

Quarterly Report Ending 31 December 2017

February 28 2018

Cognosec AB Q4 2017 results reflect market's shifting response to cyber challenge

Q4 2017 Performance Overview

	Q4 2016	Q4 2017	increase by %
Q4 Revenues	4.28m EUR	6.34m EUR	48.1%
Total Gross Profit	1.81m EUR	2.17m EUR	19.9%
	2016	2017	increase by %
Total Group Revenue	14.63m EUR	17.19m EUR	17.5%

This set of Q4 2017 results rounds off an impressive year. We believe that they bear out Cognosec's strategy and offering and propel our business forward into what will be an exciting year in 2018.

In a market that is rapidly waking up to the enormous, multi-layered and fast-moving challenge that is cyber security, the strategic differentiators brought by Cognosec AB are being recognised by customers and investors alike.

The Cognosec Group is built around the belief that cyber security is not a problem that can be solved simply by purchasing a product. It is an ongoing and evolving threat to the way we choose to live, work and operate as a society.

To protect what is precious to us requires constant, up-to-date understanding and resilience.

Cognosec's expertise twinned with its multi-jurisdictional, product-neutral approach means that while our competitors focus on selling products, we are uniquely placed to solve problems for customers and ensure their reputation remains intact.

RESULTS IN DETAIL

Total year revenues across the group have increased by 17.5 % (2.6m EUR), with significant growth in the African and Middle Eastern regions. In Africa (Cognosec Kenya, Cognosec South Africa and Credence Security South Africa) annual revenue increased 19.1%, from 10.47m EUR in 2016 to 12.47m EUR in 2017. Similarly, within the Middle East (Cognosec UAE and Credence Security UAE) there was an increase in revenue of 33.9%, from 2.98m EUR in 2016 to 3.97m EUR in 2017.

Strategic reductions in operating expenditure have taken effect within the Group. Comparing H1 to H2 of 2017, overall expenditure has been reduced by 738k EUR (14% reduction). The Group's intention is that the increase in front office staff over 2017 will result in enhanced lead generation and revenue for 2018, which has been offset by strategic reductions within the group.

In January 2018, Cognosec AB issued its shares as an American Depositary Receipt (CYBNY), with Bank of New York Mellon acting as our depository bank. It is our intention that this issuing will help establish a trading presence in different markets, increase overall share liquidity as well as increasing our global investor base and analyst coverage. We have also received formal acceptance to become a member of Nasdaq's International Designation program, which will provide global access to Nasdaq's visibility assets and investor relations services.

A planned shortfall in margins stretched the Group's cash position, pending debtor collections and unwinding of deposits. The total results for 2017 was a Group loss of -3.07 m EUR (2016: -3.69m EUR).

HIGHLIGHTS

- Group Revenue of 6.34m EUR for Q4 2017 (Q4 2016: 4.28m EUR), an increase of 48.1% year on year.
- 2017 Revenue: 17.19m EUR (2016 14.6m EUR), an increase of 17.5% year on year.
- Q4 2017 Gross Margin increased 19.9% to 2.17m EUR (Q4 2016 1.8m EUR).
- 2017 Gross Margin of 6.63m EUR, an increase of 14.7% compared to 2016 (5.78m EUR).
- 2017 Group Loss of -3.07m EUR (2016 loss -3.69m EUR).
- Cognosec South Africa increased revenues by 68% for Q4 2017, from to 4.28m EUR, a 68% Increase compared to Q4 2016 (2.54m EUR).
- Credence Security UAE increased revenues by 78.7% for Q42017 (1.7m EUR), compared to Q4 2016 (946k EUR).
- Group Gross Margin for Q4 2017 was 34% (Q4 2016 Gross Margin: 42%).
- Reduction in operating expenditure by 14% (738k EUR), from H1 2017 to H2 2017.
- The Group employed 139 staff at the end of Q4 2017, up 30% compared to Q4 2016 (107).

COGNOSEC GROUP: Financial key-ratios	Oct-Dec Q4 2017	Oct-Dec Q4 2016	Jan-Dec FY 2017	Jan-Dec FY 2016
Total Group Revenue €('000s)	6,339	4,280	17,193	14,636
Total Group Gross Margin €('000)	2,169	1,810	6,626	5,785
Total Group Gross Margin (percent)	34%	42%	39%	40%
Cash Flow in the Period €('000s)	-1,173	1,001	-1,687	-1,869
Operating Margin €('000s)	-261	-937	-3,184	-3,022
Operating Margin (percent)	-4%	-22%	-22%	-21%
Result after Taxes €('000s)	-356	-1,524	-3,068	-3,668
Earnings per share €*	-0.0102	-0.0057	-0.0119	-0.0145

*Result per share refers to result per share attributable to equity owners of the parent company. There is no dilution of earnings per share. This report is published in English. Average number of shares outstanding for the period 31 December 2017 (Q4 and YTD 2017) were 257,179,500 (Q4 and YTD 2016 number of shares outstanding 257,179,500).

