



# Invitation to subscribe for shares in CLX Communications AB (publ)

**PLEASE NOTE THAT THE SUBSCRIPTION RIGHTS ARE EXPECTED TO HAVE AN ECONOMIC VALUE**

In order not to lose the value of the subscription rights, the holder must either:

- exercise obtained subscription rights to subscribe for new shares no later than 27 June 2016, or
- sell obtained subscription rights which the holder does not intend to exercise for subscription of new shares no later than 22 June 2016.

Please note that investors with nominee-registered shareholdings subscribe for new shares through their respective nominee.

Joint Global Coordinators and Joint Bookrunners:



**Handelsbanken** Capital Markets

## IMPORTANT INFORMATION TO INVESTORS

This Prospectus (the “**Prospectus**”) has been prepared by reason of the upcoming new issue of shares in CLX Communications AB (publ) (“**CLX**”, “**CLX Communications**”, the “**Company**” or the “**Group**”) with preferential rights to the Company’s existing shareholders (the “**Offer**” or the “**Rights Issue**”). Carnegie Investment Bank AB (publ) (“**Carnegie**”) and Svenska Handelsbanken AB (publ) or, as appropriate, Handelsbanken Capital Markets, part of Svenska Handelsbanken AB (publ) (“**Handelsbanken**”) are “**Joint Global Coordinators**” and “**Joint Bookrunners**” in connection with the Offer. “**Euroclear**” refers to Euroclear Sweden AB. “**Nasdaq Stockholm**” refers to Nasdaq Stockholm AB. See section “**Glossary**” for the definitions of these and other terms in the Prospectus.

### Offer structure

The Offer consists of: (a) a public offer to institutional investors and the public in Sweden and (b) a directed offer to institutional investors abroad. All offers and sales outside the United States will be made in compliance with Regulation S (“**Regulation S**”) under the United States Securities Act of 1933, as amended (the “**Securities Act**”). The Offer is neither directed to the general public in any country other than Sweden nor directed at such persons whose participation requires additional prospectuses, registrations or measures other than those prescribed by Swedish law. No measures have been or will be taken in any jurisdiction, other than Sweden, that would allow offer of the shares to the public, or allow holding and distribution of this Prospectus, or any other documents pertaining to the Company or the shares in such jurisdiction. Applications to subscribe for shares that violate such rules may be deemed invalid. Persons into whose possession this Prospectus comes are required by the Company and Joint Global Coordinators and Joint Bookrunners to inform themselves of and to observe such restrictions. Neither the Company, nor any of Joint Global Coordinators and Joint Bookrunners accept legal responsibility for any violation by any person, whether a prospective investor, of any such restrictions. The shares in the Offer have not been recommended by any United States federal or state securities commission or United States regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy, or determined the adequacy of the content of this Prospectus. Any representation to the contrary is a criminal offense in the United States. The shares in the Offer have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state within the United States. The company does not offer any security in the United States. Any offer regarding distribution of this Prospectus to any person other than the offeree specified by Joint Global Coordinators and Joint Bookrunners or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorised. Any reproduction or distribution of this Prospectus in the United States, in whole or in part, is prohibited. This Prospectus is personal to each offeree and does not constitute any offer to any other person or to the general public to acquire shares in the Offer.

This Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the “**SFSA**”) in accordance with Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (Sw. *lagen (1991:980) om handel med finansiella instrument*) (the “**Trading Act**”), implementing the European Parliament and Council Directive 2003/71/EC (the “**Prospectus Directive**”). Approval and registration by the SFSA does not imply that the SFSA guarantees that the factual information provided herein is correct or complete. This Prospectus is an English translation of the Swedish prospectus that has been approved and registered by the SFSA. In the event of discrepancies between this Prospectus and the Swedish prospectus, the Swedish prospectus shall prevail. The Offer and this Prospectus are governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any conflict or dispute arising out of or in connection with the Offer or this Prospectus.

### Business and market data

Information provided in this Prospectus regarding market environment, market developments, growth rates, market trends, and the competitive situation in the markets and regions in which the Company operates, is based on data, statistical information and reports from third parties and/or prepared by the Company based on its own information and information in such third-party reports. Such information has been accurately reproduced and, as far as the Company is aware and can assess after a comparison with other information published by such third-party sources, no information has been omitted in a way that would make the reproduced information inaccurate or misleading.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed and is inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. The Company has not independently verified and can give no assurances as to the accuracy of industry or market data contained in this Prospectus that was extracted or derived from these industry publications or reports. Such data is based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments as to which types of transactions should be included in the relevant market.

This Prospectus also contains evaluations, estimates of market data and information derived therefrom that cannot be gathered from publications by market research institutions or any other independent sources. Such information is prepared by the Company based on third-party sources and its own internal estimates. In many cases there is no publicly available information on such market data, for example from industry associations, public authorities or other organisations and institutions. The Company believes that its estimates of market data and information derived therefrom are helpful in order to give investors a better understanding of the industry in which it operates as well as its position within the industry. Although the Company believes that its internal market observations are reliable, its own estimates are not reviewed or verified by any external sources. While the Company is not aware of any misstatements regarding the industry or similar data presented herein, such statements or similar data involve risks and uncertainties and are subject to change based on various factors, including those discussed under section “**Risk Factors**” and section “**Forward-looking statements and presentation of financial and other information**” under the heading “**Presentation of financial and other information**” in this Prospectus.

# Contents

Summary	2
Risk factors	22
Forward-looking statements and presentation of financial and other information	34
Background and reasons	37
Invitation to subscribe for shares in CLX Communications AB (publ)	39
Terms and conditions	40
Market overview	44
Description of Mblox	50
Description of CLX	52
The new group	57
Pro forma accounts	60
Additional information	64
Consolidated financial information for CLX	65
Comments to CLX's financial development	68
Consolidated financial information for Mblox	77
Comments to Mblox's financial development	81
Capitalisation, indebtedness and other financial information	84
Board of directors, senior executives and auditor	88
Corporate governance	89
Share capital and ownership structure	93
Articles of association	96
Legal considerations and supplementary information	98
Certain tax issues in Sweden	105
Glossary	107
Addresses	109

## Summary of the Rights Issue

### Preferential right

Each share in CLX held on 9 June 2016 entitles to one subscription right. Two subscription rights entitles to subscription for one share to a subscription price of SEK 38.50 per share.

### Important dates

Record day	9 June 2016
Subscription period	13–27 June 2016
Trading in subscription rights	13–22 June 2016

### Ticker

Shares	CLX
Subscription rights	CLX TR
BTA	CLX BTA

### ISIN

Shares	SE0007439112
Subscription rights	SE0008432041
BTA	SE0008432058

### Financial calendar

Extraordinary general meeting (resolution on change of CLX's financial year)	13 June 2016
Year-end report 1 July 2015–30 June 2016 <sup>1)</sup>	23 August 2016

1) Given that a resolution on changing the Company's financial year will be addressed at the extraordinary general meeting of CLX on 13 June 2016, the title of the report might change since the financial year, in such case, will be extended until 31 December 2016.

# Summary

This summary is made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A–E (A.1–E.7). This summary contains all the Elements required to be included in a summary for this type of issuer and securities. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of issuer and securities, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of the words “not applicable”.

<b>Section A – Introduction and warnings</b>		
<b>A.1</b>	<i>Introduction and warnings</i>	This summary should be read as an introduction to the Prospectus. Any decision to invest in the offered shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor may, in accordance with the national legislation of the member state, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to persons who are responsible for this summary, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors in considering whether to invest in the securities.
<b>A.2</b>	<i>Financial intermediaries</i>	Not applicable. Financial intermediaries are not entitled to use the Prospectus for subsequent resale or final placement of securities.

<b>Section B – Information about the issuer</b>		
<b>B.1</b>	<i>Legal and commercial name</i>	The Company’s registered corporate name is CLX Communications AB (publ) with corporate registration number 556882-8908.
<b>B.2</b>	<i>Domicile and legal form, etc.</i>	The Company’s registered office is located in Stockholm, Sweden. The Company, founded in Sweden under Swedish law, is a Swedish public limited liability company. The Company’s form of association is governed by the Swedish Companies Act (Sw. <i>aktiebolagslagen (2005:551)</i> ).

<b>B.3</b>	<i>Current operations and principal activities</i>	<p>CLX operates in the enterprise cloud communications market and the mobile operator software and services market through two divisions. The Enterprise division, which primarily offers cloud-based communications services to enterprises, and the Operator division, which primarily offers software and service solutions to mobile operators for management of their communications.</p> <p>CLX's enterprise cloud communication services and solutions include:</p> <ul style="list-style-type: none"> <li>• Application-to-Person (A2P) mobile messaging services, mainly in the form of SMS, enables enterprises to easily send and receive tailored text messages to and from their customers, employees and connected things worldwide. This forms the core of CLX's service offering.</li> <li>• Voice application services, which enable enterprises to, via the cloud, connect incoming and outgoing calls to their applications and systems.</li> <li>• Mobile connectivity services for Internet of things ("IoT"), which enables connected Things to easily connect to the internet regardless of their location. In spring 2016, the Company commenced its commercial launch of mobile IoT connectivity services, which will continue throughout 2016.</li> </ul> <p>Through its communication platform, CLX's Operator division provides software and service solutions to mobile operators around the world. These solutions enable mobile operators to manage their core services, including SMS traffic and the billing of subscribers for their generated traffic in the mobile networks. The wide range of software and service solutions available from the Operator division can also be combined to offer a full communication solution suite for voice, messaging and mobile data in a single platform, which can function as an "operator in a box" service that is offered primarily to mobile virtual network operators. CLX also increasingly offer its communications platform as a service, whereby CLX internally runs the platform and software.</p> <p>CLX is headquartered in Stockholm, Sweden, and operates on a global basis through 14 local sales offices and 50 sales representatives in 16 countries worldwide.</p>
<b>B.4a</b>	<i>Recent trends in the industry</i>	<p>The enterprise cloud communications market is primarily driven by three key market drivers: (i) the communication with employees and customers are increasingly performed by using mobile phone; (ii) a transition of business critical services to the cloud; and (iii) the development of existing and new areas of applications within the enterprise cloud communications market.</p> <p>In addition to the above mentioned market drivers, CLX is affected by a number of important market trends, including:</p> <ul style="list-style-type: none"> <li>• Cloud Application Programming Interface (API) companies have, through automated development processes and less complex interfaces, made it even easier for developers to embed A2P messaging services in all types of applications and business processes. Such API-based development has become familiar to many developers, leading to decreasing barriers to A2P messaging for small- and medium-sized businesses.</li> <li>• Historically, the use of voice services in enterprise applications was associated with high upfront investments and complex technology that required special competence. Cloud communications eliminates such barriers, and voice applications have become a new and fast-growing market segment in which new use cases are discovered at an increasing pace.</li> <li>• As enterprises move business critical systems and tools to the cloud, security becomes increasingly important for enterprises.</li> <li>• Specification for integrated SIM cards open up the market for IoT.</li> </ul>
<b>B.5</b>	<i>Group structure</i>	<p>The Group consists of the parent company CLX Communications AB (publ) and 12 directly and indirectly wholly or partially owned subsidiaries.</p>

