

Interim Report

for 1 April – 30 June 2017

1 APRIL - 30 JUNE 2017 (2016)

- Net revenues increased to T.SEK 26,092 (13,895)
- Gross margin decreased to 19% (66%)
- Operating profit (loss) decreased to a negative T.SEK 18,192 (a positive 1,640)
- Earnings per share were a negative SEK 0.63 (a positive 0.09)
- GomSpace makes a private placement at SEK 95 million through issuance of 1.75 million new shares

1 JANUARY - 30 JUNE 2017 (2016)

- Net revenues increased to T.SEK 45,089 (24,898)
- Gross margin decreased to 31% (65%)
- Operating profit (loss) decreased to a negative T.SEK 28,449 (a positive 2,569)
- Earnings per share were a negative SEK 1.06 (a positive 0.25)

Subsequent events

- Singapore to explore the application and deployment of space-based VHF communications for air traffic management

THE SECOND QUARTER INTERIM REPORT FOR GOMSPACE GROUP AB (PUBL). THE INFORMATION IN THIS INTERIM REPORT IS SUCH THAT GOMSPACE GROUP AB IS REQUIRED TO DISCLOSE IN ACCORDANCE WITH THE EU'S MARKET ABUSE REGULATION AND THE SWEDISH SECURITIES MARKET ACT. THE INFORMATION WAS SUBMITTED FOR PUBLICATION ON AUGUST 31, 2017, 08.00 (CET).

N.B. THE ENGLISH TEXT IS AN UNOFFICIAL TRANSLATION AND IN THE CASE OF A DISCREPANCY BETWEEN THE SWEDISH TEXT AND THE ENGLISH TRANSLATION, THE SWEDISH TEXT SHALL PREVAIL.

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Message from the CEO

We are in the fortunate situation that we have secured a much higher order backlog than expected. This happened at the beginning of the year and therefore we have had to increase our spending for building up our organization with many more employees earlier on than originally planned.

The growth in revenue exceeds our plans, it was 88% during the second quarter and 81% in the first half year.

Without the partial elimination of revenue from Aerial & Maritime Ltd. the growth in revenue would even have been 101% in the second quarter and 96% in the first half year.

The result for the second quarter of 2017 was a loss of TSEK 16,508 and the total for the first half year of 2017 was a loss of T.SEK 26,780. The result is slightly lower than we expected and it is a result of the large onboarding of new employees during the period.

Because of the costs for the large onboarding, gross margins are below target. In the second quarter, gross margins were 19% and 31 % in the first half year.

In summary, we are exceeding our growth expectations, but the costs for building up the organization so quickly are showing in our lower margins.

Generally, we are still in a phase where we, at a substantial level, invest in assets as well as in operations.

In line with our business plan, the GomSpace subsidiaries for Asia and North America were established during the second quarter, with offices located in Singapore and Washington D.C. These additions are key for executing on our strategy and for our ability to capitalize on market growth in these areas as well.

During the first half year of 2017, we have hired and onboarded a very large number of employees (54, equivalent to 71%). It has been possible to hire all the employees that we need. Most from the area around Aalborg, but there are also people from other countries who have relocated to Denmark to work with "New Space" in GomSpace.

With so many new employees, we are now organizing and creating structure for the next level. Although many of the new employees are very experienced, it takes some time before we are adequately efficient.

We have a strong management team in place which has the skills to lead this task. We also have a strong balance sheet to facilitate our plans.

To support the creation of structure, we are well in progress with the implementation of a new ERP system. The first phase was achieved before the summer holidays as planned.

The performance of our production of sub-modules is already very good. Our challenge now is to get the project delivery organization with the substantial number of new employees to perform at top level - we are already on the right way.

From August, we have moved the headquarters to the new premises in the same local area near Aalborg University. Here we have room for further expansion and we will, in particular, be able to build larger production facilities.

During the summer, GomSpace has commissioned the 3Diamond precursor satellites for Sky and Space Global's big constellation of satellites that we are building at the moment. The demonstration satellites work successfully and have been "In orbit commissioned" by GomSpace. This is the first time we have launched 3 satellites with inter satellite link. This is a major achievement in the industry segment and for GomSpace.

It is also worth noting that our spin out strategy is materializing as planned. The Aerial & Maritime company is well underway together with the Investment Bank for developing countries. Furthermore, we have potential for being first mover with other new service businesses, e.g. VHF connectivity for aircrafts.

As a conclusion, we see a strong trend towards satellites in large numbers with a high content of standard product modules. This confirms our strategy to grow within the sale of standard products where we will be able to deliver scalable solutions with margins higher than specialized single satellite projects which have a lower margin.

Thereby the progress towards a strong cash flow is progressing as planned.

With the best regards



A handwritten signature in blue ink, appearing to be 'Niels Buus', written over a light blue horizontal line.

Niels Buus
CEO

Significant Events during the period

GomSpace opens an office in North America

June 30, 2017 - GomSpace has opened a new office in Washington which will spearhead the company's growing activities on the American market. GomSpace Group AB ("GomSpace", Nasdaq First North ticker: GOMX), has just opened a GomSpace North America office which will play a major role in attracting further attention to the company on the US market. The aerospace industry is growing heavily in the US, and a considerable proportion of venture capitalist investments are concentrated around business models that make use of nanosatellites. North America is the world's single largest market for nanosatellites, and Silicon Valley has also begun seeing the potential in the type of nanosatellites that GomSpace produces. At the same time, the Pentagon and NASA have launched projects with nanosatellites – a development that GomSpace wants to be close to.

GomSpace selected for the delivery of nanosatellite platform subsystem for European Commission's FIRE-RS project, led by University of Vigo in Spain

June 29, 2017 – GomSpace A/S ("GomSpace") a subsidiary of GomSpace Group AB (publ) (formerly GS Sweden) (the "Company") has been selected by and has entered into a procurement contract with the Universidade de Vigo to deliver platform subsystems for the LUME-1 Nanosatellite, financed by the European Commission. The total contract value amounts to approximately EUR 150,000. GomSpace will deliver platform subsystems composed of fully flight proven hardware to Universidade de Vigo. The FIRE-RS project aims to implement an effective tool for the early detection and characterization of natural disasters, initially focused on wildland fires within the Sudoer territory (France, Spain, and Portugal regions).

GomSpace selected by UnseenLabs for the turn-key delivery of a disruptive spectrum monitoring system

June 20, 2017 – GomSpace A/S ("GomSpace") a subsidiary of GomSpace Group AB (publ) ("the Company") has been selected by and has entered into a procurement contract with UnseenLabs SAS to develop and deliver a system based on nanosatellites to provide disruptive spectrum monitoring services from space. GomSpace will deliver the system to UnseenLabs into orbit as a turn-key solution with the launch date expected to happen in the second half of 2018. The system will operate innovative payloads developed by UnseenLabs, including unique hardware and software. This is the first step towards a future constellation using advanced spectrum monitoring dedicated to a disruptive maritime surveillance service.

GomSpace opens an office in Asia

May 24, 2017 - GomSpace A/S ("GomSpace"), a company under GomSpace Group AB (Nasdaq First North ticker: GOMX), has just opened a GomSpace Asia office which will play a major role in attracting further attention on the markets in and around Singapore. The aerospace industry is growing heavily in the entire region, and literally all Asian countries run space programs where GomSpace's technology can be utilized. GomSpace thus already has several customers and partners in Asia, and in addition, universities and research facilities increasingly demand GomSpace's small and easy-to-manage nanosatellites.