Contacts

For additional information, please contact: Tim Metcalfe or Miles Nolan, Investor Relations, IFC Advisory, Cognosec AB. Telephone: +44 203 934 6630.
E-mail: cognosec@investor-focus.co.uk

About Cognosec AB (Nasdaq First North: COGS.ST) (ADR program OTC: CYBNY)

Cognosec AB (Publ) is engaged in providing global cyber resilience solutions and conducts its operations through physical presences in Sweden, South Africa, UK, Kenya, Germany, Austria and the United Arab Emirates. Listed on Nasdaq First North (Nasdaq: COGS.ST) and as an American Depositary Receipt (CYBNY), the Group delivers services and technology licences to enhance clients' protections, against unwanted intrusions, to provide and enhance cyber resilience and to prevent various forms of information theft. Cognosec AB had revenues of 14.6m EUR in 2016 and 17.2m EUR in 2017. For further information, please visit www.cognosec.se

Comments by Robert Brown, CEO of Cognosec AB Group

Dear Shareholders,

I am pleased to present the fourth quarter report for 2017. I am delighted to announce that we were able to deliver an increase of 2.5 million EUR in revenue across the Group compared to 2016, maintaining our Group annual gross margin of over 39%. These results have been underpinned by our diligent and extremely hard-working staff and I commend them for their efforts over the year. Investment in personnel and other related costs have affected our overall EBITDA, however this expenditure is part of a long-term strategy, to provide future projected growth that will be in line and above industry trends in the coming years.

2018 promises to be an exciting year for Cognosec AB. First announced at the beginning of December 2017, we have recently executed an ADR program in the United States (under the stock ticker: CYBNY), appointing Bank of New York Mellon as our depository bank. The intention of this program will increase the breadth of our coverage in the cyber security market, increasing opportunities for further expansion and equally consolidation in the regions we currently operate in. 2018 will also see a number of new emerging threats and vulnerability for our customers. We are continuously looking at our service offering and product portfolio, to ensure we are able to cater for the demands of our clients.

It is our objective to continue our mergers and acquisitions activity, as well as providing essential capitalisation for research and development, along with developing our sales and technical capabilities. All of these strategic decisions will directly improve our revenue, margin and overall EBITDA prosperity.

Our relationships with our vendors, combined with our highly expert professional offering, enables us to cater for a wide range of clients. Partnering with Checkpoint, McAfee (formerly Intel Security), RSAM and many others, means we are able to offer the right solutions, independently and with the client at the very centre of our approach. We continue to invest heavily in these relationships.

I would like to thank the staff for their continued commitment to our ethos of customer focused excellence. To the Board, I thank them for their support and strategic input into the Group and their source of expert knowledge and presence in the cyber security industry. 2018 will see a further shift in the importance of cyber security in the global agenda and we are ready to meet its growing demand and help protect organisations and governments build their resilience, against the continuously evolving cyber threat.

Robert Brown, CEO Cognosec AB Group

BUSINESS OVERVIEW

MARKETS

There have been a number of high profile large data and cyber breaches within the last quarter, that have demonstrated that despite the industry's increased notoriety, companies are still failing to complete full process in reducing the risk of breaches.

In November 2017, it was revealed that Uber paid hackers to delete stolen data of up to 57 million of their customers. The incident dates back to 2016 and raises the larger question on the extent of other multinational organisations that have not disclosed large data breaches.

Following the wave of increased interest in the cryptocurrency market, Bitfinex, one of the largest exchanges received a Distributed Denial of Service Attack (DDoS). It was believed that the attack was designed to artificially decrease trading volumes and provide opportunities for hackers to utilise volatile rates.

According to the 2017 annual Cost of Cyber Crime Study by Accenture, successful breaches per company each year have risen by more than 27% (from 102 to 130). This is corroborated by the increase in the associated costs of cyber security rising by 22.3%, compared to 2016. Of the 254 companies studied across seven countries, the average cost of cyber security expenditure was 11.7m USD, highlighting that significant progress needs to be realised to ensure organisations are cyber resilient in conjunction with new methods of vulnerability.

Cognosec offers an array of assurance and advisory services to potential clients. Our ability to provide a detailed and well performing managed service whilst being able to distribute vendor products, sets us apart from our competitors by offering global cyber technology architectures.

REVENUE PERFORMANCE BY SUBSIDIARY

€ '000s	Oct-Dec	Share	Oct-Dec	Share	Jan-Dec	Share	Jan-Dec	Share
Overview Revenue	Q4 2017	%	Q4 2016	%	FY 2017	%	FY 2016	%
Credence Security (UAE)*	1,690	27%	946	22%	3,986	23%	2,977	20%
Credence Security (South Africa)	88	1%	38	1%	1,056	6%	595	4%
Cognosec (South Africa)**	4,285	68%	2,546	59%	10,490	61%	9,000	61%
Cognosec (Kenya)***	186	3%	221	5%	923	5%	875	6%
Cognosec (Europe)****	91	1%	529	12%	738	4%	1,190	8%
Total	6,339	100%	4,280	100%	17,193	100%	14,636	100%

*Credence Security UAE consists of Credence Security UAE and Cognosec UAE.