<p><b>B.6</b></p>	<p><i>Major shareholders</i></p>	<p>Based on information obtained from Euroclear, the table below sets forth the ten largest shareholders of the Company as of 31 May 2016, including subsequent changes known to the Company. As of the date of this Prospectus no private persons or legal entities own five percent or more than five percent of all shares and votes in the Company, except as stated below. As of 31 May 2016 the number of shareholders amounted to 1,176. The Company held no treasury shares as of 31 May 2016.</p> <table border="1" data-bbox="472 427 1437 824"> <thead> <tr> <th>Shareholder</th> <th>Number of shares</th> <th>Percentage of votes/capital</th> </tr> </thead> <tbody> <tr> <td>Cantaloupe AB<sup>1)</sup></td> <td>7,465,706<sup>4)</sup></td> <td>23.02 %</td> </tr> <tr> <td>Neqst D1 AB<sup>2)</sup></td> <td>6,538,801<sup>5)</sup></td> <td>20.16 %</td> </tr> <tr> <td>Kjell Arvidsson AB<sup>3)</sup></td> <td>3,001,800<sup>6)</sup></td> <td>9.26 %</td> </tr> <tr> <td>Swedbank Robur Fonder</td> <td>2,352,029</td> <td>7.25 %</td> </tr> <tr> <td>Första AP-fonden</td> <td>2,294,915</td> <td>7.08 %</td> </tr> <tr> <td>Fjärde AP-fonden</td> <td>1,780,324</td> <td>5.49 %</td> </tr> <tr> <td>Alecta pensionsförsäkring</td> <td>1,644,915</td> <td>5.07 %</td> </tr> <tr> <td>Handelsbanken Fonder</td> <td>1,400,000</td> <td>4.32 %</td> </tr> <tr> <td>RAM ONE</td> <td>757,313</td> <td>2.34 %</td> </tr> <tr> <td>Länsförsäkringar Fonder</td> <td>345,000</td> <td>1.06 %</td> </tr> <tr> <td>Other shareholders</td> <td>4,851,627</td> <td>14.96 %</td> </tr> <tr> <td><b>Total</b></td> <td><b>32,432,430</b></td> <td><b>100.00 %</b></td> </tr> </tbody> </table> <p>1) Cantaloupe AB is owned by the six founders of CLX: (i) Johan Hedberg, the CEO of CLX; (ii) Robert Gerstmann, senior executive of CLX; (iii) Björn Zethraeus, responsible for Business Development in CLX and former board member of CLX; (iv) Kristian Männik, the CMO of CLX and former board member of CLX; (v) Henrik Sandell, Head of operations of CLX and former board member of CLX; and (vi) Kjell Arvidsson (via Kjell Arvidsson AB), board member and senior executive of CLX. See heading "Beneficial shareholdings".</p> <p>2) Neqst D1 AB is wholly-owned by Neqst 1 AB. Neqst 1 AB is partially indirectly owned by the board members of CLX Erik Fröberg and Jonas Fredriksson. See heading "Beneficial shareholdings".</p> <p>3) Kjell Arvidsson AB is owned by Kjell Arvidsson, one of the six founders of CLX as well as a board member and senior executive of CLX.</p> <p>4) The shareholding of Cantaloupe AB after the reallocation on 7 June 2016 among the Principal Shareholders prior to the Rights Issue.</p> <p>5) The shareholding of Neqst D1 AB after the reallocation on 7 June 2016 among the Principal Shareholders prior to the Rights Issue.</p> <p>6) The shareholding of Kjell Arvidsson AB after the reallocation on 7 June 2016 among the Principal Shareholders prior to the Rights Issue.</p> <p><b>Beneficial shareholdings</b></p> <p>Together, the Principal Shareholders hold approximately 53 percent of the shares in CLX. As of the date of this Prospectus, 100 percent of Cantaloupe AB's shares were directly held by the six founders of CLX. 19.92 percent of the shares are owned by Johan Hedberg, who is the CEO of CLX. 19.92 percent of the shares are owned by Robert Gerstmann, who is a senior executive of CLX. 19.92 percent of the shares are owned by Björn Zethraeus, who is responsible for Business Development in CLX and a former board member of CLX. 19.92 percent of the shares are owned by Kristian Männik, who is the CMO of CLX and a former board member of CLX. 19.93 percent of the shares are owned by Henrik Sandell, who is the Head of operations of CLX and a former board member of CLX. 0.37 percent of the shares are owned by Kjell Arvidsson (via Kjell Arvidsson AB), board member and senior executive of CLX.</p> <p>As of the date of this Prospectus, 100 percent of Neqst D1 AB's shares and votes were owned by Neqst 1 AB. 41.87 percent of Neqst 1 AB's shares and 75.91 percent of the votes were owned by Neqst Partner AB, of which the board members of CLX Erik Fröberg and Jonas Fredriksson, indirectly, via wholly-owned companies, own 38.53 percent of the shares and 38.71 percent of the votes and 28.17 percent of the shares and 28.42 percent of the votes, respectively. Erik Fröberg also owns, indirectly via a wholly-owned company, 0.21 percent of the shares and 0.09 percent of the votes in Neqst 1 AB. Erik Fröberg is the CEO and serves, together with Jonas Fredriksson, as a board member and managing partner of Neqst Partner AB and its subsidiaries.</p> <p>Based on the above shareholdings in Cantaloupe AB and Neqst D1 AB, the table below provides an overview of the total beneficial shareholding in CLX held indirectly by the shareholders of Cantaloupe AB and Neqst D1 AB, including the six founders of CLX as well as current and former senior executives and board members, as of the date of this Prospectus.</p>	Shareholder	Number of shares	Percentage of votes/capital	Cantaloupe AB <sup>1)</sup>	7,465,706 <sup>4)</sup>	23.02 %	Neqst D1 AB <sup>2)</sup>	6,538,801 <sup>5)</sup>	20.16 %	Kjell Arvidsson AB <sup>3)</sup>	3,001,800 <sup>6)</sup>	9.26 %	Swedbank Robur Fonder	2,352,029	7.25 %	Första AP-fonden	2,294,915	7.08 %	Fjärde AP-fonden	1,780,324	5.49 %	Alecta pensionsförsäkring	1,644,915	5.07 %	Handelsbanken Fonder	1,400,000	4.32 %	RAM ONE	757,313	2.34 %	Länsförsäkringar Fonder	345,000	1.06 %	Other shareholders	4,851,627	14.96 %	<b>Total</b>	<b>32,432,430</b>	<b>100.00 %</b>
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<b>B.6</b>	<i>Major shareholders, cont.</i>	<b>Shareholders in Cantaloupe AB<sup>1)</sup></b>		
		<b>Number of shares in CLX</b>	<b>Percentage of votes/ capital in CLX</b>	
		Johan Hedberg	1,487,417	4.59 %
		Robert Gerstmann <sup>2)</sup>	1,487,417	4.59 %
		Björn Zethraeus	1,487,417	4.59 %
		Kristian Männik	1,487,417	4.59 %
		Henrik Sandell	1,488,166	4.59 %
		Kjell Arvidsson <sup>3)</sup>	27,872	0.09 %
		<b>Total</b>	<b>7,465,706</b>	<b>23.02 %</b>
		<b>Shareholders in Neqst 1 AB which holds 100 percent of the shares in Neqst D1 AB<sup>4)</sup></b>		
		<b>Number of shares in CLX</b>	<b>Percentage of votes/ capital in CLX</b>	
		Erik Fröberg <sup>4)</sup>	1,068,604	3.29 %
		Jonas Fredriksson <sup>5)</sup>	771,237	2.38 %
		Other, direct or indirect, shareholders in Neqst 1 AB <sup>6)</sup>	4,698,960	14.49 %
		<b>Total</b>	<b>6,538,801</b>	<b>20.16 %</b>
		<p>1) The owners described in the table hold no shares directly in CLX, but hold shares in Cantaloupe AB or Neqst 1 AB, as applicable, unless indicated otherwise.</p> <p>2) After the reallocation on 7 June 2016 among the Principal Shareholders prior to the Rights Issue, Robert Gerstmann also indirectly holds 92,029 shares in CLX through Robert Gerstmann AB. In total, Robert Gerstmann directly or indirectly holds 1,579,466 shares in CLX, representing an interest of 4.87 percent in CLX.</p> <p>3) Kjell Arvidsson also indirectly holds 3,001,800 shares in CLX through Kjell Arvidsson AB. In total, Kjell Arvidsson directly or indirectly holds 3,029,672 shares in CLX, representing an interest of 9.34 percent in CLX.</p> <p>4) Erik Fröberg holds indirectly, via a wholly-owned company, shares in Neqst D1 AB through Neqst Partner AB and Neqst 1 AB.</p> <p>5) Jonas Fredriksson holds indirectly, via a wholly-owned company, shares in Neqst D1 AB through Neqst Partner AB and Neqst 1 AB.</p> <p>6) Excluding shareholdings of Erik Fröberg and Jonas Fredriksson, Neqst 1 AB is directly and indirectly owned by external investors, none of whom hold more than five percent of the shares in CLX.</p>		
		<p><b>Reallocation of shareholdings among the Principal Shareholders</b></p> <p>On 7 June 2016, Neqst D1 AB and Robert Gerstmann (through a company) acquired 1,119,864 and 92,029 shares in CLX, respectively, from Cantaloupe AB and Kjell Arvidsson AB as part of a reallocation of shareholdings among the Principal Shareholders prior to the Rights Issue. In connection with the reallocation, Joint Global Coordinators and Joint Bookrunners waived the Principal Owners' undertakings to not sell their respective holdings of shares in CLX, which were entered into in connection with the Company's initial public offering of shares on Nasdaq Stockholm.</p> <p>After the reallocation, the Principal Shareholders together still hold approximately 53 percent of the shares in CLX. The purpose of the reallocation of shareholdings was to ensure that all Principal Shareholders have the possibility to fulfil their respective subscription commitments as well as to allow for all of the Principal Shareholders to participate in the Rights Issue.</p>		