SpaceQuest places order for two advanced nanosatellite platforms from GomSpace

May 22, 2017 – GomSpace A/S ("GomSpace") a subsidiary of GomSpace Group AB (publ) (the "Company") has entered a delivery contract with the American company SpaceQuest, Ltd. SpaceQuest, one of the pioneers and leaders in micro-satellite technologies and solutions, has placed an order with GomSpace for the delivery of two advanced 3U nanosatellite platforms, associated software and payload components for a total amount of USD 325,000.

Annual general meeting held in GomSpace Group AB (publ)

April 27, 2017 - the annual general meeting for the financial year 2016 was held in GomSpace Group AB (publ) (the "Company" or "GomSpace"). Some of the key items adopted at this meeting was an incentive programme and issuance of warrants as well as the authorization for the board of directors to increase the share capital.

GomSpace makes a private placement at SEK 95 million through issuance of 1.75 million new shares

April 5, 2017 – The board of directors of GomSpace Group AB (the "Company" or "GomSpace"), parent company of GomSpace A/S, has, with support from an authorisation granted by the extraordinary general meeting held on April 28, 2016, and as indicated in the press release published on April 5, 2017, resolved to issue 1.75 million new shares at the price of SEK 54.5 per share. The price was established through a so called "accelerated book-building" procedure led by Carnegie Investment Bank AB (publ). The new share issue is directed to selected Swedish and international institutional investors.

Significant Events during the period (continued)

GomSpace enters a delivery agreement with Spacety Co., Ltd.

April 5, 2017 – GomSpace A/S (“GomSpace”) a subsidiary of GomSpace Group AB (the “Company”) has entered an agreement with Spacety Co., Ltd. (changsha). Spacety is the first Chinese commercial company to develop and deliver nanosatellite services.

GomSpace will deliver the main components for a number of satellites that in the coming years will grow to a small constellation of satellites. The order value of this initial agreement is between EUR 150,000 to EUR 200,000 and will be delivered this year. Spacety’s satellites will be launched by the end of 2017.

Significant Events after the accounting period

Extraordinary general meeting held in GomSpace Group AB (publ)

August 24, 2017 - an extraordinary general meeting was held in GomSpace Group AB (publ) (the “Company” or “GomSpace”). The key items adopted at this meeting was an incentive programme and issuance of warrants.

GomSpace closes order for a nano-satellite platform for German Aerospace Center’s demonstration of the OSIRIS optical demonstration payload

August 10, 2017 – GomSpace A/S (“GomSpace”) a subsidiary of GomSpace Group AB (publ) (the “Company”) has closed an order for delivery of a nano-satellite platform for the German Aerospace Center’s (“DLR”) demonstration of the OSIRIS optical demonstration payload. In the framework of the OSIRIS program, DLR develops highly compact optical communication payloads for small LEO spacecrafts together with their cooperation partner Tesat-Spacecom GmbH & Co KG. The total order value amounts to approximately EUR 500,000.

Singapore to explore the application and deployment of space-based VHF communications for air traffic management

July 13, 2017 – GomSpace A/S (“GomSpace”) a subsidiary of GomSpace Group AB (publ) (the “Company”) together with The Civil Aviation Authority of Singapore (CAAS), Singapore Technologies Electronics Limited (ST Electronics) today signed a Memorandum of Understanding (MOU) to explore the application and deployment of space-based Very High Frequency (VHF) communications for air traffic management (ATM) in and around the Singapore Flight Information Region (FIR).



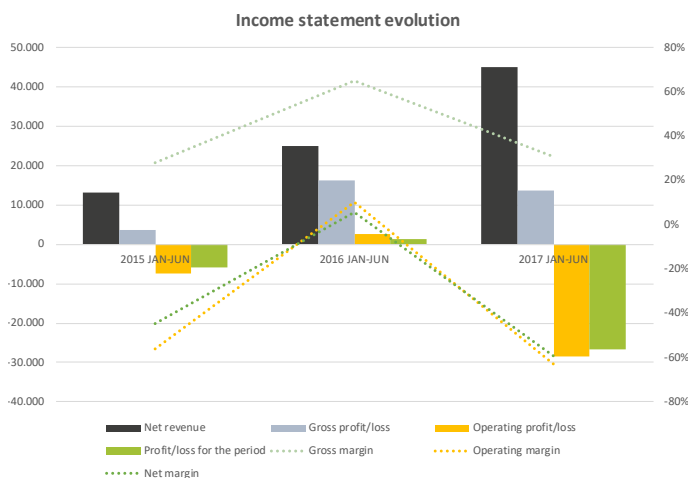
Financial Performance in the second quarter of 2017 (2016)

Financial Review

The Interim Report for 1 April – 30 June for GomSpace Group AB also includes the Companies GomSpace A/S, GomSpace Orbital ApS, NanoSpace AB, GomSpace Asia Pte Ltd as well as GomSpace North America LLC. Result for the period was a net loss of T.SEK 16,508 (a profit of 967) and a net loss of T.SEK 26,780 for the first half of 2017. In the first half of 2017 we had large costs for onboarding of new employees. At 30 June 2017, equity was T.SEK 211,548 (94,468).

The result after a growth in revenue at 81% for the first half of 2017 is above our growth target. Gross margin at 31% is under our growth targets.

The operating loss for the second quarter was T.SEK 18,192 (a profit of 1,640) and the loss for the first half of 2017 was T.SEK 28,449 (a profit of 2,569).



Revenue

1 APRIL – 30 JUNE 2017 (2016)

Revenues for the second quarter of 2017 amounted to T.SEK 26,092 (13,895), corresponding to an increase of 88% compared with the same period in 2016. The revenue includes a correction, T.SEK 1,905, eliminating partial revenue from the associated entity, Aerial & Maritime.

Had the above adjustment not been carried out, the total underlying growth would have been 101%.

In the second quarter, sales to new customers represented 41% of revenues.

1 JANUARY – 30 JUNE 2017 (2016)

Revenues for the first half of 2017 amounted to T.SEK 45,089 (24,898), corresponding to an increase of 81% compared with the same period in 2016. The revenue includes a correction, T.SEK 3,596, eliminating partial revenue from the associated entity, Aerial & Maritime.

Had the above adjustment not been carried out, the total underlying growth would have been 96%.

In the first half of 2017, sales to new customers represented 30% of revenues.

Expenses

1 APRIL - 30 JUNE 2017 (2016)

Operating expenses for the second quarter of 2017 amounted to T.SEK 44,284 (12,255), corresponding to an increase of 261%. Sales, distribution, development and administrative costs increased to T.SEK 23,197 (7,570), corresponding to an increase of 206%. Our sales and administrative costs have increased as expected according to our business plan, however, costs of goods sold and costs for development activities have increased significantly, primarily due to the onboarding of many new engineers in our development department.

1 JANUARY - 30 JUNE 2017 (2016)

Operating expenses for the first half of 2017 amounted to T.SEK 73,538 (22,329), corresponding to an increase of 229%. Sales, distribution, development and administrative costs increased to T.SEK 42,211 (13,656), corresponding to an increase of 209%.

Profitability

1 APRIL - 30 JUNE 2017 (2016)

In the second quarter 2017, gross profit amounted to T.SEK 5,005 (9,210), corresponding to a decrease of 46% compared with the same period in 2016. In the second quarter 2017, the gross margin is 19% compared with the same period in 2016 where the gross margin was 66%. The impact of partial elimination is an increase of T.SEK 2,732. The underlying gross margin without partial elimination is 15%.

In the second quarter 2017, we stated work in progress based on costs used on the projects instead of hours spent on the projects. Regarding the A&M project, there were large costs in the second quarter 2017 for launch which has resulted in a negative coverage on the project and therefore elimination had a positive effect on the quarter.