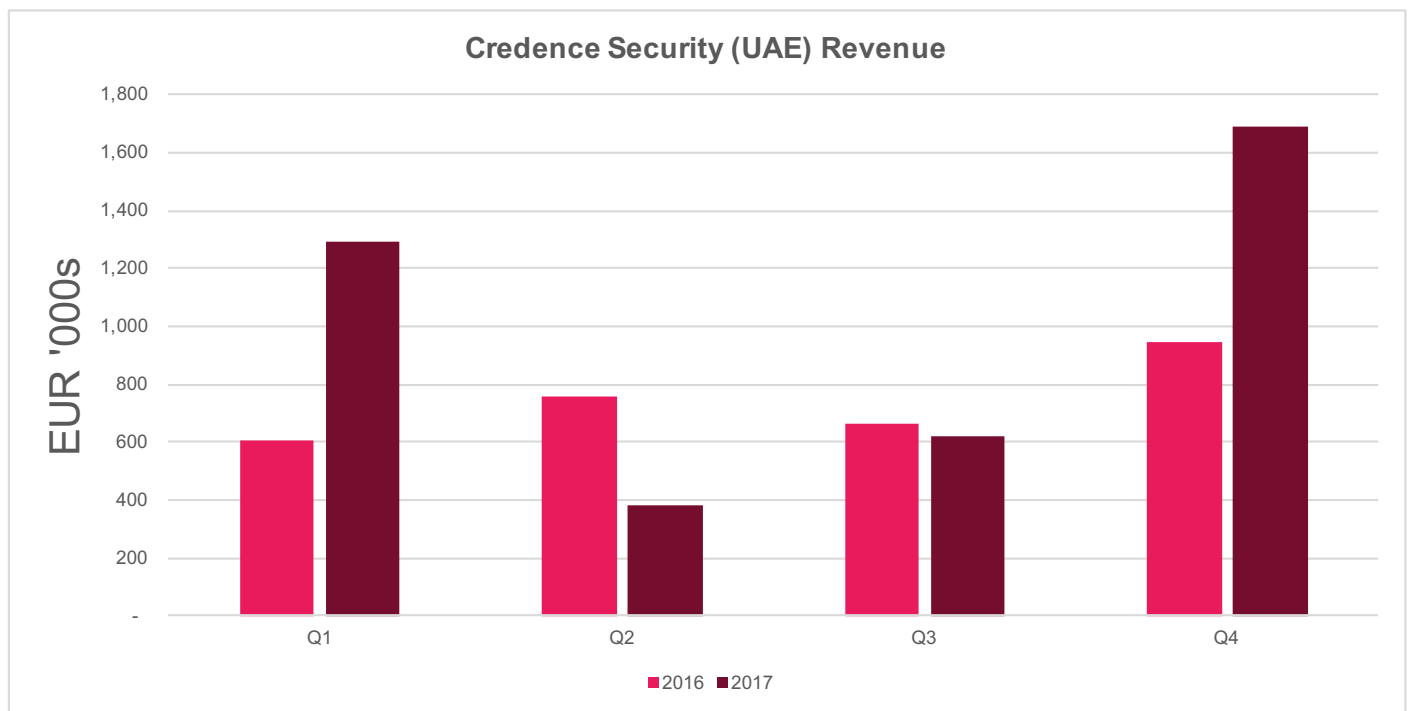
** Cognosec South Africa operates under the registered name of Dynamic Recovery Services (DRS)

*** Cognosec Kenya operates under the registered name of Professional Technologies Ltd (ProTec).

****Cognosec Europe consists of Cognosec Ltd (UK) and Cognosec GmbH (Germany).

Credence Security (UAE)

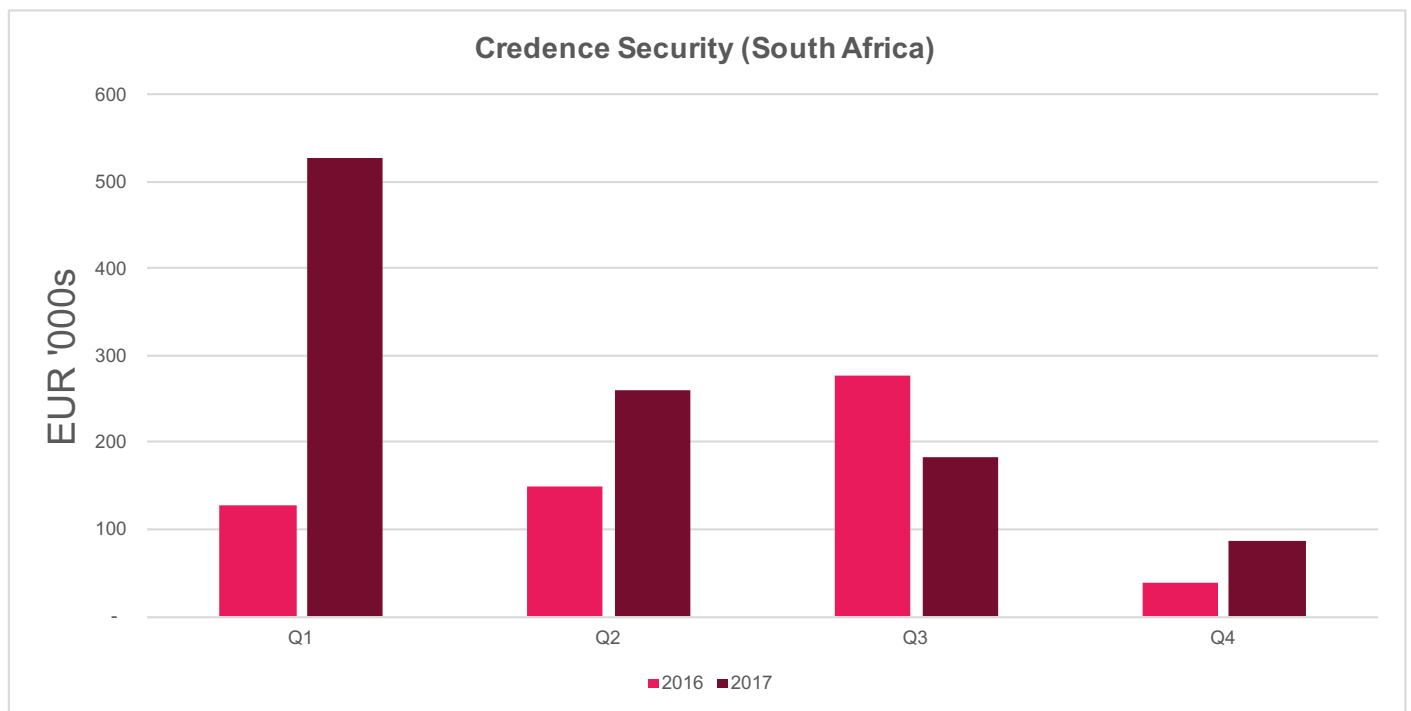
Credence Security Middle East and India finished 2017 strongly, posting its largest revenue for the year and highest quarterly results in the last eight quarters. The region finished Q4 2017 on 1.69m EUR, 78.6% higher than Q4 2016 (946k EUR), to bring the total year revenue to 3.98m EUR.