<b>B.7</b>	Selected historical financial information in summary	<p><b>Consolidated financial information for CLX</b></p> <p>The tables below present selected historical financial information derived from CLX's historical financial statements for the financial years that ended 30 June 2015, 2014 and 2013 which have been reviewed by the Company's auditors and prepared in accordance with IFRS as well as financial information derived from the Company's unaudited interim report for the period 1 July 2015–31 March 2016, which have been audited by the Company's auditors and prepared in accordance with IAS 34 Interim Financial Reporting.</p> <p>In 2012, the Company resolved to extend its financial year to 30 June 2013. Accordingly, the audited consolidated historical financial statements for the financial year that ended 30 June 2013 (17 months) reflect the operations of the business for the period from 1 February 2012 to 30 June 2013. As a result, the audited consolidated historical financial statements for the financial year that ended 30 June 2013 are not directly comparable to the audited consolidated historical financial statements for the financial years that ended 30 June 2015 and 2014, and a period to period comparison of the Company's results of operations for the year that ended 30 June 2014 to 30 June 2013 is not meaningful.</p> <p><b>Condensed consolidated income statement</b></p> <table border="1"> <thead> <tr> <th style="text-align: left;">SEK million</th> <th style="text-align: center;">1 July 2015 – 31 March 2016 (9 months) Unaudited</th> <th style="text-align: center;">1 July 2014 – 31 March 2015 (9 months) Unaudited</th> <th style="text-align: center;">1 July 2014 – 30 June 2015 (12 months) Audited</th> <th style="text-align: center;">1 July 2013 – 30 June 2014 (12 months) Audited</th> <th style="text-align: center;">1 Feb 2012 – 30 June 2013 (17 months) Audited</th> </tr> </thead> <tbody> <tr> <td>Net sales</td> <td style="text-align: right;">783.9</td> <td style="text-align: right;">610.0</td> <td style="text-align: right;">844.4</td> <td style="text-align: right;">605.5</td> <td style="text-align: right;">478.5</td> </tr> <tr> <td>Other operating income</td> <td style="text-align: right;">15.4</td> <td style="text-align: right;">24.7</td> <td style="text-align: right;">29.6</td> <td style="text-align: right;">13.8</td> <td style="text-align: right;">19.2</td> </tr> <tr> <td>Work performed by the entity and capitalised</td> <td style="text-align: right;">9.7</td> <td style="text-align: right;">2.4</td> <td style="text-align: right;">3.3</td> <td style="text-align: right;">3.8</td> <td style="text-align: right;">5.8</td> </tr> <tr> <td>Cost of goods sold and services</td> <td style="text-align: right;">-560.3</td> <td style="text-align: right;">-420.5</td> <td style="text-align: right;">-592.5</td> <td style="text-align: right;">-372.6</td> <td style="text-align: right;">-252.6</td> </tr> <tr> <td>Other external costs</td> <td style="text-align: right;">-59.6</td> <td style="text-align: right;">-41.5</td> <td style="text-align: right;">-58.3</td> <td style="text-align: right;">-40.4</td> <td style="text-align: right;">-45.0</td> </tr> <tr> <td>Personnel costs</td> <td style="text-align: right;">-102.3</td> <td style="text-align: right;">-87.6</td> <td style="text-align: right;">-124.7</td> <td style="text-align: right;">-102.3</td> <td style="text-align: right;">-121.1</td> </tr> <tr> <td>Depreciation/amortisation of tangible and intangible assets</td> <td style="text-align: right;">-5.1</td> <td style="text-align: right;">-3.0</td> <td style="text-align: right;">-4.4</td> <td style="text-align: right;">-2.0</td> <td style="text-align: right;">-1.2</td> </tr> <tr> <td>Other operating expenses</td> <td style="text-align: right;">-20.1</td> <td style="text-align: right;">-4.4</td> <td style="text-align: right;">-8.6</td> <td style="text-align: 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profit</b>	<b>61.6</b>	<b>80.1</b>	<b>88.7</b>	<b>76.2</b>	<b>62.7</b>	Finance income	2.2	0.8	0.9	0.6	0.6	Finance expenses	-2.2	-17.7	-19.8	-32.8	-38.4	<b>Profit before tax</b>	<b>61.6</b>	<b>63.3</b>	<b>69.8</b>	<b>44.1</b>	<b>25.0</b>	Income tax expense	-14.0	-13.4	-16.8	-10.8	-7.7	<b>Profit for the period</b>	<b>47.6</b>	<b>50.0</b>	<b>52.9</b>	<b>33.3</b>	<b>17.2</b>	<b>Attributable to:</b>						Owners of the parent	47.4	50.0	53.2	33.3	17.2	Non-controlling interests	0.3	0.0	-0.3	0.0	0.0
SEK million	1 July 2015 – 31 March 2016 (9 months) Unaudited	1 July 2014 – 31 March 2015 (9 months) Unaudited	1 July 2014 – 30 June 2015 (12 months) Audited	1 July 2013 – 30 June 2014 (12 months) Audited	1 Feb 2012 – 30 June 2013 (17 months) Audited																																																																																																									
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B.7	Selected historical financial information in summary, cont.	Condensed consolidated balance sheet					
		SEK million	31 March 2016 Unaudited	31 March 2015 Unaudited	30 June 2015 Audited	30 June 2014 Audited	30 June 2013 Audited
<b>ASSETS</b>							
	Goodwill		56.7	53.1	56.8	45.4	44.5
	Other intangible non-current assets		19.2	9.0	9.1	9.0	5.6
	Tangible non-current assets		5.1	1.4	4.7	1.7	1.4
	Non-current financial assets		6.4	1.4	2.6	–	–
	Deferred tax assets		–	4.4	0.2	4.4	0.8
	<b>Total non-current assets</b>		<b>87.4</b>	<b>69.4</b>	<b>73.4</b>	<b>60.6</b>	<b>52.3</b>
	Inventories		0.5	0.6	0.2	0.0	2.9
	Other current receivables		259.9	167.8	189.6	192.2	164.4
	Cash and cash equivalents		48.5	88.1	71.0	55.9	61.0
	<b>Total current assets</b>		<b>308.9</b>	<b>256.5</b>	<b>260.7</b>	<b>248.1</b>	<b>228.3</b>
	<b>TOTAL ASSETS</b>		<b>396.3</b>	<b>325.9</b>	<b>334.2</b>	<b>308.7</b>	<b>280.6</b>
<b>EQUITY AND LIABILITIES</b>							
	Equity attributable to owners of the parent		85.8	–116.4	36.6	–128.3	–161.7
	Non-controlling interests		5.1	1.2	4.9	–	–
	<b>Total equity</b>		<b>90.9</b>	<b>–115.2</b>	<b>41.5</b>	<b>–128.3</b>	<b>–161.7</b>
	Non-current liabilities, interest bearing		33.1	283.8	80.8	301.5	339.2
	Non-current liabilities, non-interest bearing		10.0	12.0	13.4	7.3	6.2
	<b>Total non-current liabilities</b>		<b>43.1</b>	<b>295.9</b>	<b>94.3</b>	<b>308.8</b>	<b>345.4</b>
	Current liabilities, interest bearing		26.8	–	–	–	–
	Current liabilities, non-interest bearing		235.5	145.3	198.5	128.3	96.9
	<b>Total current liabilities</b>		<b>262.3</b>	<b>145.3</b>	<b>198.5</b>	<b>128.3</b>	<b>96.9</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>396.3</b>	<b>325.9</b>	<b>334.2</b>	<b>308.7</b>	<b>280.6</b>

B.7	Selected historical financial information in summary, cont.	Condensed consolidated cash-flow statement					
		1 July 2015 – 31 March 2016 (9 months) Unaudited	1 July 2014 – 31 March 2015 (9 months) Unaudited	1 July 2014 – 30 June 2015 (12 months) Audited	1 July 2013 – 30 June 2014 (12 months) Audited	1 Feb 2012 – 30 June 2013 (17 months) Audited	
		<b>SEK million</b>					
		Cash flow from operating activities	14.3	59.4	94.9	-5.1	46.6
		Cash flow from investing activities	-15.5	-5.7	-9.8	13.5	14.4
		Cash flow from financing activities	-21.1	-21.8	-70.2	-13.5	0.0
		<b>Period's cash flow</b>	<b>-22.3</b>	<b>31.9</b>	<b>14.9</b>	<b>-5.1</b>	<b>61.0</b>
		Cash and cash equivalents at the beginning of the period	71.0	55.9	55.9	61.0	0.1
		Exchange differences in cash and cash equivalents	-0.2	0.3	0.2	0.1	-0.1
		<b>Cash and cash equivalents at the end of the period</b>	<b>48.5</b>	<b>88.1</b>	<b>71.0</b>	<b>55.9</b>	<b>61.0</b>
		<b>Key information and data<sup>1)</sup></b>					
		<b>SEK million</b>					
		Net sales <sup>2)</sup>	783.9	610.0	844.4	605.5	478.5
		Gross profit <sup>2)</sup>	223.6	189.5	251.9	232.9	225.9
		Gross margin (%) <sup>2)</sup>	28.5	31.1	29.8	38.5	47.2
		EBITDA <sup>3)</sup>	66.7	83.1	93.1	78.3 <sup>4)</sup>	63.9 <sup>4)</sup>
		EBITDA margin (%) <sup>3)</sup>	8.5	13.6	11.0	12.9 <sup>4)</sup>	13.4 <sup>4)</sup>
		Operating profit (EBIT) <sup>3)</sup>	61.6	80.1	88.7	76.2 <sup>4)</sup>	62.7 <sup>4)</sup>
		EBIT margin (%) <sup>3)</sup>	7.9	13.1	10.5	12.6 <sup>4)</sup>	13.1 <sup>4)</sup>
		Profit after tax <sup>2)</sup>	47.6	50.0	52.9	33.3	17.2
		Net margin (%) <sup>2)</sup>	6.1	8.2	6.3	5.5	3.6
		Cash flow from operating activities <sup>2)</sup>	14.3	59.4	94.9	-5.1	46.6
		Free cash flow <sup>3)</sup>	-1.2	53.7	85.1	8.3 <sup>4)</sup>	61.0 <sup>4)</sup>
		Total assets <sup>2)</sup>	396.3	325.9	334.2	308.7	280.6
		Total equity <sup>2)</sup>	90.9	-115.2	41.5	-128.3	-161.7
		Net debt <sup>3)</sup>	11.4	195.8	9.8	245.6 <sup>4)</sup>	278.2 <sup>4)</sup>
		Equity ratio (%) <sup>2)</sup>	22.9	-35.3	12.4	-41.6	-57.6
		Average number of outstanding shares after dilution (thousand) <sup>2), 5)</sup>	32,432	30,000	30,033 <sup>4)</sup>	30,000	30,000
		Earnings per share after dilution, (SEK) <sup>2), 5)</sup>	1.43	1.67	1.77	1.11	0.57
		Equity per share, (SEK) <sup>2)</sup>	2.65	neg.	33.83	neg.	neg.
		Average number of employees <sup>3)</sup>	154	136	138 <sup>4)</sup>	126 <sup>4)</sup>	107 <sup>4)</sup>
		1) For definitions, please see the section "Forward-looking statements and presentation of financial and other information" under the headings "Definitions of financial measures and key figures" and "Non-IFRS financial measures". 2) Key indicators defined in accordance with IFRS. 3) Key indicators not defined in accordance with IFRS. 4) Unaudited. 5) With regard to the 30:1 share split that was conducted in August 2015.					

**B.7** Selected historical financial information in summary, cont.

The following table provides a reconciliation of EBITDA and adjusted EBITDA for the periods indicated:

SEK million	1 July 2015 – 31 March 2016 (9 months) Unaudited	1 July 2014 – 31 March 2015 (9 months) Unaudited	1 July 2014 – 30 June 2015 (12 months) Audited	1 July 2013 – 30 June 2014 (12 months) Audited	1 Feb 2012 – 30 June 2013 (17 months) Audited
<b>Reported operating profit (EBIT)</b>	<b>61.6</b>	<b>80.1</b>	<b>88.7</b>	<b>76.2</b>	<b>62.7</b>
Depreciation/amortisation of tangible and intangible assets	-5.1	-3.0	-4.4	-2.0	-1.2
<b>EBITDA</b>	<b>66.7</b>	<b>83.1</b>	<b>93.1</b>	<b>78.3</b>	<b>63.9</b>
Market listing costs	11.2	-	6.3	-	-
Recovered previously impaired receivables	-	-10.3	-10.3	7.9	2.4
<b>Adjusted EBITDA, unaudited</b>	<b>77.9</b>	<b>72.8</b>	<b>89.1</b>	<b>86.2</b>	<b>66.3</b>

The following table provides a reconciliation of EBIT and adjusted EBIT for the periods indicated:

SEK million	1 July 2015 – 31 March 2016 (9 months) Unaudited	1 July 2014 – 31 March 2015 (9 months) Unaudited	1 July 2014 – 30 June 2015 (12 months) Audited	1 July 2013 – 30 June 2014 (12 months) Audited	1 Feb 2012 – 30 June 2013 (17 months) Audited
<b>Reported operating profit (EBIT)</b>	<b>61.6</b>	<b>80.1</b>	<b>88.7</b>	<b>76.2</b>	<b>62.7</b>
Market listing costs	11.2	-	6.3	-	-
Recovered previously impaired receivables	-	-10.3	-10.3	7.9	2.4
<b>Adjusted EBIT, unaudited</b>	<b>72.8</b>	<b>69.8</b>	<b>84.7</b>	<b>84.1</b>	<b>65.1</b>

#### Significant events after 31 March 2016

On 13 May 2016, CLX announced that the Company has signed a binding agreement to acquire Mblox Incorporated (“Mblox”) for USD 117 million (SEK 954 million) on a cash and debt-free basis. On 31 December 2015, Mblox employed 188 individuals and had sales in 2015 of USD 140 million with EBITDA of USD 6.9 million. The acquisition is expected to be completed in early July 2016. Through this acquisition CLX strengthens its position as one of the global leaders in cloud communication for enterprises. The acquisition is being financed through a combination of new bank loans and a rights issue. For additional information, please refer to the separate press release.

On 13 May 2016, CLX announced that the Company convenes an extraordinary general meeting to adopt a change of financial year from 1 July–30 June to calendar year. This means that the current financial year from 1 July 2015–30 June 2016 would be extended by six months to encompass the period 1 July 2015–31 December 2016. In this case the next annual general meeting would be held in the spring of 2017.

Furthermore, the Company’s new data center in the United States has been commissioned, and migration of traffic from one of the Company’s existing data centers in Europe has begun. The new data center will enable the company to win local traffic in the United States from major United States customers that do not agree to their data leaving the United States.

In addition to the above, there have not been any significant changes in CLX’s financial position or market position after 31 March 2016.

1) Based on the exchange rate as at 12 May 2016, amounting to 8.1545 SEK per USD.