The financial performance in the second quarter 2016 was extraordinarily high. This was primarily due to a supplement to a customer agreement. The gross margin was at an unusual high level.

Financial Performance in the second quarter of 2017 (2016) (continued)

Revenue recognition in 2016 regarding sales of goods has changed from recognition point of time to percentage of completion. During 2016 we identified certain small projects which are recognized as point in time, however these were to be recognized as contract work. The revenue effect before tax is T.SEK 167 for the second quarter of 2016. Because of the insignificant effect, the comparative figures have not been corrected.

In the second quarter 2017, operating loss amounted to T.SEK 18,192 (operating profit 1,640), corresponding to a decrease of 1209% compared with the same period in 2016.

1 JANUARY - 30 JUNE 2017 (2016)

In the first half of 2017, gross profit amounted to T.SEK 13,762 (16,225), corresponding to a decrease of 15% compared with the same period in 2016. In the first half of 2017, the gross margin is 31% compared with the same period in 2016 where the gross margin was 65%. The impact of partial elimination is a decrease of T.SEK 532. The underlying gross margin without partial elimination is 29%.

The change in revenue recognition regarding sales of goods as explained above had a minor positive effect on revenue in the first half of 2016, T.SEK 153. Because of the insignificant effect, the comparative figures have not been corrected.

In the first half of 2017, operating loss amounted to T.SEK 28,449 (operating profit 2,569), corresponding to a decrease of 1207% compared with the same period in 2016.

Financial income and expenses

1 APRIL - 30 JUNE 2017 (2016)

Net financial items for the second quarter of 2017 had a negative effect on profit, mainly due to exchange rate adjustments in USD on receivables. Net financial items amounted to a negative T.SEK 1,833 (358).

1 JANUARY - 30 JUNE 2017 (2016)

Net financial items for the first half of 2017 had a negative effect on profit. Net financial items amounted to a negative T.SEK 2,506 (667).

Tax and deferred tax

1 APRIL - 30 JUNE 2017 (2016)

The Group recognized a tax loss carry-forward at a total amount of T.SEK 7,851. The parent company GomSpace Group AB recognized a tax loss carry-forward at a total amount of T.SEK 155 in the second quarter of 2017.

The Group had an effective tax rate of 18.7% (24.6%) in the second quarter of 2017.

1 JANUARY - 30 JUNE 2017 (2016)

The Group recognized a tax loss carry-forward at a total amount of T.SEK 14,768. The parent company GomSpace Group AB recognized a tax loss carry-forward at a total amount of T.SEK 2,127, the main part of this amount is attributable to last year.

The Group had an effective tax rate of 14.8% (23.9%) in the first half of 2017.

Shareholder's equity

As at 30 June 2017, total shareholder's equity amounted to T.SEK 211,548 (94,468). During the period, there is a retail transaction cost in relation to the initial public offering of T.SEK 550. On 5 April the Group issued 1.75 million new shares and received T.SEK 95,376. Cost in relation to increasing capital amount to T.SEK 4,904 and is deducted in the share premium. In the second quarter 2017, an income of T.SEK 2,295 is recognized as share-based payments in relation to the warrant program established for the Group's employees.

Investments

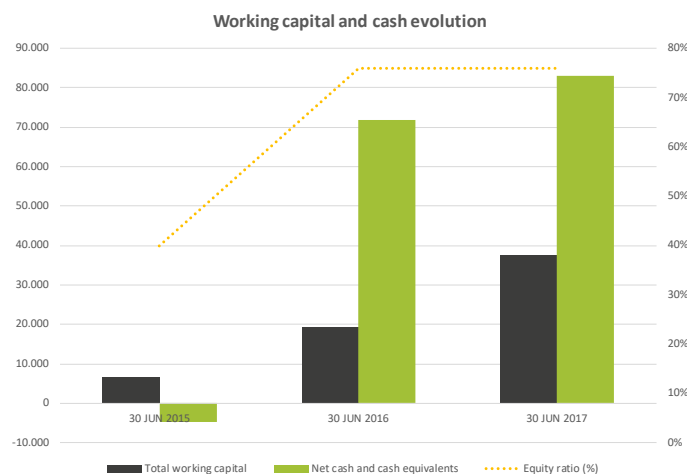
1 APRIL - 30 JUNE 2017 (2016)

Investments in intangible assets amounted to T.SEK 12,888 (829) in relation to in-house development. Investments in property, plant and equipment amounted to T.SEK 2,481 (997). Major investments were made in IT and equipment.

1 JANUARY - 30 JUNE 2017 (2016)

Investments in intangible assets amounted to T.SEK 15,536 (2,278) in relation to in-house development. Investments in property, plant and equipment amounted to T.SEK 5,641 (1,184). Major investments were production equipment as well as IT equipment. During the first quarter of 2017, we made a deposit in relation to the new premises. The deposit was at an amount of T.SEK 3,358.

Financial Performance in the second quarter of 2017 (2016) (continued)



Cash and cash equivalents, financing and financial position

1 APRIL - 30 JUNE 2017 (2016)

Cash flow from operating activities amounted to a negative T.SEK 12,738 (5,997) during the second quarter.

Cash flow from investing activities amounted to a negative T.SEK 15,369 (negative 1,826). The main part of the investment activities is related to in-house development projects.

1 JANUARY - 30 JUNE 2017 (2016)

Cash flow from operating activities amounted to a negative T.SEK 30,537 (1,840) during the first half of 2017. The increase in working capital is mainly due to the increase in trade receivables of which the main part relates to the associated company Aerial & Maritime Ltd.

Cash flow from investing activities amounted to a negative T.SEK 44,441 (3,462). The main part of the investment activities is related to cash contribution to the associated company Aerial & Maritime Ltd and in-house development Investments.

Cash and cash equivalents amounted to T.SEK 87,855 (79,861) at the end of the second quarter. GomSpace Group's working capital totalled T.SEK 37,368 (19,129). The cash position is lower than expected due to funds being tied up in working capital. We still consider the solvency of our customers generally to be at a high level.

Credit risks

The Group is exposed to credit risks and other financial risks, such as market risks, including foreign exchange, interest and liquidity risks. These risks are described in the Consolidated Financial Statements for 2016.



Market Development

In recent years, the nano- and micro-satellite technology has gained foothold in the satellite market and is expected to grow more than the conventional satellite market. The market for nano- and micro-satellites, or cube-satellites, is still fairly new and is having a disruptive effect on the market. More than 6,200 smallsats are expected to be launched over the next 10 years, moreover the roll-out of multiple constellations, mainly for commercial operators, is expected to account for more than 70 percent of that total.* The market is expected to grow at a Compound Annual Growth Rate (CAGR) of 23.7% from USD 1.21 billion in 2017 to USD 3.49 billion in 2022**.

This, in turn, leads to the proliferation of the space economy and to innovation in new business models and areas benefiting from space-based assets.

This is exemplified with the large order placed by Sky and Space Global (SSG) Ltd in February 2017 that will utilize our nanosatellite technology to deliver a new cost-efficient communication service targeting emerging markets. The project recently completed the Preliminary Design Review fully confirming the technical feasibility of the project.

Further, the change in paradigm will allow diversification of space based system changing from a situation with few infrastructures in space to a situation with many competing infrastructures. This will significantly contribute to make the whole space eco-system, on which our global society depends, more resilient.

We see development in the market's three phases:

The first, during which the use of nanosatellites was demonstrated, is now over.

The second is the phase in which defined global mission types are being demonstrated that can lead to specific services with large satellite constellations. This phase will always comprise an important phase in an investment in large constellations. At the current size of the nanosatellites market, these activities will continue to drive high near-term growth in the market.

