	0	0	10,755	17,242	17,241
Cash flow for the period	(1,704)	(3,412)	2,209	4,547	2,229
Cash and cash equivalents at start of period	8,194	10,011	4,281	2,052	2,052
Cash and cash equivalents at close of period	6,490	6,599	6,490	6,599	4,281

Parent Company

Summary Income Statement

(SEK 000s)	2017 July- Sept.	2016 July- Sept.	2017 Jan.-Sept.	2016 Jan.-Sept.	2016 full-year
Operating income incl. change in inventory, finished goods	4,461	3,997	13,536	15,839	20,415
Operating expenses	(5,932)	(5,606)	(20,271)	(28,531)	(35,595)
Operating profit/loss	(1,471)	(1,609)	(6,735)	(12,692)	(15,180)
Net financial items	0	0	0	(129)	(129)
Profit/loss before tax	(1,471)	(1,609)	(6,735)	(12,821)	(15,309)
Profit/loss for the period	(1,471)	(1,609)	(6,735)	(12,821)	(15,309)

Summary Balance Sheet

(SEK 000s)	2017 Sept. 30.	2016 Sept. 30.	2016 Dec. 31
Assets			
Non-current assets	6,860	6,283	6,219
Current assets	13,269	13,037	12,496
Cash and cash equivalents	4,218	3,170	2,053
Total assets	24,347	22,490	20,768

Equity and liabilities (SEK 000s)

	2017 Sept. 30.	2016 Sept. 30.	2016 full-year
Shareholders' equity			
Restricted equity	15,074	13,824	13,824
Unrestricted equity	4,123	3,841	1,353
Liabilities			
Current liabilities	5,150	4,825	5,591
Total shareholders' equity and liabilities	24,347	22,490	20,768

Statement of changes in equity

(SEK 000s)	2017 Jan. – Sept.	2016 Jan. – Sept.	2016 full-year
Amount at start of period	15,177	8,745	8,745
Issue of new shares	10,755	21,741	21,741
Profit/loss for the period	(6,735)	(12,821)	(15,309)
Amount at end of period	19,197	17,665	15,177
Attributable to shareholders in Genovis AB	19,197	17,665	15,177

Summary Statement of Cash Flows (SEK 000s)	2017 July-Sept.	2016 July-Sept.	2017 Jan.-Sept.	2016 Jan.-Sept.	2016 full-year
Cash flow from operations	(1,471)	(1,609)	(6,735)	(12,692)	(15,180)
Adjustment for items not affecting cash flow	338	312	986	917	1,225
Change in working capital	(350)	(3,345)	(1,214)	(4,667)	(3,361)
Net financial items	0	0	0	(129)	(129)
Cash flow from operating activities	(1,483)	(4,642)	(6,963)	(16,571)	(17,445)
Investing activities	(230)	(339)	(1,627)	(1,194)	(1,437)
Cash flow after investing activities	(1,713)	(4,981)	(8,590)	(17,765)	(18,882)
Financing activities	0	(69)	10,755	19,741	19,741
Cash flow for the period	(1,713)	(5,050)	2,165	1,976	859
Cash and cash equivalents at start of period	5,931	8,220	2,053	1,194	1,194
Cash and cash equivalents at close of period	4,218	3,170	4,218	3,170	2,053

Statement

The Board of Directors and the Chief Executive Officer certify that this interim report provides a true and fair overview of the development of the Parent Company's and the Group's business activities, financial position and results of operations as well as the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

The Company's auditors have conducted a review of this report.

Lund November 27, 2017

Genovis AB (publ.)

On behalf of the Board of Directors
Fredrik Olsson, President & CEO

For more information, please contact: Fredrik Olsson, CEO T: +46 (0)46-10 12 33

This information is information that Genovis AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, by the contact person set out above, on November 27, 2017.

This press release is a translation of the Swedish original. In the event of any discrepancy between this translation and the Swedish original, the Swedish version shall prevail.

Auditor's report

Genovis AB 556574-5345

Introduction

We have reviewed the condensed interim financial information (interim report) of Genovis AB as of 30 September 2017 and the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Lund November 27, 2017

Öhrlings PricewaterhouseCoopers AB

Magnus Willfors
Authorized Public Accountant
Auditor in charge

Sofia Götmar-Blomstedt
Authorized Public Accountant