<b>B.7</b>	<i>Selected historical financial information in summary, cont.</i>	<b>Consolidated financial information for Mblox</b>						
		<i>The tables below present selected financial information derived from Mblox's historical financial information for the financial years that ended 31 December 2015, 2014 and 2013, which have been audited by Mblox's auditor and prepared in accordance with US GAAP.</i>						
		<b>Condensed income statement</b>						
		1 January– 31 December 2015 (12 months)		1 January– 31 December 2014 (12 months)		1 January– 31 December 2013 (12 months)		
		USDk Audited	SEKM <sup>1)</sup> Unaudited	USDk Audited	SEKM <sup>2)</sup> Unaudited	USDk Audited	SEKM <sup>3)</sup> Unaudited	
		Net sales	140,419	1,184.4	147,250	1,009.8	140,111	912.7
		Cost of sales						
		– service delivery	97,991	826.6	104,443	716.2	94,610	616.3
		Cost of sales – operations	10,940	92.3	10,953	75.1	9,474	61.7
		Research and development	3,655	30.8	6,551	44.9	5,941	38.7
		Sales and marketing	12,630	106.5	13,775	94.5	14,368	93.6
		General and administrative	8,341	70.4	13,434	92.1	11,158	72.7
		Depreciation and amortisation	5,278	44.5	5,267	36.1	9,132	59.5
		Restructuring expenses	–	–	–	–	1,883	12.3
		<b>Gain/loss from operations (Operating profit/loss)</b>	<b>1,584</b>	<b>13.4</b>	<b>–7,173</b>	<b>–49.2</b>	<b>–6,455</b>	<b>–42.0</b>
		Interest income	14	0.1	3	0.0	5	0.0
		Interest expense	–6,188	–52.2	–4,441	–30.5	–1,945	–12.7
		Change in fair value of warrant liabilities	109	0.9	–43	–0.3	430	2.8
		Gain on divestiture of business	912	7.7	0	0.0	0	0.0
		Foreign exchange loss/gain, net	–1,036	–8.7	–279	–1.9	1,598	10.4
		Other income/(expenses)	8	0.1	–6	0.0	–22	–0.1
		<b>Loss before income taxes</b>	<b>–4,597</b>	<b>–38.8</b>	<b>–11,939</b>	<b>–81.9</b>	<b>–6,389</b>	<b>–41.6</b>
		Income tax benefit	2,476	20.9	363	2.5	9,999	65.1
		<b>Profit/loss for the year</b>	<b>–2,121</b>	<b>–17.9</b>	<b>–11,576</b>	<b>–79.4</b>	<b>3,610</b>	<b>23.5</b>
		<small>1) Based on the average exchange rate for the period, amounting to 8.435 SEK per USD.                  2) Based on the average exchange rate for the period, amounting to 6.8577 SEK per USD.                  3) Based on the average exchange rate for the period, amounting to 6.514 SEK per USD.</small>						

B.7	Selected historical financial information in summary, cont.	Condensed balance sheet					
		31 December 2015		31 December 2014		31 December 2013	
		USDk Audited	SEKM <sup>1)</sup> Unaudited	USDk Audited	SEKM <sup>2)</sup> Unaudited	USDk Audited	SEKM <sup>3)</sup> Unaudited
<b>Current assets</b>							
Cash and cash equivalents	8,183	68.3	9,494	74.2	8,575	55.8	
Accounts receivable	25,827	215.7	27,998	218.7	26,923	175.2	
Prepaid expenses and other current assets	6,195	51.7	3,785	29.6	4,255	27.7	
<b>Total current assets</b>	<b>40,205</b>	<b>335.8</b>	<b>41,277</b>	<b>322.4</b>	<b>39,753</b>	<b>258.7</b>	
<b>Non-current assets</b>							
Property and equipment, net	4,404	36.8	2,915	22.8	3,409	22.2	
Intangible assets, net	7,106	59.4	11,375	88.9	–	–	
Goodwill	17,826	148.9	19,201	150.0	7,048	45.9	
Deferred tax-assets	10,299	86.0	8,804	68.8	8,285	53.9	
Other non-current assets	1,354	11.3	4,745	37.1	2,955	19.2	
<b>Total non-current assets</b>	<b>40,989</b>	<b>342.4</b>	<b>47,040</b>	<b>367.5</b>	<b>21,737</b>	<b>141.5</b>	
<b>Total assets</b>	<b>81,194</b>	<b>678.2</b>	<b>88,317</b>	<b>689.9</b>	<b>61,490</b>	<b>400.2</b>	
<b>Current liabilities</b>							
Accounts payable	6,174	51.6	4,410	34.4	3,556	23.1	
Compensation and benefits	1,752	14.6	2,686	21.0	2,398	15.6	
Premium rate short message service costs	1,623	13.6	1,197	9.4	3,604	23.5	
Standard rate message operator costs	23,700	198.0	27,864	217.7	22,004	143.2	
Debt, current portion	26,266	219.4	–	–	–	–	
Warrant liabilities	72	0.6	1,450	11.3	1,407	9.2	
Other accrued liabilities	2,245	18.8	7,439	58.1	211	1.4	
<b>Total current liabilities</b>	<b>61,832</b>	<b>516.4</b>	<b>45,046</b>	<b>351.9</b>	<b>33,180</b>	<b>215.9</b>	
<b>Non-current liabilities</b>							
Debt, long term	20,166	168.4	43,200	337.5	17,000	110.6	
Other liabilities	2,807	23.4	2,769	21.6	1,211	7.9	
<b>Total non-current liabilities</b>	<b>22,973</b>	<b>191.9</b>	<b>45,969</b>	<b>359.1</b>	<b>18,211</b>	<b>118.5</b>	
<b>Total equity</b>	<b>–3,611</b>	<b>–30.2</b>	<b>–2,698</b>	<b>–21.1</b>	<b>10,099</b>	<b>65.7</b>	
<b>Total liabilities and equity</b>	<b>81,194</b>	<b>678.2</b>	<b>88,317</b>	<b>689.9</b>	<b>61,490</b>	<b>400.2</b>	
1) Based on the exchange rate as at 31 December 2015, amounting to 8.3524 SEK per USD.							
2) Based on the exchange rate as at 31 December 2014, amounting to 7.8117 SEK per USD.							
3) Based on the exchange rate as at 31 December 2013, amounting to 6.5084 SEK per USD.							



B.7	Selected historical financial information in summary, cont.	Mblox's adjusted EBITDA						
		1 January– 31 December 2015 (12 months)		1 January– 31 December 2014 (12 months)		1 January– 31 December 2013 (12 months)		
		USDk	SEKM <sup>1)</sup>	USDk	SEKM <sup>2)</sup>	USDk	SEKM <sup>3)</sup>	
		<b>Reported operating profit/loss (EBIT)</b>						
		<b>1,584</b>	<b>13.4</b>	<b>-7,173</b>	<b>-49.2</b>	<b>-6,455</b>	<b>-42.0</b>	
		Depreciation and amortisation	5,278	44.5	5,267	36.1	9,132	59.5
		<b>EBITDA</b>	<b>6,862</b>	<b>57.9</b>	<b>-1,906</b>	<b>-13.1</b>	<b>2,677</b>	<b>17.4</b>
		Operational exchange rate differences	-1,036	-8.7	-279	-1.9	1,598	10.4
		Contingent consideration not achieved	-1,687	-14.2	–	–	-570	-3.7
		Settlements and legal fees	1,622	13.7	–	–	–	–
		Recovered written-off receivables as well as written off receivables and liabilities	-856	-7.2	-950	-6.5	-223	-1.5
		Restructuring and relocation costs	1,251	10.6	2,508	17.2	2,437	15.9
		Discontinued/divested operations	764	6.4	708	4.9	-4,191	-27.3
		M&A costs	–	–	1,754	12.0	–	–
		<b>Adjusted EBITDA</b>	<b>6,920</b>	<b>58.4</b>	<b>1,835</b>	<b>12.6</b>	<b>1,728</b>	<b>11.3</b>
		<p>1) Based on the average exchange rate for the period, amounting to 8.435 SEK per USD.</p> <p>2) Based on the average exchange rate for the period, amounting to 6.8577 SEK per USD.</p> <p>3) Based on the average exchange rate for the period, amounting to 6.514 SEK per USD.</p>						
		<b>Non-IFRS financial measures</b>						
		These financial measures included in the Prospectus are not measures of financial performance or liquidity as defined by IFRS:						
		<i>EBITDA</i>	Profit for the period before finance income, finance expenses, income tax expenses and depreciation/amortisation of tangible and intangible assets.					
		<i>EBITDA margin</i>	EBITDA as a percentage of net sales.					
		<i>Free cash-flow</i>	Cash-flow from operating activities and investing activities.					
		<i>Net debt</i>	Non-current liabilities to credit institutions and liabilities to ultimate parent company less cash and cash equivalents.					
		<i>EBIT margin</i>	EBIT as a percentage of net sales.					
		<i>EBIT</i>	Profit for the period before financial income, financial expenses and income tax expenses.					
		<p>The non-IFRS financial measures presented in the Prospectus are not recognised measurements of financial performance under IFRS, but are measures used by management to monitor and analyse the underlying performance of the business and operations. In particular, non-IFRS financial measures should not be viewed as substitutes for total income, other operating income, operating profit/-loss, profit/(loss) for the period, cash flow from operating activities at the end of the period or other income statement or cash flow items computed in accordance with IFRS. The non-IFRS financial measures do not necessarily indicate whether cash flow will be sufficient or available to meet the cash requirements and may not be indicative of the Company's historical operating results. These measures are neither meant to be predictive of the Company's future results.</p> <p>The Company present these non-IFRS measures in the Prospectus as it considers them to be important supplemental measures of the Company's performance and believes that they are widely used by investors in comparing performance between companies. Because not all companies calculate these or other financial measures that are non-IFRS measures in the same way, it is possible that the way that CLX has chosen to use the financial measures may not be comparable to similarly defined terms or measures used by other companies.</p>						
		<b>Adjustments</b>						
		Certain financial and other information as described in the Prospectus have been rounded to make the information more accessible to the reader. Consequently, the figures in certain tables may not exactly correspond to the specified total amount.						