A number of key accounts were won in the Quarter, including new business and renewals for two separate national police bodies in the Middle East, as well as new business being secured in a large infrastructure department within the United Arab Emirates. In addition, we were able to establish one new security customer for Credence Security, through a government-led initiative in combating cyber terrorism. In the private sector our strong relationships with vendors and existing partners have led to a number of key deals being won for the Quarter, including a multinational gas company and phase two of a project within a leading technology university in the Middle East (circa 300k EUR).

Credence Security (South Africa)

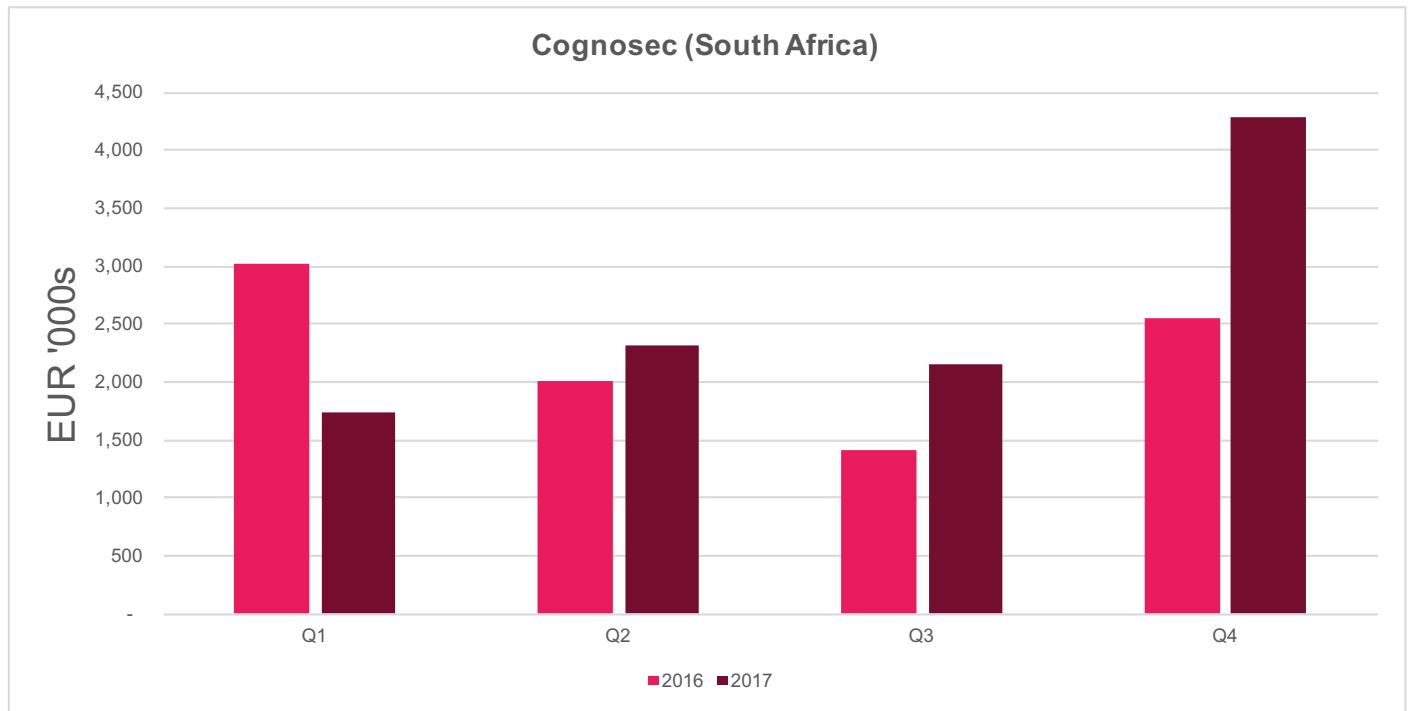
Credence Security South Africa produced revenues of 88k EUR for Q4 2017, finishing the year with an increase of 77.5% in revenue for 2017 (1.05m EUR), compared to 2016 (595k EUR).



The acquisition of Intact Security and A-Tek Distribution Limited in September will have a significant positive impact into Credence Security South Africa's overall revenue and profitability. Our relationships with clients and vendors across the region have underpinned a number of renewals for Credence Security South Africa, including several South African financial services and telecommunications companies. A large government deal scheduled for Q4 has been closed beyond the Quarter.

Cognosec (South Africa)