The third phase is the investment in full constellations, once proven through the activities mentioned above, to provide commercial services to end-users. SSG is the forerunner for this, but many more will follow and drive the growth in the number of nanosatellites to be produced and operated.

An increase in regulatory filings for future satellite constellations under planning/development is supporting the expectation of increasing activity in the sector. Many of these filings suggest new constellations, employing hundreds, and even thousands, of satellites primarily for communication applications. As regulatory activities precede procurement and deployment activities, this picture is consistent with the expectations for the anticipated third phase of market development.

This expected market development is backed by increasing institutional support shown by the space agencies and institutional sponsors of nanosatellite technology development and demonstrations. For example, at the ministerial meeting of the European Space Agency in December 2016, new budget commitments were undertaken by the member states and the increased support for innovation and demonstration was confirmed.

Also, we expect the European Union to increase investments in technology related to nanosatellites, new applications and instruments as well as technologies for deploying and managing large satellites constellations through the Horizon 2020 development program.

Development

During the quarter, most effort has been spent on customer projects. We have finalized deliveries of satellites, some of these have already been successfully launched and we have progressed on to other projects. We continued the development of innovative technologies for use in future satellites like deployable solar panels, CCSDS based communications protocols and AIS/ADS-B receivers for the NanoCom software defined radio platform.

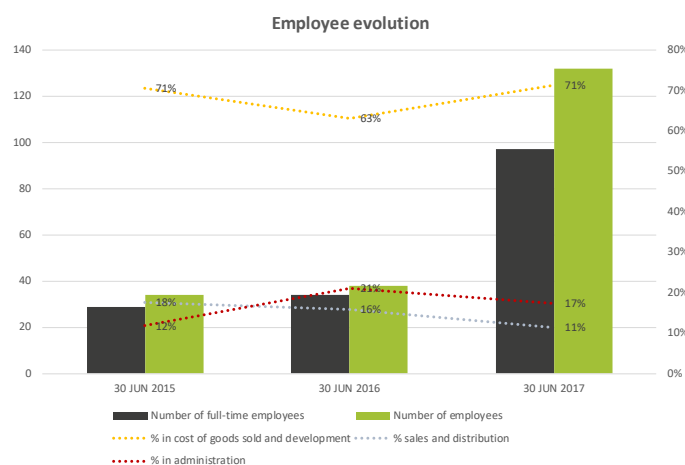
We have continued research improving the reliability and thereby lifetime of the satellites, and we are progressing well in finding innovative ways to use standard components for space applications. We also continue building up test facilities simulating the environment seen during launch and missions.

The size of the R&D team has doubled since the start of the year and we have been able to attract experienced and trained engineers for all the skills needed to develop satellites. This is a big relief and we are well prepared for the next growth period. That said, with such an intake of engineers we know extra time must be spent during the next months introducing the new engineers to the GomSpace way of developing satellites.

* Satellitetoday: <http://www.satellitetoday.com/newspace/2017/08/14/total-smallsat-market-reach-30-billion-10-years/>

** MarketsAndMarkets: <http://www.marketsandmarkets.com/Market-Reports/nanosatellite-and-microsatellite-market-130496085.html>

Other



Employees

As at 30 June, GomSpace Group AB had 132 (38) employees, corresponding to 97 (34) full-time/year employees. Employees working within cost of goods sold and in development, totalled 94 (24), with sales and distribution, 15 (6), and in administration there were 23 (8) employees.

Number of shares

On 30 June 2017, the total number of outstanding shares in GomSpace Group AB was 26,257,334.

Parent Company

The parent company had total revenues of T.SEK 5,156 (442) in the second quarter of 2017 and T.SEK 9,517 for the first half of 2017. The parent company incurred total costs of T.SEK 11,187 (22,363) in the second quarter and T.SEK 18,766 (22,363) for the first half of 2017. A total of T.SEK 5,454 is attributable to the capital increase and has been deducted from the share premium. The operating result for the second quarter 2017 is a negative T.SEK 1,127 (166) and a negative T.SEK 3,795 (166) for the first half of 2017. The net loss for the second quarter is T.SEK 996 (170) and a net loss of T.SEK 1,620 (170) for the first half of 2017.

The Group consists of GomSpace Group AB (Reg. No. 5590261888), GomSpace A/S (Reg. No. 30899849), NanoSpace AB (Reg. No. 556643-0475), GomSpace Orbital ApS (Reg. No. 38173561), GomSpace ASIA Pte Ltd (Reg. No. 201707094C) and GomSpace North America LLC (Reg. No. S667083-2).

GomSpace Group AB



Group

- Key Figures and Ratios

	2017 JAN-JUN T.SEK	2016 JAN-JUN T.SEK	2016 JAN-DEC T.SEK
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KEY FIGURES

Net revenue	45,089	24,898	54,142
Gross profit	13,762	16,225	25,201
Operating profit (loss)	-28,449	2,569	-14,510
Share of profit from associates	-491	0	21,386
Net financial items	-2,506	-667	-1,389
Profit (loss) before tax	-31,446	1,902	5,487
Profit (loss) for the period	-26,780	1,448	8,981
Investments in PPE	5,641	1,184	6,447
Total assets	276,947	124,523	206,048
Equity	211,548	94,468	146,106
Total liabilities	65,399	30,055	59,942

RATIOS

Gross margin	31%	65%	47%
Operating margin	-63%	10%	-27%
Net margin	-59%	6%	17%
Return on invested capital (%)	-10%	1%	4%
Return on equity (%)	-15%	3%	11%
Equity ratio (%)	76%	76%	71%
Earnings per share, basic, SEK	-1.06	0.25	0.62
Earnings per share, diluted, SEK	-1.06	0.25	0.62
Number of outstanding shares, average	25,343,445	5,902,290	14,592,504

Definition of key figures and ratios are defined in Note 1.

Consolidated Income Statement

	2017 APR-JUN T.SEK	2016 APR-JUN T.SEK	2017 JAN-JUN T.SEK	2016 JAN-JUN T.SEK	2016 JAN-DEC T.SEK
Net revenue	26,092	13,895	45,089	24,898	54,142
Cost of goods sold	-21,087	-4,685	-31,327	-8,673	-28,941
Gross profit	5,005	9,210	13,762	16,225	25,201
Sales and distribution costs	-7,246	-3,882	-12,962	-6,389	-15,473
Development costs	-6,565	-2,033	-12,073	-3,153	-6,812
Administrative costs	-9,386	-1,655	-17,176	-4,114	-17,426
Operating profit (loss)	-18,192	1,640	-28,449	2,569	-14,510
Share of profit from associates	-277	0	-491	0	21,386
Finance income	326	228	469	249	525
Finance expenses	-2,159	-586	-2,975	-916	-1,914
Profit (loss) before tax	-20,302	1,282	-31,446	1,902	5,487
Tax	3,794	-315	4,666	-454	3,494
Profit (loss) for the period	-16,508	967	-26,780	1,448	8,981
Profit (loss) is attributable to					
Owners of GomSpace Group AB	-16,508	967	-26,780	1,448	8,981
	-16,508	967	-26,780	1,448	8,981
Earnings per share, basic, SEK	-0.63	0.09	-1.06	0.25	0.62
Earnings per share, diluted, SEK	-0.63	0.09	-1.06	0.25	0.62
Earnings per share, diluted, SEK based on the same method as in the combined financial statements 2013-2015	-	0.06	-	0.10	-
Number of outstanding shares basic, average	26,179,556	11,047,412	25,343,445	5,902,290	14,592,504
Number of outstanding shares diluted, average	26,202,136	11,047,412	25,354,735	5,902,290	14,592,504
Number of outstanding shares, average based on the same method as in the combined financial statements 2013-2015	-	15,095,838	-	14,480,032	-