<p><b>B.8</b></p>	<p><i>Selected pro forma financial information</i></p>	<p><b>Background and purpose of pro forma accounts</b></p> <p>On 13 May 2016, CLX announced that the Company had entered into an agreement to acquire the United States corporation Mblox.</p> <p>The acquisition of Mblox is expected to have significant impact on CLX's earnings and financial position. In order to show the financial effects of the acquisition, the following pro forma accounts have been prepared to illustrate the possible outcome of the CLX income statement for the period of 1 January–31 December 2015 if the acquisition of Mblox had been effective on 1 January 2015, and of the CLX balance sheet if the acquisition of Mblox had been effective as of 31 December 2015.</p> <p>The pro forma accounts are solely for informational purposes and to illustrate facts and are intended to describe a hypothetical situation. Accordingly, the pro forma accounts do not necessarily provide any indication of CLX's actual earnings and financial position if the acquisition had been made during the reported period. Nor are the pro forma accounts intended to represent expected earnings or financial position for any future period or any point in time.</p> <p><b>Basis of the pro forma accounts</b></p> <p>The pro forma accounts are based on CLX's unaudited rolling twelve months income statement for the period of January–December 2015, the unaudited balance sheet as of 31 December 2015 from CLX's internal accounting system and Mblox's audited annual accounts for 2015.</p> <p>CLX applies IFRS, as adopted by the EU, while Mblox applies US GAAP. The pro forma accounts have been prepared in accordance with CLX's accounting policies. Effective since 1 October 2015, CLX applies hedge accounting of currency forwards. The effect is recognised in "<i>Other Comprehensive Income</i>", rather than in profit and loss for the period. Otherwise, the recognition and measurement methods coincide with those applied in the annual report for 2014/2015. In preparing the pro forma accounts, CLX has analysed whether there are any significant differences between the accounting policies applied by CLX under IFRS and those applied by Mblox under US GAAP. CLX's assessment demonstrated no significant differences to be observed by the Company, other than the classification of a number of line items in the income statement.</p> <p>The income statement for Mblox and the pro forma adjustments in the income statement have been restated at the exchange rate of SEK/USD 8.435, which corresponds to the average exchange rate for the period of 1 January–31 December 2015. The exchange rate of SEK/USD 8.3524, which is the closing day rate applied by CLX as of 31 December 2015, was used for the pro forma adjustments in the CLX balance sheet and for the Mblox balance sheet.</p> <p>The pro forma adjustments have been made to reflect the impact of the acquisition of Mblox, the Rights Issue and the bank financing. The pro forma accounts have been prepared with the assumption that the bank loans raised by reason of the acquisition will be amortised, which entails quarterly amortisations except in the first year, when no amortisation is required under the loan agreement.</p> <p><b>Pro forma adjustments</b></p> <p><i>Acquisition</i></p> <p>The acquisition of Mblox is expected to be completed in the beginning of July 2016. Consequently, it has not been possible at this point in time to establish the fair value of the identifiable assets and liabilities acquired when preparing these pro forma accounts.</p> <p>The acquisition is on a cash and debt free basis which entails adjustments in the pro forma balance sheet for derivative instruments, cash and cash equivalents and prepaid expenses regarding assets and for loans, other current liabilities and accrued expenses regarding liabilities.</p> <p>Purchases and sales have taken place between CLX and Mblox amounting to SEK 29.4 million through January to December 2015. Per 31 December 2015 the outstanding amount for accounts receivable and accounts payable was SEK 1.7 million. These items have been eliminated in the pro forma income statement and balance sheet.</p> <p>The difference between the cash consideration and Mblox's recognised net assets as of 31 December 2015 has been recognised as unallocated surplus values in the pro forma accounts. The cash consideration on a cash and debt free basis is estimated at USD 117 million, corresponding to SEK 977 million<sup>1)</sup>, which has been compared to Mblox's recognised net assets, excluding goodwill, on a cash and debt free basis, which amount to SEK 151 million, resulting in an unallocated surplus value of SEK 826 million.</p> <p>Identifiable assets and liabilities will be recognised at fair value in the acquisition analysis that will be prepared as of the acquisition date. This may entail assigning different fair values to recognised tangible and intangible assets and new intangible assets may be identified. As a result, future earnings may be encumbered by significant depreciation and amortisation on these assets.</p> <p><small>1) Based on the exchange rate as at 31 December 2015, amounting to 8.3524 SEK per USD.</small></p>
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<b>B.8</b>	<i>Selected pro forma financial information, cont.</i>	<i>Financing</i>	As the acquisition of Mblox is on a debt free basis, Mblox's interest expenses during the period have been reversed. The reversal of interest expenses in Mblox has resulted in a positive effect of SEK 52.2 million. Tax of 40 percent on the reversed amount has been taken into account.					
			Part of the new financing replaces the current financing, therefore only the difference amounting to SEK 393.4 million has been considered in the pro forma balance sheet, net of transaction cost of SEK 2.3 million. The entire loan has been classified as non-current since no amortisation is required during the first year. The transaction cost is recorded over three years and recognised as interest expense in the pro forma income statement and amounts, including the interest expense according to the loan agreement, to SEK 10.0 million for the period of January–December 2015. Tax of 22 percent has been taken into account for the new financing, as the loan has been raised in Sweden.					
		<i>Rights Issue</i>	The issue proceeds in the pro forma accounts amount to SEK 620 million. Issue costs in the pro forma accounts amount to SEK 15 million before tax and have been recognised in the pro forma balance sheet as a reduction in equity, net after tax, of 22 percent.					
		<i>Transaction costs</i>	Transaction costs related to the acquisition of SEK 20 million have been recognised in the pro forma balance sheet as a reduction in equity. Transaction costs have not been recognised in the pro forma income statement as these costs would have affected the income statement in an earlier period.					
		<b>Pro forma income statement 1 January–31 December 2015</b>						
			Pro forma adjustment					
			CLX Group	Mblox	Acquisition related adjustments <sup>1)</sup>	IFRS related adjustments <sup>2)</sup>	Effects of new financing <sup>3)</sup>	New group
		<b>1 Jan – 31 Dec 2015 (12 months)</b>	SEK million					
			IFRS	US GAAP				
		Net sales	963.9	1,184.4	-29.4		-	2,118.9
		Other operating income	18.7	-	-		-	18.7
		Work performed by the entity and capitalised	6.9	-	-	22.1	-	29.1
		Cost of goods sold and services	-676.0	-826.5	29.4		-	-1,473.1
		Other external costs	-81.7	-106.4	-		-	-187.9
		Personnel costs	-135.3	-192.7	-	-22.1	-	-350.2
		Depreciation/amortisation of tangible and intangible assets	-5.9	-44.7	-	-	-	-50.6
		Other operating expenses	-21.7	-0.7	-	-8.7	-	-31.1
		<b>Operating profit</b>	<b>68.9</b>	<b>13.4</b>	<b>0.0</b>	<b>-8.7</b>	<b>0.0</b>	<b>73.8</b>
		<i>Net finance income/expenses:</i>						
		Profit from sale of subsidiary	-	7.7	-	-	-	7.7
		Finance income	1.0	1.0	-	-	-	2.0
		Finance expenses	-5.2	-60.9	52.2	8.7	-10.0	-15.2
		<b>Profit/loss before tax</b>	<b>64.7</b>	<b>-38.8</b>	<b>52.2</b>	<b>0.0</b>	<b>-10.0</b>	<b>68.3</b>
		Tax	-16.2	20.9	-20.9	-	2.2	-14.0
		<b>Profit/loss for the period</b>	<b>48.5</b>	<b>-17.9</b>	<b>31.3</b>	<b>0.0</b>	<b>-7.8</b>	<b>54.3</b>
		<b>Attributable to:</b>						
		Owners of the parent	48.5	-17.9	31.3	0.0	-7.8	54.3
		Non-controlling interests	0.0	-	-	-	-	0.0
		Pro forma adjustment refer to the below and are all assumed to have a permanent effect:						
		1) Intra-group sales between CLX and Mblox of SEK 29.4 million, reversal of Mblox's interest expenses of SEK 52.2 million and tax effect of SEK 20.9 million as the acquisition is on a debt free basis.						
		2) Reclassification of capitalised personnel costs of SEK 22.1 million and operational exchange losses of SEK 8.7 million in accordance with CLX's accounting policies.						
		3) Interest expenses of SEK 10.0 million for new financing raised for partial financing of the acquisition and tax effect of SEK 2.2 million.						

B.8	Selected pro forma financial information, cont.	Pro forma balance sheet 31 December 2015						
		CLX Group		Mblox	Proforma adjustment			New group
					Acquisition related adjustments <sup>1)</sup>	Transaction costs <sup>2)</sup>	Effects of new financing <sup>3)</sup>	
		31 December 2015		SEK million				
	IFRS	US GAAP						
<b>ASSETS</b>								
<b>Non-current assets</b>								
Unallocated surplus value	–	–	825.9	–	–	–	825.9	
Goodwill	56.7	148.9	–148.9	–	–	–	56.7	
Capitalised product development expenses	11.2	53.7	–	–	–	–	64.9	
Other intangible non-current assets	4.6	5.6	–	–	–	–	10.2	
Tangible assets	5.2	36.8	–	–	–	–	42.0	
Derivative instruments	0.6	4.5	–4.5	–	–	–	0.6	
Deferred tax assets	0.2	86.0	–	–	–	–	86.2	
Other non-current assets	2.8	6.8	–	–	–	–	9.6	
<b>Total non-current assets</b>	<b>81.3</b>	<b>342.3</b>	<b>672.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1,096.1</b>	
<b>Current assets</b>								
Inventories	0.3	–	–	–	–	–	0.3	
Accounts receivable	164.9	215.7	–1.7	–	–	–	378.9	
Current tax assets	7.7	2.2	–	–	–	3.3	13.2	
Derivative instruments	4.2	–	–	–	–	–	4.2	
Other receivables	9.2	11.5	–	–	–	–	20.7	
Prepaid expenses and accrued income	48.2	38.0	–	–	–	–	86.2	
Cash and cash equivalents	59.4	68.4	–1,045.6	–20.0	391.1	605.0	58.3	
<b>Total current assets</b>	<b>293.9</b>	<b>335.8</b>	<b>–1,047.3</b>	<b>–20.0</b>	<b>391.1</b>	<b>608.3</b>	<b>561.8</b>	
<b>TOTAL ASSETS</b>	<b>375.2</b>	<b>678.1</b>	<b>–374.8</b>	<b>–20.0</b>	<b>391.1</b>	<b>608.3</b>	<b>1,657.9</b>	

B.8	Selected pro forma financial information, cont.	Pro forma balance sheet 31 December 2015						
		CLX Group	Proforma adjustment					New group
			Mblox	Acquisition related adjustments <sup>1)</sup>	Transaction costs <sup>2)</sup>	Effects of new financing <sup>3)</sup>	Effects of Rights Issue <sup>4)</sup>	
		31 December 2015		SEK million				
IFRS	US GAAP							
<b>EQUITY AND LIABILITIES</b>								
Equity attributable to owners of the parent	68.5	-30.2	30.2	-20.0	-	608.3	656.8	
Non-controlling interests	5.1	-	-	-	-	-	5.1	
<b>Total equity</b>	<b>73.6</b>	<b>-30.2</b>	<b>30.2</b>	<b>-20.0</b>	<b>0.0</b>	<b>608.3</b>	<b>661.9</b>	
<b>Non-current liabilities</b>								
Liabilities to credit institutions	39.8	175.5	-175.5	-	417.9	-	457.7	
Other non-current liabilities	4.7	0.6	-	-	-	-	5.3	
Derivative instruments	0.6	-	-	-	-	-	0.6	
Deferred tax liabilities	8.2	15.8	-	-	-	-	24	
<b>Total non-current liabilities</b>	<b>53.3</b>	<b>191.9</b>	<b>-175.5</b>	<b>0.0</b>	<b>417.9</b>	<b>0.0</b>	<b>487.6</b>	
<b>Current liabilities</b>								
Liabilities to credit institutions	26.8	219.4	-219.4	-	-26.8	-	-	
Advance payments from customers	1.1	2.2	-	-	-	-	3.3	
Accounts payable	111.9	263.2	-1.7	-	-	-	373.4	
Current tax liabilities	3.3	0.9	-	-	-	-	4.2	
Derivative instruments	0.0	0.8	-	-	-	-	0.8	
Other current liabilities	4.2	5.9	-3.8	-	-	-	6.3	
Accrued expenses and prepaid income	101.0	24.0	-4.6	-	-	-	120.4	
<b>Total current liabilities</b>	<b>248.3</b>	<b>516.4</b>	<b>-229.5</b>	<b>0.0</b>	<b>-26.8</b>	<b>0.0</b>	<b>508.4</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>375.2</b>	<b>678.1</b>	<b>-374.8</b>	<b>-20.0</b>	<b>391.1</b>	<b>608.3</b>	<b>1,657.9</b>	
Pro forma adjustment refer to:								
1) As the acquisition is on a cash and debt free basis, cash and cash equivalents of SEK 68.4 million, derivative instruments of SEK 4.5 million, liabilities to credit institutions of SEK 394.9 million and loan related liabilities of SEK 8.4 million have been adjusted. Difference between acquired net assets, excluding goodwill, of SEK 151.3 million and the cash consideration of SEK 977.2 million is recognized as unallocated surplus value of SEK 825.9 million. Elimination intra-group accounts receivable and accounts payable of SEK 1.7 million.								
2) Transaction costs of SEK 20.0 million.								
3) Difference between new and current financing of SEK 393.4 million, net of transaction costs of SEK 2.3 million. Reclassification current part of existing loan of SEK 26.8 million to non-current.								
4) Rights Issue of SEK 620.0 million net after issue costs of SEK 15.0 million and tax effect of SEK 3.3 million.								
B.9	Profit forecasts	Not applicable. The Company has not presented any profit forecasts.						
B.10	Audit remarks	Not applicable. There are no remarks in the audit reports.						