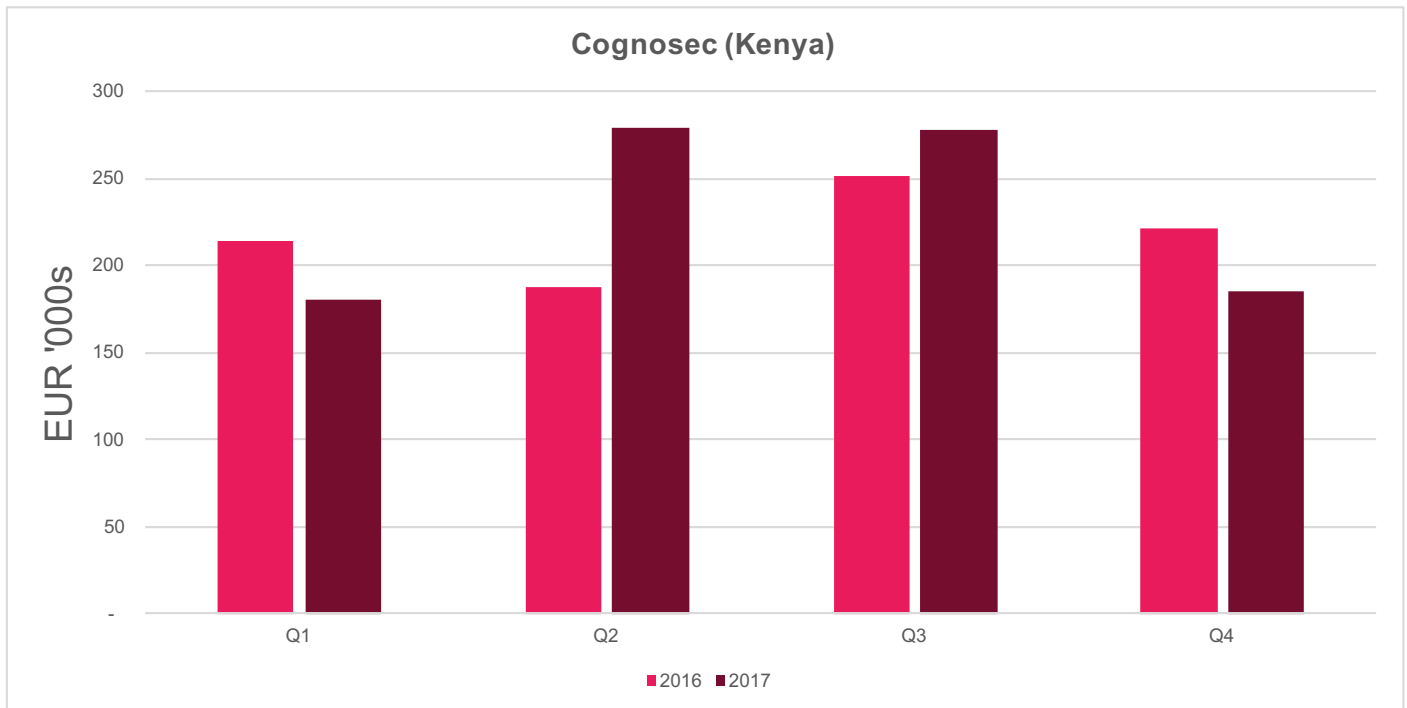
Cognosec South Africa closed the year with two strong months, with completed revenues for Q4 2017, resulting in the best quarterly revenue since the company formed part of the public listed entity.



The subsidiary recorded 4.28m EUR for the Quarter, an increase of 68.4% versus Q4 2016 (2.54m EUR). This increase in revenue was attributable to two large government deals (equating to 1.4m EUR) and a spread of financial services and other larger business contracts, which have underpinned the developing sales approach that has been taking place in South Africa. Combined with the existing renewals and strength of our partnerships in the region, the year end revenue was confirmed at 10.49m EUR, 16.6% higher than 2016 (9m EUR). In addition, Cognosec South Africa was duly awarded the McAfee Mpower partner of the year award, for the second year running. This continues to enshrine the strong relationship with the vendor and opens potential expansion lines into Europe. With the new strategy and key personnel in place the subsidiary is optimistic on future results.

Cognosec (Kenya)

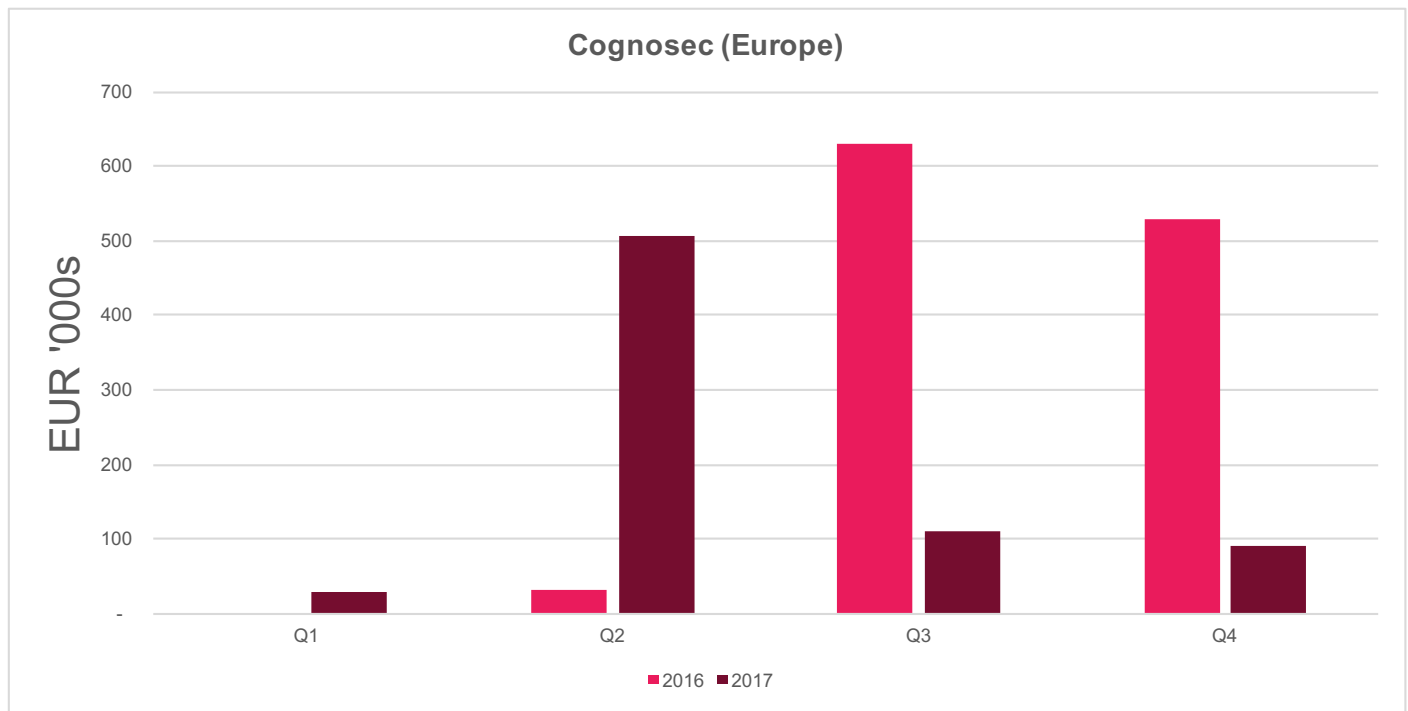
Cognosec Kenya continues its consistent trend of revenue, closing 186k EUR for the Quarter. Strong revenues throughout the year resulted in 5.4% year on year growth in revenue (2016: 875K EUR, 2017: 923k EUR).