Consolidated Statement of Comprehensive Income

	2017 APR-JUN T.SEK	2016 APR-JUN T.SEK	2017 JAN-JUN T.SEK	2016 JAN-JUN T.SEK	2016 JAN-DEC T.SEK
Profit (loss) for the period	-16,508	967	-26,780	1,448	8,981
Items which may be reclassified to the income statement:					
Foreign exchange rate adjustments	154	338	5	500	890
Other comprehensive income for the period, net of tax	154	338	5	500	890
Total comprehensive income for the period	-16,354	1,305	-26,775	1,948	9,871
Total comprehensive income for the period is attributable to:					
Owners of GomSpace Group AB	-16,354	1,305	-26,775	1,948	9,871
	-16,354	1,305	-26,775	1,948	9,871

Consolidated Statement of Financial Position

	2017 30 JUN T.SEK	2016 30 JUN T.SEK	2016 31 DEC T.SEK
Goodwill	1,400	0	1,400
Technology	11,400	0	11,800
Completed development projects	5,187	3,156	6,033
Development projects in progress	21,272	6,389	6,197
Other intangible assets	3,420	758	3,317
Intangible assets	42,679	10,303	28,747
Property, plant and equipment	10,590	1,688	6,365
Property, plant and equipment	10,590	1,688	6,365
Investments in associates	34,929	0	36,723
Deferred tax	8,575	0	4,093
Other non-current assets	4,266	0	0
Non-current assets	12,841	0	4,093
Total non-current assets	101,039	11,991	75,928
Raw materials and consumables	6,254	3,585	4,266
Inventories	6,254	3,585	4,266
Contract work	35,002	14,769	28,237
Trade receivables	38,143	10,281	13,933
Tax receivable	1,287	1,301	2,529
Other prepayments	1,606	210	656
Other receivables	5,749	2,518	6,686
Receivables	81,787	29,079	52,041
Marketable securities	12	7	10
Cash and cash equivalents	87,855	79,861	73,803
Total current assets	175,908	112,532	130,120
Total assets	276,947	124,523	206,048

Consolidated Statement of Financial Position

	2017 30 JUN T.SEK	2016 30 JUN T.SEK	2016 31 DEC T.SEK
Share capital	1,839	1,533	1,716
Share premium	227,136	93,805	137,337
Translation reserve	1,090	695	1,085
Retained earnings	-18,517	-1,565	5,968
Total equity	211,548	94,468	146,106
Credit institutions	5,714	7,093	6,179
Deferred taxes	3,287	1,381	3,143
Total non-current liabilities	9,001	8,474	9,322
Current portion of non-current liabilities	2,084	1,257	1,534
Credit institutions	4,928	8,090	5,752
Trade payables and other payables	16,756	6,712	29,565
Contract work	10,679	1,419	5,089
Prepayments	13,363	1,626	1,627
Other liabilities	8,588	2,477	7,053
Total current liabilities	56,398	21,581	50,620
Total liabilities	65,399	30,055	59,942
Total equity and liabilities	276,947	124,523	206,048

Consolidated Statement of Changes in Equity

	SHARE CAPITAL T.SEK	SHARE PREMIUM T.SEK	TRANSLATION RESERVE T.SEK	RETAINED EARNINGS T.SEK	TOTAL EQUITY T.SEK
Equity 01.01.2016	973	15,661	195	-3,013	13,816
Total comprehensive income for the period	0	0	500	1,448	1,948
Total comprehensive income for the period	0	0	500	1,448	1,948
Transactions with owners in their capacity as owners					
Increase in share capital	560	99,440	0	0	100,000
IPO costs	0	-21,296	0	0	-21,296
	560	78,144	0	0	78,704
Equity 30.06.2016	1,533	93,805	695	-1,565	94,468
Transactions with owners in their capacity as owners					
Increase in share capital	183	44,318	0	0	44,501
IPO costs	0	-786	0	0	-786
	183	43,532	0	0	43,715
Equity 31.12.2016	1,716	137,337	1,085	5,968	146,106
Transactions with owners in their capacity as owners					
Increase in share capital	123	95,253	0	0	95,376
Increase in share capital, costs	0	-4,904	0	0	-4,904
Share-based payments	0	0	0	2,295	2,295
	123	89,799	0	2,295	92,217
Equity 30.06.2017	1,839	227,136	1,090	-18,517	211,548
Transactions with owners in their capacity as owners					
Increase in share capital	123	95,253	0	0	95,376
Increase in share capital, costs	0	-4,904	0	0	-4,904
Share-based payments	0	0	0	2,295	2,295
	123	89,799	0	2,295	92,217
Equity 30.06.2017	1,839	227,136	1,090	-18,517	211,548

Consolidated Cash Flow Statement

	2017 APR-JUN T.SEK	2016 APR-JUN T.SEK	2017 JAN-JUN T.SEK	2016 JAN-JUN T.SEK	2016 JAN-DEC T.SEK
Profit (loss) before tax	-20,302	1,282	-31,446	1,902	5,487
Reversal of financial items	1,833	358	2,506	667	1,389
Depreciation and amortizations	1,800	561	3,272	937	2,798
Non-cash items	2,456	0	2,670	0	-20,954
Changes in inventories	-195	-449	-1,913	-570	-1,078
Changes in trade receivables	-10	-7,656	-23,704	-3,406	-4,677
Changes in other receivables	-3,809	-5,097	-1,930	-8,164	-12,308
Changes in trade and other payables	7,319	5,353	21,237	7,399	13,314
Cash flows from primary operating activities	-10,908	-5,648	-29,308	-1,235	-16,029
Received interest	325	228	468	249	461
Paid interest	-2,118	-577	-2,940	-854	-1,800
Paid taxes	0	0	0	0	0
Tax received	0	0	1,314	0	0
Tax paid	-37	0	-71	0	0
Cash flow from operating activities	-12,738	-5,997	-30,537	-1,840	-17,368
Investments in non-current assets	-15,369	-1,826	-24,535	-3,462	-12,076
Proceeds from sale of property, plant and equipment	0	0	26	0	4
Investments in associates	0	0	-19,932	0	0
Acquisition of a subsidiary, net of cash acquired	0	0	0	0	-2,900
Cash flow from investing activities	-15,369	-1,826	-44,441	-3,462	-14,972
Borrowings	0	6,401	0	5,471	3,740
Repayment of borrowings	587	-7	-861	-7	-1,383
Capital increase	95,375	100,000	95,375	100,000	125,000
Capital increase, costs	-4,904	-21,296	-5,454	-21,296	-22,082
Cash flow from financing activities	91,058	85,098	89,060	84,168	105,275
Net cash flow for the period	62,951	77,275	14,082	78,866	72,935
Cash and cash equivalents, beginning of the period	24,923	2,723	73,803	1,268	1,268
Unrealized exchange rate gains and losses on cash	-19	-137	-30	-273	-400
Cash and cash equivalents, end of the period	87,855	79,861	87,855	79,861	73,803

Consolidated Cash Flow Statement (continued)

	2017 APR-JUN T.SEK	2016 APR-JUN T.SEK	2017 JAN-JUN T.SEK	2016 JAN-JUN T.SEK	2016 JAN-DEC T.SEK
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Reconciliation of cash and cash equivalents

Cash and cash equivalents according to the balance sheet	87,855	79,861	87,855	79,861	73,803
Cash and cash equivalents according to the cash flow statement	87,855	79,861	87,855	79,861	73,803