<p><b>B.11</b></p>	<p><i>Working capital</i></p>	<p>In this context, “working capital” means the Company’s access to financing to ensure its capacity to meet its payment obligations during the next twelve months. In CLX’s judgement, existing working capital is not sufficient to meet relevant needs during the next twelve months, due to the need to finance the acquisition of Mblox. CLX intends to finance the acquisition of Mblox by way of a Rights Issue of approximately SEK 624 million, with subscription and guarantee commitments amounting to 100 percent of the Rights Issue, and bank financing of approximately SEK 400 million, which will cover the Company’s working capital requirement during the next twelve months. The acquisition of Mblox is expected to be completed in early July 2016.</p> <p>Certain shareholders of CLX and external investors have entered into subscription and guarantee commitments amounting to 100 percent of the Rights Issue. However, the subscription and guarantee commitments are unsecured. The bank financing consists of a new loan agreement with Danske Bank A/S (“<b>Danske Bank</b>”) and Handelsbanken and is subject to customary terms, conditions and undertakings for a loan of this type.</p> <p>If the Rights Issue, even though there are subscription and guarantee commitments amounting to 100 percent of the Rights Issue, cannot be carried out, or if the bank loan is not funded by Danske Bank and Handelsbanken, there would be a maximum shortfall in sufficient working capital of SEK 1,024 million to meet the needs mentioned above. Should this occur, CLX may be required to seek alternative financing for the amount not received. Examples of alternative financing include additional share capital, other bank financing and the sale of certain assets. In the Company’s assessment, its opportunities to obtain such alternative financing are good. If the Company would not be able to obtain such alternative financing and thus lack sufficient financing to carry out the acquisition of Mblox, CLX would be at risk of legal sanctions due to breach of contract.</p>
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<p><b>Section C– Information about the securities being offered</b></p>		
<p><b>C.1</b></p>	<p><i>Securities being offered</i></p>	<p>The Offer consists of not more than 16,216,215 new shares in CLX Communications AB (publ). ISIN: SE0007439112.</p>
<p><b>C.2</b></p>	<p><i>Currency</i></p>	<p>The shares are denominated in Swedish Krona (SEK).</p>
<p><b>C.3</b></p>	<p><i>Total number of shares in the Company</i></p>	<p>As at the date of this Prospectus, there are a total of 32,432,430 registered shares in the Company, each with a quot value of SEK 0.10. All shares are fully paid.</p>
<p><b>C.4</b></p>	<p><i>Rights attached to the securities</i></p>	<p>At shareholders’ meetings, each share carries one vote and each shareholder is entitled to vote for the full number of shares such shareholder holds in the Company. If the Company issues new shares, warrants or convertibles in a cash issue or a set-off issue, shareholders shall, as a general rule, have preferential rights to subscribe for such securities in proportion to the number of shares held prior to the issue. All common shares carry equal rights to dividends and to the Company’s assets and potential surplus in the event of liquidation.</p>
<p><b>C.5</b></p>	<p><i>Restrictions in free transferability</i></p>	<p>Not applicable. The shares are not subject to any restrictions on transferability.</p>
<p><b>C.6</b></p>	<p><i>Admission to trading</i></p>	<p>CLX’s shares are admitted to trading on Nasdaq Stockholm. When the Rights Issue has been registered with the Swedish Companies Registration Office (Sw. <i>Bolagsverket</i>), the new shares will be admitted to trading on Nasdaq Stockholm.</p>
<p><b>C.7</b></p>	<p><i>Dividend policy</i></p>	<p>CLX’s objective is to distribute at least 30 percent of net profit. CLX’s financial position, cash flow, acquisition opportunities and future prospects will be taken into consideration by the board of directors when proposing that CLX shall pay dividend.</p>

<b>Section D – Risks</b>		
<b>D.1</b>	<i>Key risks specific to the Issuer or its industry</i>	<p>CLX's business and market are subject to certain risks which are completely or partly outside the control of the Company, and which could affect CLX's business, financial position and results of operation. Described below, in no particular order and without claim to be exhaustive, are the main risk factors and significant circumstances considered to be material to CLX's business and future development. The main risk factors related to the Company, its business and the industry include:</p> <ul style="list-style-type: none"> <li>• CLX is exposed to macroeconomic factors such as recession, inflation or deflation and general debility in its customers' purchasing power. Such conditions, global as well as local, may affect CLX's business negatively.</li> <li>• CLX may experience failures, defects, delays and other problems involving the technology systems and infrastructure on which it relies for the services and solutions that it provides. Such problems may, for example, lead to loss of revenue, increased costs and loss of existing and potential customers.</li> <li>• CLX may be unable to successfully manage or scale its technology systems and infrastructure or the services and solutions that it provides. This may create inconvenience for CLX customers, which may cause CLX to suffer financial damage and loss of customers.</li> <li>• If sufficient financing is not obtained and the Company is therefore unable to complete the acquisition, the Company may incur liability for damages for breach of contract, be subject to an action for specific performance (<i>i.e.</i>, the Company may be required to complete the transaction through any means available) and/or be subject to other damages including tort damages. Furthermore, the Company's due diligence efforts may be inadequate or marred by gaps or insufficiencies. The Company's warranty protection, as stated in the merger agreement, is not comprehensive and may be insufficient. The upcoming integration between the Company and Mblox may cause difficulties, partly due to differences in corporate culture. Mblox is also subject to certain of the risks to which CLX is subject.</li> <li>• The Group depends on its reputation and value associated with the Group's business. Negative publicity and ineffective marketing can affect CLX business negatively.</li> <li>• CLX partly depends on the success of its strategic relationships with third parties, particularly its direct connections with mobile operators, as this improves quality and reduces costs for the Company's services and solutions, which is an important synergy effect of the Company's relationship with third parties. Shortcomings in this respect may lead to loss of customers, interruptions in the delivery of CLX's services and the Company's costs for purchase of network capacity may be increased.</li> <li>• CLX relies on services provided by third-party service providers, including mobile operators. CLX do not control the operation, quality and maintenance of such services, which may lead to interruptions and delays as well as it may reduce the number of transactions and communications handled by CLX's communications platform.</li> <li>• CLX operates in a competitive and rapidly changing market, which means that the Company is dependent on its ability to adapt, for example by quickly and cost-effectively respond to new technologies and standards. If CLX fails in this respect, the Company will not meet the customer requirements.</li> <li>• The markets in which CLX operates may develop more slowly than CLX expects or may decline, especially if other companies do not understand or realise the benefits of cloud-based services and solutions for communications instead of traditional communication solutions.</li> <li>• CLX's sales cycles for its enterprise customers may become lengthier and more expensive and may become subject to implementation, customisation and timing challenges, due to the fact that CLX directs a large portion of its sales to large corporate clients.</li> <li>• The Company may be impacted by actual or perceived security vulnerabilities in its services and security controls, or in the services and security controls of its competitors, such as attempt and threat of infringement of CLX's communications platform, software, network and data security.</li> <li>• CLX is dependent on protecting its intellectual property rights, such as copyright, trademark and trade secrets, and may be subject to third-party claims regarding violations of intellectual property rights.</li> <li>• CLX's business depends on its ability to recruit and retain key personnel, to maintain and further develop the business.</li> <li>• CLX has experienced rapid growth in recent periods and may be unable to continue to manage its growth effectively or execute its business plan.</li> <li>• CLX may pursue further acquisitions or joint ventures, which the Company may be unable to achieve or successfully integrate.</li> <li>• CLX's consolidated balance sheet includes significant goodwill which may be impaired in the future.</li> </ul>

<b>D.1</b>	<i>Key risks specific to the Issuer or its industry, cont.</i>	<ul style="list-style-type: none"> <li>• CLX may not succeed to obtain further financing on commercially viable terms, or to obtain any further financing at all, or to comply with its obligations according to existing financing terms.</li> <li>• Exposure to currency risk, in particular in respect of EUR, USD and GBP, may affect CLX's cash flow, income statement and balance sheet negatively.</li> <li>• CLX's business is subject to regulations and regulatory supervision in many countries. Thus, the Company may be imposed penalty or liability for deficiencies of its compliance with these rules. The rules may also change the way in which CLX must provide its services as well as it may influence the costs imposed on CLX business, for example through tariff levels and caps on prices.</li> <li>• CLX may be subject to legal and administrative proceedings, which may be time consuming, disrupt the day-to-day business and involve significant amounts and costs.</li> <li>• CLX is exposed to tax related risks. The Company's tax situation may deteriorate if its former or current opinion in tax-related issues successfully is confronted by tax authorities. In addition, changes in tax laws may lead to higher costs for CLX as well as it may affect the terms of the Company's operations.</li> </ul>
<b>D.3</b>	<i>Key risks specific to the securities</i>	<p>An investment in securities involves risks. Any such risk could cause the trading price in CLX's shares to decline significantly and investors could lose all or part of the value of their investment. The main risks related to the Company's shares and the forthcoming Rights Issue include:</p> <ul style="list-style-type: none"> <li>• The price of CLX's shares may be volatile, and investors could lose a part or all of their investment.</li> <li>• There is a risk that an active market for the trading of subscription rights will not develop, which may cause the price of the subscription rights to be subject to greater volatility than the Company's shares.</li> <li>• Shareholders who do not exercise their subscription rights will have their percent of the share capital and votes in CLX diluted.</li> <li>• Following the Rights Issue, the Principal Shareholders will continue to have significant influence over CLX and its operations and the ability to influence matters requiring shareholders' approval, whereby the interests of these shareholders may conflict with those of other shareholders.</li> <li>• CLX's ability to pay dividends may be constrained and is dependent upon CLX's financial position, cash flow, working capital requirements, acquisition opportunities and future prospects.</li> <li>• Future issuances of shares or other securities in the Company may dilute the shareholding and adversely affect the price of the shares.</li> <li>• Non-secured subscription and guarantee commitments may result in the underwriters not being able to fulfil their respective commitments.</li> </ul>

<b>Section E – Information about the offer</b>		
<b>E.1</b>	<i>Issue proceeds and issue costs</i>	<p>The Company expects to receive net proceeds amounting to approximately SEK 624 million from the Rights Issue, before deduction of costs related to the Offer, including commissions and fees to Joint Global Coordinators and Joint Bookrunners as well as other advisors, which are estimated to be SEK 40 million.</p>
<b>E.2a</b>	<i>Motive and use of proceeds</i>	<p>On 13 May 2016, CLX announced that the Company has entered into an agreement under which CLX will acquire 100 percent of the shares in the United States corporation Mblox for a cash consideration of USD 117 million (corresponding to SEK 954 million<sup>1)</sup>) on a cash and debt free basis.</p> <p>The board of directors of CLX has resolved, subject to the subsequent approval by the extraordinary general meeting, to raise approximately SEK 624 million, by way of a rights issue, for the purposes of financing part of the purchase price. The Rights Issue will thus be carried out in order to ensure that the Company has sufficient working capital to fulfil its obligation to pay part of the purchase price under the merger agreement. On 7 June 2016, the extraordinary general meeting in CLX approved the board of directors resolution on the Rights Issue.</p> <p>The net proceeds from the Rights Issue of approximately SEK 584 million, after deduction of issue and transaction costs (including guarantee commissions) which are expected to amount to approximately SEK 40 million, will be used to finance part of CLX's acquisition of Mblox and part of the integration costs. The acquisition is expected to be completed in early July 2016.</p> <p><small>1) Based on the exchange rate as at 12 May 2016, amounting to 8,1545 SEK per USD.</small></p>

<b>E.2a</b>	<i>Motive and use of proceeds, cont.</i>	The Principal Shareholders of the Company and the major shareholders Första AP-fonden, Fjärde AP-fonden, Alecta Pensionsförsäkring, ömsesidigt, RAM ONE, Rational Asset Management Equity Long/Short and LMK Forward AB, with approximately 75 percent of the shares and votes in the Company, have expressed their support for the Rights Issue and have entered into agreements with the Company under which they have committed to subscribe for their pro rata shares in the Rights Issue. In addition, RAM ONE, Rational Asset Management Equity Long/Short, LMK Forward AB, Prior & Nilsson Fond- och Kapitalförvaltning AB, Italo Invest AB and AB Grenspecialisten have committed to subscribe for shares in the Rights Issue of an amount corresponding to approximately 25 percent of the Rights Issue. Thus, there are subscription and guarantee commitments amounting to 100 percent of the Rights Issue. In addition, Swedbank Robur Fonder AB and Handelsbanken Fonder AB, with approximately 10 percent of the capital and votes, have indicated that they are positive to the Rights Issue and that they intend to subscribe for their pro rata shares in the Rights Issue.
<b>E.3</b>	<i>Terms and conditions of the Offer</i>	<p><b>General</b> The Rights Issue includes not more than 16,216,215 shares. Those who, on the record date are registered as shareholders in CLX, will receive one subscription right for each share in CLX held. Two subscription rights entitle the holder to subscribe for one new shares in CLX.</p> <p><b>Issue price</b> The new shares are issued at a price of SEK 38.50 per new share. No commission will be charged.</p> <p><b>Record date</b> The record date at Euroclear for determining who are entitled to receive subscription rights in the Offering is 9 June 2016.</p> <p><b>Subscription period</b> Subscription for new shares will take place during the period from and including 13 June 2016 up to and including 27 June 2016.</p> <p><b>Trading in subscription rights</b> Subscription rights will be traded on Nasdaq Stockholm during the period from and including 13 June 2016 up to and including 22 June 2016.</p> <p><b>Announcement of the outcome of the Offering</b> The outcome of the Offering will be published in a press release from CLX, which is expected to take place on or about 1 July 2016.</p>
<b>E.4</b>	<i>Interests and conflict of interests</i>	Joint Global Coordinators and Joint Bookrunners provide financial advise and other services to the Company in connection with the Offering. From time to time, Joint Global Coordinators and Joint Bookrunners and their respective affiliates, may in the future provide, services within the context of their day-to-day operations and in connection with other transactions for CLX, for which Joint Global Coordinators and Joint Bookrunners will receive customary fees and commissions for these transactions and services and may come to have interests that may not be aligned or could potentially conflict with the interests of potential investors, the Company and the shareholders. In addition, Handelsbanken is also a lender to CLX.
<b>E.5</b>	<i>Selling shareholders and lock-up agreements</i>	Not applicable. The Company only issues new shares.
<b>E.6</b>	<i>Dilution</i>	Shareholders who choose not to participate in the Rights Issue will have their ownership diluted by approximately 33 percent, but can fully or partly financially compensate for the dilution by selling their subscription rights.
<b>E.7</b>	<i>Costs imposed on investors</i>	Not applicable. Brokerage commission will not be charged.