For 2018, Cognosec Kenya is looking to increase its managed service offering, to align with the Group's larger objective of greater parity between its product distribution and managed services. Cognosec Kenya continues to work with a number of significant private and public entities through its established partnerships. A number of key customers for Q4 included a global insurance company with assets over 800bn USD, an African-Middle Eastern hospitality company with over thirty luxury resorts, alongside one of the top five national airlines in Africa. Cognosec Kenya continues to gain significant exposure within Eastern and Central Africa by selling to eight different countries in the region, with scope for further expansion throughout the continent.

Cognosec (Europe)

Cognosec Europe continues to be revenue-generating for the quarter, closing 91k EUR for the Quarter. Cognosec Europe has begun to strategise its approach for 2018, with a number of new key commercial and front office staff, to drive revenue within the region.



Working with a number of key partner vendors in the region, combined with the development of technical and sales staff will add alignment of the region to the rest of the group.

CUSTOMERS

Cognosec AB's customers range from government departments, large-scale industrial organisations, financial institutions, companies operating across the TMT sectors, including national global communications carriers as well as smaller SME sector businesses. Long-term exclusive relationships are the norm, especially when it comes to the technology that they are using. Potential new clients are eager to learn about the services and successes that the Group have achieved and continue to implement. A number of partnerships are being established with Government entities, globally.

TECHNOLOGY PARTNERS

The Group continues to expand its partner network and now includes the following technologies: Access Data, AlgoSec, CensorNet, Checkpoint, Demisto, Digital Guardian, Everbridge, Fidelis, Infocyte, McAfee, Popcorn Training, Pulse Secure, Redseal, RSAM, Solus, Trustwave amongst others.

We continue to work closely with McAfee (formerly Intel Security) on an EMEA Strategy around offering services and have recently been appointed as a McAfee Support Partner.

CASH FLOW

Continued expansion of Cognosec South Africa and the European region affected the Q4 Operational Cash Flow negatively. Whilst working capital remains tight, the directors are confident that the business forecast will support continued liquidity.

The Board is working on improving the Group's cash position through operational cash flow and capital injections from outside sources and has so far been successful in this. The mandate given by the AGM last year will be utilised for some of these injections and the Board is confident that this will provide sufficient funds.

FINANCIAL INFORMATION

INTERIM REPORT: COMPARATIVE FIGURES

The Q4 2017 report has not been formally reviewed by the Group's auditor.

PROFIT FOR THE PERIOD

Group

Fourth Quarter revenues amounted to 6.34m EUR (Q4 2016 Revenues: 4.28m EUR) an increase of 48.1%. Loss after tax for the 2017 amounted to -3.068m EUR (2016 loss: -3.668m EUR). Within this group loss there is a minority interest profit within Africa of 2k EUR attributable to the minority interest. (2016 Profit attributable to minority: 69k EUR).

Depreciation and amortisation for Q4 2017 amounted to 208k EUR, Q4 2016 Depreciation and Amortisation: 70k EUR.

There was a Net Cash Outflow for Q4 2017 amounted to -1.17m EUR (Net Cash Outflow Q4 2016 -1m EUR).

At the end of Q4 2017, the Group's cash balance amounted to 265k EUR (Q4 2016 1.36m EUR).

Parent

The Parent Company's loss for Q4 amounted to - 441k EUR (Q4 2016: -1.47m EUR).

FINANCIAL POSITION

Group

The equity ratio was 33% for 2017 (2016 57%).

The Group's equity for end of Q4 2017 amounted to 4.65m EUR (End of Q4 2016: 5.41m EUR).

Cognosec AB did not pay any dividends to shareholders during 2017, 2016 or 2015.

Parent

The equity for the parent company amounted to 3.1m EUR at the end of Q4 2017 (End of Q4 2016, 3.95m EUR) and 3k EUR cash or cash equivalent (End of Q4 2016, 12k EUR).

INVESTMENTS

The Group seeks to expand by way of profitable M&A activity. Cognosec AB continues to explore in a number of regions across the globe for further expansion, combined with strengthening current areas of operation.

TAXATION

Group

No provisional corporation tax was paid in Q4 2017.

Deferred Tax Credit has been recognised in the Group during 2017.

Parent

No current or deferred tax has been recognised in the Profit and Loss for the parent during 2017.

TRANSACTIONS WITH RELATED PARTIES

Cognosec Gmbh (Austria) provides professional services to Cognosec AB under a licensing arrangement. Both companies have a common shareholder in JA Paulsen. The acquisition of this company has been noted in previous filings.