High performing camera-system for earth observation projects

Parent Company Income Statement

	2017 APR-JUN T.SEK	2016 APR-JUN T.SEK	2017 JAN-JUN T.SEK	2016 JAN-JUN T.SEK	2016 JAN-DEC T.SEK
Net revenue	5,156	442	9,517	442	1,708
Gross profit	5,156	442	9,517	442	1,708
Administrative costs	-6,283	-608	-13,312	-608	-7,846
Operating profit (loss)	-1,127	-166	-3,795	-166	-6,138
Finance income	1	0	100	0	17
Finance expenses	-25	-4	-52	-4	-247
Profit (loss) before tax	-1,151	-170	-3,747	-170	-6,368
Tax	155	0	2,127	0	0
Profit (loss) for the period	-996	-170	-1,620	-170	-6,368
Profit (loss) is attributable to					
Owners of GomSpace Group AB	-996	-170	-1,620	-170	-6,368
	-996	-170	-1,620	-170	-6,368
Earnings per share, basic and diluted, SEK	-0.04	-0.02	-0.11	-0.03	-0.44

Parent Company Statement of Other Comprehensive Income

	2017 APR-JUN T.SEK	2016 APR-JUN T.SEK	2017 JAN-JUN T.SEK	2016 JAN-JUN T.SEK	2016 JAN-DEC T.SEK
Profit (loss) for the period	-996	-170	-1,620	-170	-6,368
Items which may be reclassified to the income statement:					
Other comprehensive income for the period, net of tax	0	0	0	0	0
Total comprehensive income for the period	-996	-170	-1,620	-170	-6,368
Total comprehensive income for the period is attributable to:					
Owners of GomSpace Group AB	-996	-170	-1,620	-170	-6,368
	-996	-170	-1,620	-170	-6,368

Parent Company Statement of Financial Position

	2017 30 JUN T.SEK	2016 30 JUN T.SEK	2016 31 DEC T.SEK
ASSETS			
GomSpace A/S	36,891	13,766	36,891
NanoSpace AB	23,850	0	23,850
GomSpace Orbital ApS	65	0	65
Investments in subsidiaries	60,806	13,766	60,806
Aerial & Maritime Ltd.	19,932	0	19,932
Investments in associates	19,932	0	19,932
Fixed asset investments	80,738	13,766	80,738
Deferred tax	2,127	0	0
Other non-current assets	2,127	0	0
Total non-current assets	82,865	13,766	80,738
Trade receivables from subsidiaries	58,226	0	285
Trade receivables from associates	824	0	25
Other prepayments	0	0	90
Other receivables	1,750	2,094	1,879
Receivables	60,800	2,094	2,279
Cash and cash equivalents	76,443	79,017	70,434
Total current assets	137,243	81,111	72,713
Total assets	220,108	94,877	153,451

Parent Company Statement of Financial Position (continued)

	2017 30 JUN T.SEK	2016 30 JUN T.SEK	2016 31 DEC T.SEK
EQUITY AND LIABILITIES			
Share capital	1,839	8,973	1,716
Share premium	223,848	83,087	134,049
Retained earnings	-7,988	-170	-6,368
Total equity	217,699	91,890	129,397
Payables to subsidiaries	0	0	2,087
Payables to associates	0	0	19,932
Trade payables and other payables	2,114	2,987	2,035
Other liabilities	295	0	0
Total current liabilities	2,409	2,987	24,054
Total liabilities	2,409	2,987	24,054
Total equity and liabilities	220,108	94,877	153,451

Parent Company

Statement of Changes in Equity

	SHARE CAPITAL T.SEK	SHARE PREMIUM T.SEK	RETAINED EARNINGS T.SEK	TOTAL EQUITY T.SEK
Equity 01.01.2016	50	0	0	50
Total comprehensive income for the period	0	0	-170	-170
Total comprehensive income for the period	0	0	-170	-170
Increase in share capital	1,553	112,212	0	113,765
IPO costs	0	-21,755	0	-21,755
Decrease in share capital	-70	70	0	0
	1,483	90,527	0	92,010
Equity 30.06.2016	1,533	90,527	-170	91,890
Equity 01.07.2016	1,533	90,527	-170	91,890
Total comprehensive income for the period	0	0	-6,198	-6,198
Total comprehensive income for the period	0	0	-6,198	-6,198
Increase in share capital	183	44,318	0	44,501
IPO costs	0	-796	0	-796
Decrease in share capital	0	0	0	0
	183	43,522	0	43,705
Equity 31.12.2016	1,716	134,049	-6,368	129,397
Equity 01.01.2017	1,716	134,049	-6,368	129,397
Total comprehensive income for the period	0	0	-1,620	-1,620
IPO costs	0	-550	0	-550
Increase in share capital	123	95,253	0	95,376
Increase in share capital, costs	0	-4,904	0	-4,904
Dividend	0	0	0	0
	123	89,799	-1,620	88,302
Equity 30.06.2017	1,839	223,848	-7,988	217,699

Notes to the Interim Consolidated Financial Statements

1. Accounting policies

Basis of preparation

The establishment of GomSpace Group AB was performed in relation to listing the company at First North Premier in Stockholm and the consolidated financial statements of GomSpace Group AB will be prepared as a continuation of GomSpace A/S, as the transaction whereby GomSpace Group AB is established as the new parent company is merely a reorganization of the Group in which GomSpace A/S is the accounting parent company. Accordingly, the consolidated financial statements of GomSpace Group AB have been prepared on this basis. The consolidated financial statements of GomSpace Group AB are, in all essential aspects, consistent with the combined financial statements presented in the Prospectus /combined financial statements 2013-2015.

This implies that the predecessor values of GomSpace A/S, which have been reported internally on a consolidated basis in accordance with IFRS as adopted by the EU, have been used. No adjustments have been made to the values of the assets and liabilities compared with the historically reported values.

GomSpace Group AB applies International Financial Reporting Standards (IFRS) as adopted by the EU. The accounting principles adopted are consistent with those described in the Annual Report (available at https://gomspace.com/UserFiles/Investor%20relations/Annual%20reports/GomSpace_Annual-Report_2016_UK.pdf).

With effect from 1 January 2017, GomSpace Group AB has implemented the following new or altered standards and contributions to the interpretation:

- Amendments to IAS 7 on disclosure requirements regarding the cash flow statement
- Amendments to IAS 12 on recognition of deferred tax assets for unrealized losses
- Part of the Annual Improvements to IFRSs 2014-2016

In the Annual Improvements to IFRSs 2014-2016 it is solely the alteration for IFRS 12 Disclosure of interest in other entities with clarification of the scope of the disclosure requirements in IFRS 12 which are effective from 1 January 2017. The remaining part of the Annual Improvements to IFRSs 2014-2016 will not apply until from 1 January 2018.

The new disclosure requirements in IAS 7 are not compulsory for interim reports and therefore this will not have effect until the Annual Report 2017.

None of the above alterations have had effect on recognition and measurement in this interim report.

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The parent company applies the Swedish Annual Accounts Act and RFR 2 Reporting for legal entities.