# Risk factors

*An investment in CLX's shares involves various risks. Prospective investors should carefully consider the specific risks set out below and all other information contained in this Prospectus before investing in CLX. CLX considers the following risk factors and significant circumstances to be material to its business and future development and to potential investors, but these risks and significant circumstances are not exhaustive or set out in any particular order. The risks described below are not the only risks to which CLX and its shareholders are exposed. Additional risks that are not currently known to CLX, or that CLX currently believes are immaterial, may later prove material or may also have a material adverse effect on CLX's business, financial position or results of operations. Such risks could also cause the price of CLX's shares to fall significantly, and investors could potentially lose all or part of their investment.*

*This Prospectus also contains forward-looking statements that are subject to future events, risks and uncertainties. CLX's actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the risks described below.*

## **Risks related to CLX, its business and the industry**

### **CLX is exposed to macroeconomic factors.**

CLX conducts its business in several markets around the world. For this reason, CLX is, similar to other corporations, affected by general economic, financial and political conditions on an international level. The demand for services and solutions offered by CLX is affected by general macroeconomic circumstances such as recession, inflation or deflation and general weakening of the purchasing power of its customers. Global conditions and the negative development of economies worldwide could have a materially adverse effect on CLX's business, financial position and results of operations.

In the event of an economic recession or due to macroeconomic or other factors, demand for the Company's services and solutions could decrease. In addition, fluctuations in local or regional economic conditions, particularly in North America or Europe, may also affect CLX's end-customers and the demand for the Company's services and solutions. Should any of the above factors, events or fluctuations occur, the results could have a materially adverse effect on CLX's business, financial position and results of operations.

### **CLX may experience failures, defects, delays and other problems involving the technology systems and infrastructure on which it relies for the services and solutions that it provides.**

CLX relies on its technology systems and infrastructure in providing its services and solutions to its customers. The Company's business could be interrupted by any damage to or the failure of the Company's technology systems, infrastructure or software as well as impact of any failure of the networks, systems, infrastructure, software and hardware of its customers, mobile operators or service providers. The Company's systems and infrastructure are also vulnerable to damage and interruption from, among other things, power loss, transmission cable cuts and other telecommunications failures, natural disasters, computer

viruses and software defects and errors by the Company's employees or service providers. Systems failures or delays could disrupt CLX's business or ability to process transactions and communications through its communications platform, which could result in loss of revenue and current and potential customers, which could have a materially adverse effect on CLX's business, financial position and results of operations.

The services and solutions that CLX provides to its customers are inherently complex and may contain material defects or errors. Any defects either in functionality or that cause interruptions in the availability of CLX's services and solutions, including user error, could result in the loss of or delayed market acceptance and use of the Company's services and solutions, breach of warranty claims, issuance of sales credits or refunds for prepaid amounts related to unused services, loss of customers, diversion of development and customer service resources and harm to CLX's reputation. Furthermore, the availability or performance of CLX's services and solutions could be adversely affected by a number of factors, including its customers' inability to access the internet, the mobile signal and connectivity of its customers' end users, the failure of CLX's technology systems and infrastructure, security breaches or variability in customer traffic volumes. In addition to potential liability, if CLX experiences interruptions in the availability of its services and solutions, CLX's reputation may be adversely affected, which could result in loss of customers. Accordingly, failures, defects and other problems relating to the Company's services and solutions could have a materially adverse effect on CLX's business, financial position and results of operations.

In addition, the costs incurred in correcting any material failures, defects, delays, errors or other problems involving the Company's technology systems and infrastructure or its services and solutions may be substantial and have a significant impact on CLX's operating results and have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX may be unable to successfully manage or scale its technology systems and infrastructure or the services and solutions that it provides.**

CLX must properly manage its technology systems and infrastructure in order to support changes in hardware and software parameters, changes in demands by customers and the evolution of its services and solutions. CLX has experienced significant growth in the number of users and the number of transactions and communications that its technology systems and infrastructure support. Increases in the number of organisations, in particular large enterprises that use CLX's services as a large component of their communication strategies, could negatively impact the Company's technology systems and infrastructure, including its existing server center network, and require investments by the Company. Furthermore, the acquisition of Mblox will result in a significant increase in the number of users, transactions and communications within the new group, as well as the Company's integration of all volume of messages to a single platform. This will significantly increase the demands on the Company's technical systems and infrastructure. If CLX does not accurately predict and manage its technology systems and infrastructure requirements, including the capacity requirements with respect to its server centers, its existing or future customers may experience service outages or data loss and corruption resulting from the failure or disruption of the Company's technology systems and infrastructure, which could subject CLX to financial liabilities and customer losses. If CLX's technology systems and infrastructure fail to keep pace with increased customer usage and demands, including its server center capacity, customers may experience delays as CLX seeks to obtain and invest in additional capacity or updated systems and CLX may be required to limit new customer acquisition, which could adversely affect CLX's reputation, business and operating margin, and which might have a materially adverse effect on CLX's business, financial position and results of operations.

In addition, CLX seeks to ensure that its services and solutions can scale to meet the expanding needs of its customers, including the anticipated expansion of use by existing customers and the provision of services to new customers. There is a risk that the Company will not successfully manage its services and solutions or that its services and solutions will not remain effective while scaling to meet and address expanding customer demands. If CLX is unable to provide its services and solutions at the scale required by its customers, potential customers may not adopt CLX's offerings and existing customers may not renew their agreements, which could adversely affect CLX's reputation and business, and which might have a materially adverse effect on CLX's business, financial position and results of operations.

**The Company's acquisition of Mblox carries risks such as risk relating to financing, due diligence, inadequate warranty protection and integration. Furthermore Mblox is subject to certain of the risks CLX is subject to, especially the risks described herein.**

On 13 May 2016, CLX announced that the Company has entered into an agreement under which CLX will acquire the United States corporation Mblox for a cash consideration of USD 117

million (corresponding to SEK 954 million<sup>1)</sup>) on a cash and debt free basis. The acquisition is financed partly by way of new loans of approximately SEK 400 million and partly by the net proceeds of the forthcoming Rights Issue of approximately SEK 624 million. If the Rights Issue is not fully subscribed or if payment is not made in accordance with the aforementioned credit facilities, the Company would be forced to seek alternative financing. There is a risk that such alternative financing cannot be obtained or can only be obtained on terms that are unfavourable to the Company. In addition, the merger agreement does not include a right for the Company to withdraw from the agreement in the event the Company should be unable to secure sufficient financing. If sufficient financing is not obtained and the Company is therefore unable to complete the acquisition, the Company may incur liability for damages for breach of contract, be subject to an action for specific performance (i.e., the Company may be required to complete the transaction through any means available) and/or be subject to other damages including tort damages. If any of these risks should materialise, it may have a materially adverse effect on CLX's business, financial position and results of operations.

Prior to the Company's acquisition of Mblox, the Company had performed a variety of due diligence checks in order to identify and examine the risks to which Mblox's operations are subject. However, there is a risk that these due diligence efforts were inadequate or that they were marred by gaps or insufficiencies. For this reason, there is also a risk that the assumptions made by the Company about Mblox are wrong, in which case among other things the estimated yield could be adversely impacted. Such gaps or inaccuracies may also bring about a situation in which the Company is required to undertake costly development and adaptation efforts. If any of these risks should materialise, it may have a materially adverse effect on CLX's business, financial position and results of operations.

In the merger agreement, the Company has received certain warranties concerning Mblox and its operations. The warranties are issued as at the signing date as well as at the date on which certain of the conditions precedent in the merger agreement have been met. This date may accrue prior to the date on which the Company completes the acquisition, which in turn means that the business risk related to Mblox may be transferred to CLX before it has taken possession over Mblox. In addition, the warranty protection is not comprehensive and there is a risk that material parts of Mblox and its operations are not covered by the warranties of Mblox. Should it emerge that such a material part is defective, the Company would be unable to assert any claims for damages and would therefore suffer a loss not amenable to indemnity. The warranties are also limited in time and are subject to various thresholds and other qualifications. Therefore, there is also a risk that a loss will not be amenable to indemnity, even though the defect resulting in the loss is covered by a warranty, or that such harm is only partially amenable to indemnity due to such qualifications. If any of these risks should materialise, it may have a materially adverse effect on CLX's business, financial position and results of operations.

The Company's acquisition of Mblox means that Mblox's organisation will be integrated into the Group's organisation.

1) Based on the exchange rate as at 12 May 2016, amounting to 8.1545 SEK per USD.

Such integration may entail difficulties, partly due to differences in corporate culture. The uncertainty related to potential organisational changes may in turn lead to key persons leaving Mblox or the Group and may lead to the loss of tenants and other customers. In order to minimise these risks, it is therefore a requirement that CLX's management be involved in such integration efforts. Work of this nature is time-consuming and is often subject to delays, which means that there is a risk that the Company's management will be unable to devote the time required in order to conduct CLX's ongoing operations and focus on issues arising in such operations. If any of these risks should materialise, it may have a materially adverse effect on CLX's business, financial position and results of operations.

Mblox is also subject to certain of the risks to which CLX is subject, especially to the risks described herein. If any of these risks should materialise in relation to Mblox, this may have a material adverse effect on Mblox's business, financial position and results of operations, and therefore also, following the completion of the acquisition, a materially negative impact on CLX's business, financial position and results of operations.

#### **The Group depends on its reputation and value associated with the Group's business.**

CLX's is dependent on maintaining its reputation and the value associated with the Group's business. CLX relies on the quality and consistency of its services and solutions, as well as marketing to strengthen its business. There is a risk that marketing initiatives may prove to be ineffective and significant negative publicity or other similar events could cause irreparable damage to the Group's reputation. Additionally, the actions of third parties may affect CLX's reputation if customers do not have a positive experience using third-party services, such as the telecommunications networks of mobile operators, which are integrated with, or integral to, CLX's services and solutions. Maintaining and enhancing CLX's reputation may require substantial investments, and such investments may not achieve their desired goals. If the reputation of CLX deteriorates, it could have a materially adverse effect on CLX's business, financial position and results of operations.

#### **CLX partly depends on the success of its strategic relationships with third parties, particularly its direct relationships with mobile operators.**

CLX's services and solutions are dependent on independent third parties and on mobile operators in particular. CLX relies on the telecommunications networks of mobile operators to provide connectivity in various regions and countries around the world. The Company's direct relationships with mobile operators help to promote the quality and reduce the pricing of the Company's services and solutions, and are a key component underlying the synergies that the Company is able to benefit from in working with mobile operators and enterprise customers. There is a risk that CLX will not be able to maintain, identify or secure suitable business relationship opportunities in the future, or that consolidation in the telecommunications industry will adversely impact the number of direct relationships that CLX is able to establish with mobile operators. In addition, there is a

risk that CLX not will be able to maintain sufficient traffic volumes in order to develop such relationships with mobile operators. If CLX is unable to establish or maintain direct relationships with mobile operators, or if mobile operators terminate their agreements and relationships with CLX, CLX may be unable to attract new customers, existing customers may experience service interruptions and the Company's costs associated with purchasing network capacity from these mobile operators may increase. In addition, the acquisition of Mblox entails that the CLX business in general also becomes dependent on the strategic partnerships that Mblox has established within its business. There is a risk that the Company is unable to identify, establish and maintain Mblox's contacts with third parties, which may result in agreements being terminated, difficulties in attracting new customers, shortcomings within the services that Mblox offers, and various increases in costs resulting from this. This could have a significant impact on the Company's reputation and profitability, and could have a materially adverse effect on CLX's business, financial position and results of operations.