SHARE INFORMATION

Cognosec AB (Publ) is a public company whose shares are traded on Nasdaq First North (COGS.ST) and as an American Depositary Receipt on the OTC market (CYBNY).

The Company's share register is maintained by Euroclear Sweden AB.

Total number of registered shares at 31 December 2017 are: 257,179,500.

FINANCIAL CALENDAR

First Quarter 2018	April 27, 2018
Annual General Meeting 2018	June 28, 2018
Half Year Report	August 31, 2018
Nine Month Report	October 31, 2018
Publication of 2017 Annual Report	June 8, 2018

ACCOUNTING PRINCIPLES

The interim report has been issued in accordance with International Financial Reporting Standards requirements ("IFRS"). For further information please see the Cognosec 2016 Annual Report.

RISKS AND UNCERTAINTIES

Inherent risks and uncertainties for Cognosec consist primarily of:

Business risks concerning the delivery of contracted projects and payment of these.

Financial risks (such as risks related to currency, interest rates, counter-parties, future capital), market risks (e.g. competition, changes in demand) and risks related to the local conditions in the countries in which the Group conducts its business infrastructure. There are also risks of delays due to various disturbances in the delivery of contracted projects.

Liquidity risk is managed through liquidity forecasting, which ensures sufficient funds are in place to meet the Group's obligations and the overall strategy for the Group.

INVESTOR EVENTS

There were no investor events held for Q4 2017.

CERTIFIED ADVISORS

Mangold Fondkommission AB is appointed as the Certified Advisor for Cognosec AB.

Address:

Box 55691

102 15 Stockholm

info@mangold.se

+46 8-503 015 50

INVESTOR RELATIONS ADVISORS

The Group appointed IFC as Cognosec AB's investor relations advisor.

For additional information, please contact: Tim Metcalfe or Miles Nolan, Investor Relations, IFC Advisory, Cognosec AB. Telephone: +44 203 934 6630.

E-mail: cognosec@investor-focus.co.uk

AUDITORS

PwC (Sweden) represented by Martin Johansson act as auditor for Cognosec AB (Publ) and the Group. This report has not been reviewed by the Company's Auditor.

ANNUAL REPORT

As indicated on the Financial Calendar, the 2017 Annual Report will be available on June 8 2018. The document will be available at www.cognosec.se/financial-reports, under the Annual report section.

ALLOCATION OF PROFITS

As indicated in the Financial Position section no dividends were paid to shareholders, therefore no allocation of profit was required for the period of reporting.

ELECTION COMMITTEE AND ANNUAL GENERAL MEETING

The Annual General Meeting took place on the June 28 2017.

Re-elected to the Board of Cognosec AB were Jacobus Paulsen, Lord David Blunkett, Daniel Holden, Patrick Boylan and Neira Jones.

We announced that Lord Anthony St John of Bletso has also joined the Board as a Director.

The AGM decided in accordance with the proposal, to authorize the Directors of the Board to issue, at one or more occasions, with or without deviation from shareholders preferential rights, up to 50,000,000 new shares, convertible bonds and / or warrants.

The next AGM will take place on June 28, 2018.

CERTIFICATION AND SIGNATURES

The Board of Directors and the CEO certifies that the summarised interim report gives a true and fair view of the financial information in this report.

The Board of Cognosec AB (Publ), corporate identity number 556135-4811

Jacobus Paulsen, Chairman
Patrick Boylan, Group Managing Director & Ordinary Board member
Daniel Holden, Ordinary Board member & CFO
Lord David Blunkett, Ordinary Board member
Neira Jones, Ordinary Board member
Lord Anthony Tudor St John Bletso, Ordinary Board member

DETAILED FINANCIAL INFORMATION

GROUP PROFIT AND LOSS

(Thousand Euros)	Group			
	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net Revenue	6,339	4,280	17,193	14,636
Cost of Sold Goods	-4,170	-2,470	-10,567	-8,851
Gross Profit	2,169	1,810	6,626	5,785
Sales Costs	-1,630	-1,458	-6,409	-4,810
Administration Costs	-632	-1,219	-3,135	-3,764
Depreciation	-208	-70	-266	-234
Total Operating Cost	-2,470	-2,747	-9,810	-8,808
Operating Result	-301	-937	-3,184	-3,022
EBITDA	-93	-867	-2,918	-2,788
Financial income and costs				
Finance income	16	-	16	-
Finance costs	11	-573	-37	-634
Total Finance income and costs - net	27	-573	-21	-634
Result before tax	-275	-1,509	-3,205	-3,656
Tax (Period)	-122	-15	137	-12
Total result for period	-397	-1,524	-3,068	-3,668
<i>Attributable to Parent</i>	-503	-1,467	-3,071	-3,737
<i>Minority interest</i>	106	-58	2	69
<i>Earnings per share (€/share) attributable to owners of the parent</i>	-0.0020	-0.0057	-0.0119	-0.0145

**PARENT COMPANY
 PROFIT AND LOSS**

(Thousand Euros)

	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net Revenue	-	-	-	-
Cost of Sales	-	8	-	-
Gross profit	-	8	-	-
Depreciation	-183	-18	-183	-72
Administration costs	-248	-836	-663	-1,021
Total Costs	-431	-854	-846	-1,093
Operating result	-431	-846	-846	-1,093
Finance costs	-10	-624	-10	-624
Result before tax	-441	-1,471	-856	-1,717
Tax	-	-	-	-
Result for the period	-441	-1,471	-856	-1,717

CASH FLOW ANALYSIS

(Thousand Euro)