Key ratios definitions

$$\text{Gross margin} = \frac{\text{gross profit} \times 100}{\text{net revenue}}$$

$$\text{Operating margin} = \frac{\text{operating profit} \times 100}{\text{net revenue}}$$

$$\text{Net margin} = \frac{\text{profit} \times 100}{\text{net revenue}}$$

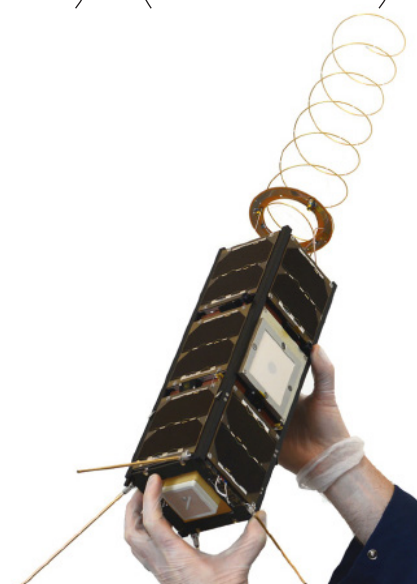
$$\text{Return on invested capital} = \frac{\text{profit} \times 100}{\text{total assets}}$$

$$\text{Return on equity} = \frac{\text{profit} \times 100}{\text{average equity}}$$

$$\text{Equity ratio} = \frac{\text{equity} \times 100}{\text{total assets}}$$

$$\text{Earnings per share} = \frac{\text{profit}}{\text{number of shares}}$$

$$\text{Working capital} = \left(\begin{array}{l} \text{Inventory} + \text{Contract} \\ \text{work} + \text{Trade receivables} \\ + \text{Other prepayments} + \\ \text{Other receivables} \end{array} \right) - \left(\begin{array}{l} \text{Trade payables and} \\ \text{other payables} + \text{contract} \\ \text{work} + \text{prepayments} + \\ \text{other liabilities} \end{array} \right)$$



Notes to the Interim Consolidated Financial Statements (continued)

2. Significant accounting estimates and judgments

In preparing this Interim Report, Management makes various estimates and assumptions which form the basis of presentation, recognition and measurement of the Group's income statement, assets and liabilities. The most significant accounting estimates and judgments are presented below. The Group is also subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

For development projects in progress an impairment test is performed annually. The impairment test is performed on the basis of various factors, including future expected use of the outcome of the project, the fair value of the estimated future earnings or savings, interest rates and risks.

Recognized revenue on contract work is based on percentage of completion based on costs spent on the contract as a percentage of the total costs estimated to complete the project. Management estimates on an ongoing basis the costs required to complete the projects and whether the costs can be recovered through the contract.

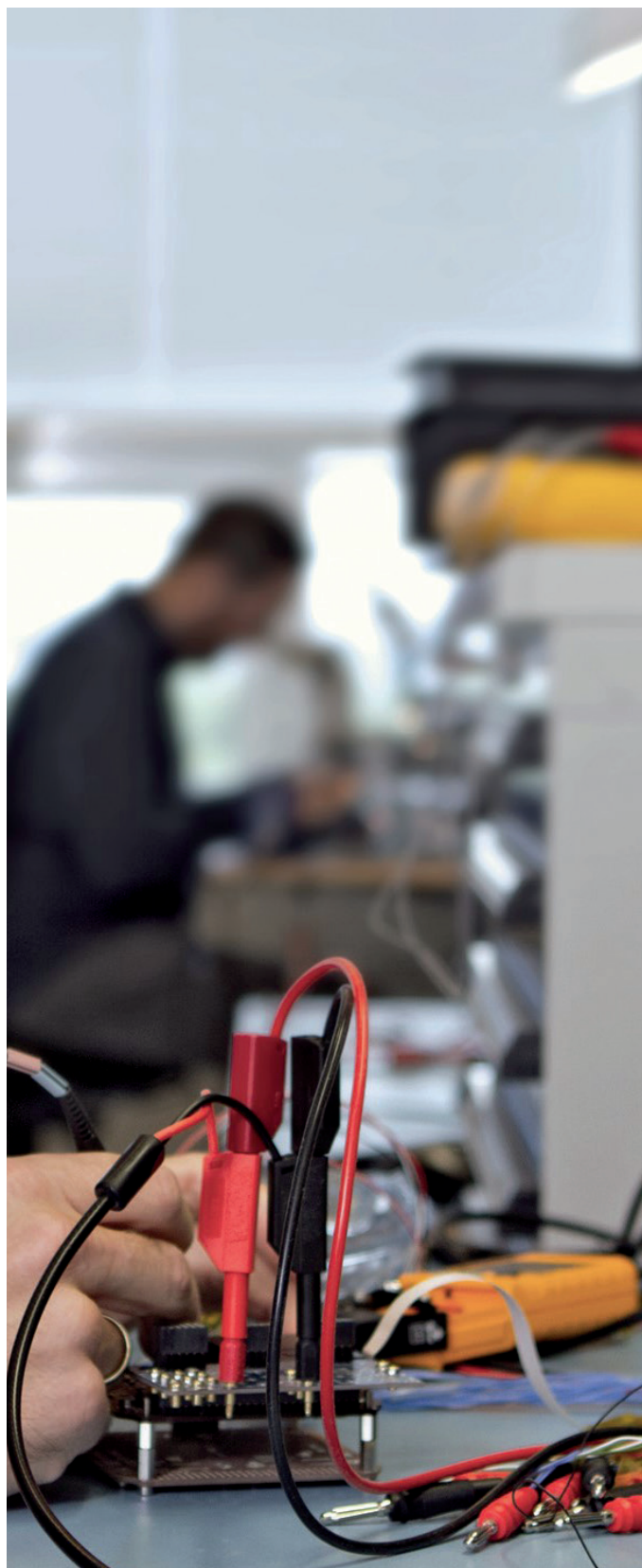
The Group has established a warrant program from 27 April 2017 to 27 April 2021. 100% of the warrants in the first grant is vested and the management expects that 85% of the warrants will be vested in the fourth grant.

For development projects in progress, Management estimates on an ongoing basis whether each project is likely to generate future economic benefits for the Group in order to qualify for recognition. The development projects are evaluated on technical as well as commercial criteria. The carrying amount of development projects in progress is disclosed in note 4.

Regarding deferred tax there is a recognized tax asset concerning tax loss carry-forward. It is Management's opinion that the tax loss can be utilized.

3. Income tax and deferred tax

The Group had a recognized deferred tax loss carry-forward at a total amount of T.SEK 14,768. The parent company, GomSpace Group AB, had a non-recognized deferred tax loss carry-forward at a total amount of T.SEK 6,161. This amount can only be used by the Swedish entities and no tax profit is expected to be generated within a foreseeable future. Once the amount is recognized, this is done over equity as it regards deferred tax concerning expenses booked on equity.



Notes to the Interim Consolidated Financial Statements (continued)

4. Intangible assets

	GOODWILL T.SEK	TECHNOLOGY T.SEK	DEVELOPMENT PROJECTS IN PROGRESS T.SEK	FINISHED DEVELOPMENT PROJECTS T.SEK	OTHER INTANGIBLE ASSETS T.SEK	TOTAL T.SEK
GROUP						
Cost price at 1 January 2017	1,400	12,000	6,197	12,054	3,623	35,274
Additions during the year	0	0	14,971	0	565	15,536
Exchange rate adjustment	0	0	104	130	18	252
Cost price at 30 June 2017	1,400	12,000	21,272	12,184	4,206	51,062
Amortization at 1 January 2017	0	-200	0	-6,021	-306	-6,527
Amortization	0	-400	0	-902	-475	-1,777
Exchange rate adjustment	0	0	0	-74	-5	-79
Amortization at 30 June 2017	0	-600	0	-6,997	-786	-8,383
Carrying amount at 30 June 2017	1,400	11,400	21,272	5,187	3,420	42,679
Cost price at 1 January 2016	0	0	5,970	6,784	0	12,754
Additions during the year	0	0	1,468	0	809	2,277
Reclassification	0	0	-1,253	1,253	0	0
Exchange rate adjustment	0	0	204	251	11	466
Cost price at 30 June 2016	0	0	6,389	8,288	820	15,497
Amortization at 1 January 2016	0	0	0	-4,332	0	-4,332
Amortization	0	0	0	-643	-61	-704
Exchange rate adjustment	0	0	0	-157	-1	-158
Amortization at 30 June 2016	0	0	0	-5,132	-62	-5,194
Carrying amount at 30 June 2016	0	0	6,389	3,156	758	10,303

Impairment test

The annual impairment test for goodwill is performed as at 31 October after completion of budgets and strategy plans for the next 5 years. As at 30 June 2017 management assesses that there is no indication of impairment regarding the net asset values for goodwill and intangible assets with an indefinite useful life and therefore no impairment test was performed regarding these assets as at 30 June 2017.