Group

	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Operating Profit	-186	-1,558	-3,068	-3,334
Adjustments non C/F items	313	234	371	234
Operating Cash Flow	127	-1,324	-2,697	-3,100
Paid Taxes	-538	-31	-274	-123
Received finance payments - net	-	-	-	-
Changes in Working Capital	-2,897	354	-375	-802
Cash Flow from Operating Activities	-3,308	-1,001	-3,346	-4,025
Acquisition of subsidiaries	-	-	-	-
Acquisition of Fixed Assets	-241	-	-202	-
Payments related to acquisition of subsidiaries	-	-	-	-860
Cash Flow from Investment Activities	-241	-	-202	-860
New share issues	-	-	-	3,284
Directly related costs to the listing	-	-	-	-220
Proceeds from ongoing share issue	-	-	-	-
Dividend payment to minority	-	-	-	-48
Short Term Financing	2,376	-	1,862	-
Cash Flow from Financing Activities	2,376	-	1,862	3,016
Cash Flow from the Period	-1,173	-1,001	-1,687	-1,869
Opening Cash	848	1,978	1,363	2,946
Acquired cash	-	-	-	-
FX-diff Period	589	385	589	285
Closing Cash Position	265	1,362	265	1,362

CASH FLOW ANALYSIS

(Thousand Euro)

Parent

	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Operating Profit	-441	-1,031	-856	-1,717
Adjustments non C/F items	183	74	183	74
Operating Cash Flow	-258	-958	-673	-1,644
Paid Taxes			-274	-
Changes in Working Capital	-827	-159	-411	-583
Cash Flow from Operating Activities	-1,085	-1,117	-1,358	-2,227
Acquisition of Fixed Assets	-52	-	-52	-
Payments related to acquisition of subsidiaries	-	0		-860
Transfers to subsidiaries	-459	332	-459	-990
Sale of Fixed Assets	-	-		
Cash Flow from Investment Activities	-511	332	-511	-1,850
New share issues	-	-		3,284
Directly related costs to the listing	-	-		-220
Proceeds from ongoing share issue	-	-		
Dividend payment to minority	-	-		
Short Term Financing	1,559		1,559	
Cash Flow from Financing Activities	1,559	-	1,559	3,064
Cash Flow from the Period	-37	-785	-310	-1,013
Opening Cash	-0	687	12	916
FX-diff Period	40	109	302	109
Closing Cash Position	3	12	3	12

BALANCE SHEET

(Thousand Euros)	Group		Parent	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
ASSETS				
Non-current assets				
Property, plant and equipment	133	57	-	-
Intangible Assets	52		52	-
Investments in subsidiaries			4,075	3,799
Goodwill	6,152	6,152	-	-
Other Long Term Claims				-
Total Non-current assets	6,337	6,209	4,127	3,799
Current Assets				
Inventory (PIP)	240	345	-	-
Deferred tax asset	152	238	-	-
Share issue receivable	-		-	-
Short term receivable	-		-	526
Trade receivable	7,102	1,339	82	-
Other Claims	84		1,556	56
Cash & Bank	265	1,362	3	12
Total Current Assets	7,843	3,284	1,642	594
TOTAL ASSETS	14,180	9,493	5,769	4,393
DEBT AND EQUITY CAPITAL				
Equity Capital				
Share Capital	70	70	70	70
Share premium	5,852	5,852	5,763	5,703
Ongoing share issue				-
Period result	-763	-3,669	-838	-1,717
Other reserves	-510	3,159	-1,874	-96
Total Equity	4,649	5,412	3,121	3,959
<i>Capital and reserves attributable to owners</i>	4,500	5,266		
<i>Non-controlling interests</i>	149	147		
Long-term Debt				
Short term debt				
Interim Debt	2,252	76	1,569	-
Short term credit facility				
Intragroup Debt	-0		460	-
Suppliers	6,777	3,739	572	433
Tax Debt	207		47	-
Provisions	294	266	-	-
Total Short Term Debt	9,531	4,081	2,648	433
TOTAL DEBT AND EQUITY	14,180	9,493	5,769	4,393

CHANGES IN EQUITY CAPITAL

(Thousand Euros)

Group

	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Equity - Opening Balance	3,946	3,468	5,412	10,994
Costs directly related to IPO share issue	-	-		-220
Share Issues	-	-		-
Profit from the Period	1,908	-2,138	-763	-3,948
Tax impact from deductible costs for ongoing share issue	-	-		-
Adjustment related to final acquisition analysis	-	-		-
Removal of receivable from dividend paid 2014 but approved 2016	-	-		-1,400
Foreign Exchange-Differential	-1,204	381		-14
Changes in equity during the period	704	-1,757	-763	-5,582

Equity - Closing Balance	4,649	1,711	4,649	5,412
---------------------------------	--------------	--------------	--------------	--------------

Opening balance- Equity attributable to non-controlling interest	175	-246	147	77
Dividend payment to minority	-	-		-48
Currency effect minority	-28	147		48
Profit attributable to non-controlling interest	2	-58	2	69
Closing balance - Equity attributable to non-controlling interest	149	-156	149	147

Closing balance - Equity attributable to shareholders of the parent company	4,500	1,868	4,500	5,266
--	--------------	--------------	--------------	--------------

CHANGES IN EQUITY CAPITAL

(Thousand Euros)	Parent			
	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Equity - Opening Balance	3,047	4,797	3,959	5,896
Costs directly related to IPO share issue	-	-		-220
Share Issue- Under registration	-	3	-	3
Profit from the Period	-423	-1,046	-838	-1,721
Foreign Exchange-Differential	497	204		
Changes in equity during the period	74	-838	-838	-1,937
Equity - Closing Balance	3,121	3,959	3,121	3,959