Notes to the Interim Consolidated Financial Statements (continued)

5. Classification of financial assets and liabilities

	FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS HELD FOR TRADING T.SEK	INVESTMENTS HELD TO MATURITY T.SEK	LOANS AND RECEIVABLES T.SEK	OTHER FINANCIAL LIABILITIES T.SEK	TOTAL T.SEK	CARRYING AMOUNT T.SEK	FAIR VALUE LEVEL 1 T.SEK
30 JUNE 2017							
ASSETS							
Trade and other receivables	0	0	78,894	0	78,894	78,894	0
Marketable securities	12	0	0	0	12	0	12
Cash and cash equivalents	0	0	87,855	0	87,855	87,855	0
Total assets	12	0	166,749	0	166,761	166,749	12
LIABILITIES							
Credit institutions	0	0	0	12,726	12,726	12,726	0
Trade payables and other payables	0	0	0	25,344	25,344	25,344	0
Prepayments	0	0	0	24,042	24,042	24,042	0
Total liabilities	0	0	0	62,112	62,112	62,112	0
30 JUNE 2016							
ASSETS							
Trade and other receivables	0	0	27,568	0	27,568	27,568	0
Marketable securities	7	0	0	0	7	0	7
Cash and cash equivalents	0	0	79,861	0	79,861	79,861	0
Total assets	7	0	107,429	0	107,436	107,429	7
LIABILITIES							
Credit institutions	0	0	0	15,678	15,678	15,678	0
Other non-current loans	0	0	0	762	762	762	0
Trade payables and other payables	0	0	0	9,189	9,189	9,189	0
Prepayments	0	0	0	3,045	3,045	3,045	0
Total liabilities	0	0	0	28,674	28,674	28,674	0

Notes to the Interim Consolidated Financial Statements (continued)

5. Classification of financial assets and liabilities (continued)

Fair value of credit institutions and other non-current loans are deemed to be the equal to the total carrying amount, as these items are of a short-term nature.

The fair values of financial instruments traded in an active market (such as financial instruments held for trading and available-for-sale financial instruments) are based on quoted market prices as at the balance sheet date. A market is regarded as active if quoted prices from an exchange, broker, industry group, pricing service or regulatory authority are easily and regularly available, and provided these prices represent actual and regularly occurring arm's length market transactions. The quoted market price used for the Group's financial assets is the current bid price. These instruments belong to Level 1.

The fair values of financial instruments which are not traded in an active market are determined with the help of valuation techniques. Market data is used as far as possible when such data is available. If all significant inputs required for the fair value measurement of an instrument are observable, the instrument belongs to Level 2.

In cases where one or several significant inputs are not based on observable market information, the instrument is classified as Level 3.

The above table shows financial instruments carried at fair value based on their classification in the fair value hierarchy. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly in the form of quoted prices or indirectly, i.e. derived from quoted prices (Level 2).
- Inputs for the asset or liability which are not based on observable market data (non-observable inputs) (Level 3)

In the second quarter of 2017, no transfers between levels were made.

Notes to the Interim Consolidated Financial Statements (continued)

6. Share-based payment

GomSpace Group AB (publ) established warrant programs as an incentive for all the Group's employees. Board members of the Company will not be allowed to participate. The warrant activity in the first half of 2017 is outlined below.

	2017 APR-JUN T.SEK	2016 APR-JUN T.SEK	2017 JAN-JUN T.SEK	2016 JAN-JUN T.SEK	2016 JAN-DEC T.SEK
Outstanding warrants as at 27 April 2017	6,630	0	6,630	0	0
Granted	-1,792	0	-1,792	0	0
Exercised	0	0	0	0	0
Outstanding warrants	4,838	0	4,838	0	0

At the annual general meeting in April 2017, shareholders approved a warrant program for all the Group's employees. Board members of the company will not be allowed to participate. Up to 317,844 warrants may be issued under this program and the exercise price is 100% of the volume weighted average last closing price for the Company's share on Nasdaq First North Premier during the period from and including 20 April 2017 until and including 26 April 2017. The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.5 shall be rounded upwards. The exercise price may never be below the quotient value of the shares

The fair value of the warrants, expected to be granted until April 2020, is an amount of up to SEK 7.173 million. using the so-called Black&Scholes model based on the assumptions below.

Volatility	70%
Risk-free interest rate	0.00%
Dividend yield	0.00%
Year to maturity	4
Exercise price	54.1

The costs of this program will be recognized as cost in the consolidated income statement over the service period. Further details of the Warrant Program can be found on our website:

[https://gomspace.com/UserFiles/Investor%20relations/General%20meeting%202017/Board_s_complete_proposal_to_issue_warrants_\(incentive_programme\)_-_37192241_v91.pdf](https://gomspace.com/UserFiles/Investor%20relations/General%20meeting%202017/Board_s_complete_proposal_to_issue_warrants_(incentive_programme)_-_37192241_v91.pdf)

Notes to the Interim Consolidated Financial Statements (continued)

7. Related parties

Group and GomSpace Group AB

Related parties comprise the associated companies, the Board of Directors and the management team. Furthermore, related parties comprise companies in which the above-mentioned persons have significant interests.

Related parties also comprise subsidiaries in which GomSpace Group AB has controlling influence.

The Group has the following transactions with related parties:

	2017 JAN-JUN T.SEK
Transactions with related parties	
Sale of goods and services to associates	4,282
Administration costs from Board of Directors and management team	2,490
Receivables from associates on the balance sheet date	23,424

Financial Calendar

Interim report,
July - September 2017

30 November 2017

COMPANY INFORMATION

GomSpace Group AB
Stureplan 4 C
SE-114 35, Stockholm

Org.nr.
Municipality of reg. office

559026-1888
Stockholm

Telephone
Website
E-mail

+45 71 741 741
www.gomspace.com
info@gomspace.com

Subsidiaries

GomSpace A/S, 100%
Langagervej 6
9220 Aalborg East
Denmark

GomSpace Orbital ApS, 100%
Langagervej 6
9220 Aalborg East
Denmark

NanoSpace AB, 100%
Uppsala Science Park
751 83 Uppsala
Sweden

GomSpace North America LLC, 100%
500 Montgomery Street Suite 400
22314 Alexandria, VA
USA

GomSpace ASIA Pte Ltd, 100%
8 Shenton Way #50-01 AXA Tower (office space 19)
Singapore 068811
Singapore

AUDITORS
Ernst & Young AB

CERTIFIED ADVISOR
FNCA Sweden AB

MANAGEMENT'S STATEMENT

The Board of Directors and the CEO certify that this Interim Report presents a true and fair view of the Group's and the parent company assets, liabilities and financial position at 30 June 2017, and of the results of the Group's and the parent company's operations and cash flow for the period 1 April - 30 June 2017.

Stockholm, 31 August 2017

Executive Board

Niels Buus
CEO

Board of Directors

Jukka Pertola
Chairman

Jesper Jespersen
Vice Chairman

Carl Erik Jørgensen
Board Member

Anna Rathsmann
Board Member

Steen Lorenz Johan Hansen
Board Member

This Interim Report has not been reviewed by the company's auditors.