As a service provider to mobile operators, CLX is sometimes asked to assist and respond to issues or problems that its mobile operator customers experience. For example, certain of the Company's mobile operator customers rely on CLX to monitor, control and restrict certain communications on their networks. To the extent CLX is unresponsive to these requests, or if CLX is unable to satisfactorily fulfil the requests of its customers, the Company's relationships and reputation with these mobile operators may be adversely impacted, which could have a significant effect on the Company's ability to provide its services and solutions in the future and negotiate new direct relationships with these mobile operators.

In certain regions and countries, such as North America, CLX relies upon its direct relationships with tier-1 mobile operators, which are difficult to secure, and there is a risk that CLX may not be able to provide services and solutions in a cost efficient manner without these relationships. Accordingly, if CLX is unable to establish or maintain direct relationships with mobile operators in such regions and countries, there could be a significant impact on its business, which could have a materially adverse effect on CLX's business, financial position and results of operations.

With respect to CLX's ability to capitalise on the attractive growth opportunity in the mobile connectivity for the IoT market segment, CLX will rely on its agreements and direct relationships with mobile operators to support its mobile connectivity services for IoT. CLX may be required to enter into new agreements or addendums to existing agreements with mobile operators in order to secure connectivity to the mobile networks, and there is a risk that mobile operators will not agree to these new agreements or addendums or that CLX will be able to negotiate new agreements or addendums on favourable terms. If CLX is unable to secure connectivity to the mobile networks for its mobile connectivity services for IoT, its ability to benefit from the potential growth of the IoT market segment will be adversely impacted, which could have a materially adverse effect on CLX's business and growth prospects.

**CLX relies on services provided by third-party service providers, including mobile operators.**

CLX's business depends upon the capacity, reliability and security of infrastructure owned and managed by third-party service providers, including mobile operators. CLX does not have control over the operation, quality or maintenance of such infrastructure or whether those third parties will upgrade or improve their software, equipment and services. In such cases, it could require CLX or its customers to invest time and resources in updating or improving their software, APIs, equipment or services, and may result in interruptions or delays in the provision of CLX's services and solutions to its customers. As CLX relies on the telecommunications networks of mobile operators to provide its services and solutions to its customers, interruptions or failures of such networks, whether due to natural disaster, government policy, terrorist activity or any other reason, and the resulting reduction in transactions and communications processed by CLX's communications platform for delivery via such networks, can have a significant impact on the Company's revenue and could have a materially adverse effect on CLX's business, financial position and results of operations.

In addition, rapid changes in the telecommunications industry have led to industry consolidation, which may cause the availability, pricing and quality of the third-party services that CLX uses to vary and could lengthen the amount of time that it takes to deliver these services, which could have an adverse impact on CLX's reputation with its customers and may have an adverse effect on its revenues. Consolidation may also impact the Company's direct relationships with mobile operators. As such, industry consolidation and the resulting impact on the telecommunications networks could have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX operates in a competitive and rapidly changing market.**

The enterprise cloud communications market is changing rapidly due to technological improvements, availability of new or alternative services and changing customer demands, and can require significant investment in research and development by market participants. The Company depends on its ability to adapt to the rapidly changing market by improving the features and reliability of its existing services and solutions, and by successfully developing, introducing and marketing new features, services, solutions and applications to meet customer demands. There is a risk that the Company will not be able to successfully adapt to changes in the market or respond successfully or adequately to meet market demands in a cost-effective manner. Any failure by CLX to adapt to changes in the market or respond quickly, successfully or adequately to new or changing opportunities, technologies, standards or customer demands could impair the Company's ability to compete and retain customers, which could have a materially adverse effect on CLX's business, financial position and results of operations.

The enterprise cloud communications market is characterised by fragmented and highly competitive market participants. Some of CLX's competitors and potential competitors are larger and have greater name recognition, longer operating histories,

larger marketing budgets and significantly greater resources than CLX, and thus may be able to respond more quickly and effectively to new or changing opportunities, technologies, standards or customer demands than CLX. Due to the competitive enterprise cloud communications market, general pricing pressure in the market is also apparent. If CLX is unable to achieve its target pricing levels, its operating results would be negatively impacted. Furthermore, increased competition from traditional and new competitors generally, could result in increased price pressure, reduced sales, lower margins, losses or the failure of CLX to increase or maintain market share, any of which could have a materially adverse effect on CLX's business, financial position and results of operations.

**The markets in which CLX operates may develop more slowly than CLX expects or may decline.**

The market for enterprise cloud communication services and solutions is not as mature as the market for legacy communication solutions, and there is a risk that these services not will achieve or sustain high levels of demand and market acceptance. CLX's success will, to a substantial extent, depend on the desire of enterprises to communicate with customers, employees and connected things globally via cloud communications instead of through legacy communications solutions and on the continued realisation and development of new use cases by enterprise customers. If enterprises do not perceive or realise the benefits of enterprise cloud communications services and solutions, there is a risk that the market for these services may not continue to develop, may decline or may develop more slowly than CLX expects, which could have a materially adverse effect on CLX's business, financial position and results of operations.

In addition, the mobile connectivity for IoT market segment is in the early stages of development. Thus, the market is immature and there is a risk that the market not will develop or grow at the pace that is expected or at all, or that the Company not will be able to realise the benefits of the IoT market generally. As growth within the mobile connectivity for IoT market segment is an opportunity that only recently became possible to address, the benefits and potential upside associated with the mobile connectivity for IoT market segment are uncertain and subject to change significantly as the market, technology and opportunities develop and mature. If the Company is unable to capitalise on the attractive growth opportunity in the mobile connectivity for IoT market segment, if the market segment does not develop or grow at the pace that is expected, or if the Company is unable to enter into agreements or addendums to existing agreements with customers for its mobile connectivity solutions, the Company's growth may be adversely affected, which could have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX may lose its existing customers.**

CLX's end customer can be either a direct customer to CLX or an indirect customer via a channel partner. When the end customer is indirect, CLX relies on channel partners that have direct relationships with the end customer. The loss of one of CLX's

larger, direct or indirect, customers, or channel partners, including instances in which existing customers are acquired or merged with other companies, may have a materially adverse effect on CLX's business, financial position and results of operations.

In order for CLX to maintain or improve its operating results, it is important that CLX's customers continue to renew their agreements with CLX. CLX's customers have no obligation to renew their agreements upon expiration. Thus, there is a risk that the customers will not renew agreements with CLX. CLX's customer retention rate may decline or fluctuate as a result of a number of factors, including customer satisfaction with CLX's services, the effectiveness of CLX's services and solutions and its customer support services, CLX's pricing, the prices of competing services and solutions, mergers and acquisitions affecting CLX's customer base, the effects of global economic conditions or reductions in CLX's customers' spending levels. In addition, CLX's customers may choose to internally develop certain functionality or services currently provided by CLX. If CLX's customers do not renew their agreements or if they renew their agreements on less favourable terms for CLX, the Company's revenue may decline, which may have a materially adverse effect on CLX's business, financial position and results of operations.

#### **The Company's growth and revenue is subject to volatility and seasonality.**

The Company's revenue within the Enterprise division is subject to volatility across quarters, primarily as a result of fluctuations in traffic volumes and usage of its communications platform by its enterprise customers. A significant number of CLX's agreements with its enterprise customers are pay-as-you-go agreements whereby enterprises pay for services and solutions on a per SMS and per voice minute basis, and CLX generates revenue based on each transaction or communication processed through its communications platform. These agreements generally do not provide for fixed or minimum recurring payments or traffic volumes. As a result, the Company's results are highly dependent upon the continued purchase of services and usage of CLX's communications platform by its enterprise customers.

If the Company's customers decide for any reason not to continue to pay for CLX's services at current levels or at current prices, if CLX is unable to upsell or encourage its customers to expand their use of CLX's services or solutions if there is a period of reduced, limited or restricted usage of the Company's services and solutions by its customers, CLX's growth may be adversely affected, there could be significant revenue volatility for the respective reporting period and there is a risk that the Company will not receive any fixed or minimum recurring payments, which could have a significant and immediate materially adverse effect on CLX's business, financial position and results of operations.

The Company's revenue within the Operator division is also subject to volatility across quarters, primarily due to the seasonality of order intakes and the placing of orders in certain quarters. As a result, the Company's results of operations vary from quarter to quarter, which could have an adverse impact on the

Company's revenue and results of operations for a respective reporting period.

#### **CLX's sales cycles for its enterprise customers may become lengthier and more expensive and may become subject to implementation, customisation and timing challenges.**

As CLX targets a substantial portion of its sales at larger enterprise customers, CLX may face greater costs, longer sales cycles and less predictability in completing some of CLX's sales. Generally, an enterprise customer's decision to use CLX's services is an enterprise-wide decision that requires a significant amount of CLX's time and resources. For example, CLX may be required to provide prospective customers with greater levels of education regarding the use and benefits of CLX's service, privacy and data protection laws and other regulations. In addition, larger customers may demand more customisation, integration services and features, or may have existing systems in place that require more specialised software and APIs to access CLX's services and solutions. As a result of these factors, sales opportunities may require CLX to devote greater sales support and professional services resources to individual customers, which can increase the costs and time required to complete these and other sales and may divert sales and professional services resources to a smaller number of larger transactions. In addition, to the extent that customers demand more customisation, integration services and features, or require more specialised software and APIs, CLX may experience delays in revenue recognition from these customer transactions, pending resolution of the respective technical and implementation requirements. To the extent that CLX's sales cycles for its enterprise customers become longer and more expensive, or require more customisation, integration services and features, or specialised software and APIs, there could be a materially adverse effect on CLX's business, financial position and results of operations.

#### **The Company may be impacted by actual or perceived security vulnerabilities in its services and security controls, or in the services and security controls of its competitors.**

The Company may be subject to third-party attempts and threats to breach its communications platform, software, network and data security and take advantage of other security vulnerabilities. Threats to CLX's information technology security can take various forms, including viruses, worms, and other malicious software programs that attempt to attack CLX's services and solutions and gain access to CLX's computer networks and data centers. Persons who attempt to circumvent CLX's information technology security may also launch targeted or coordinated attacks using novel methods. In addition, security threats may be caused by employee error or various means of unauthorised access to CLX's internal systems or data or the data of CLX's customers. Because the techniques used to obtain unauthorised access, or to sabotage systems, change frequently and are generally not recognised until launched against a target, there is a risk that CLX will be unable to anticipate these techniques or to implement adequate preventative measures. These

threats may result in breaches of CLX's network or data security, disruptions of CLX's service, solutions and internal systems, interruptions in CLX's operations, harm to CLX's competitive position from the compromise of confidential information or trade secrets, or otherwise harm CLX's business. These third-party attempts and threats can result in the loss or corruption of Company and customer data and may adversely impact the Company's systems, operations and reputation, which could have a materially adverse effect on CLX's business, financial position and results of operations.

In addition, customers using CLX's services and solutions rely on the security of CLX's network and infrastructure for achieving reliable service and the protection of their data. CLX receives and communicates a significant amount of data from its customers, and there is a risk that this information will be subject to computer break-ins, theft and other improper activity that could jeopardise the security of information handled by CLX's services and solutions or cause interruptions in CLX's operations. In addition, to the extent that CLX's competitors are subject to the abovementioned attempts, threats, break-ins, theft and other improper activity, CLX may experience reduced customer trust and acceptance of its services and solutions and the reputation of the Company and industry may be adversely affected. Accordingly, any such actions, irrespective of whether successful in breaching the Company's security controls, could expose CLX to litigation, loss of customers, damage to CLX's reputation, or otherwise have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX is dependent on protecting its intellectual property rights and may be subject to third-party claims regarding violations of intellectual property rights.**

CLX is dependent on protecting its intellectual property rights, such as copyright, trademark and trade secret. Such protection is obtained through laws and agreements, primarily confidentiality and license agreements with its customers, employees, partners and others parties. However, the steps CLX takes to protect its intellectual property rights may be inadequate and may not prevent competitors from copying or reverse engineering the Company's services and solutions, or independently developing and marketing services and solutions that are substantially equivalent to or superior to CLX's. Moreover, third parties may be able to successfully challenge, oppose, invalidate or circumvent the intellectual property rights which the Company uses in its business, such as the registered trademarks Symsoft or other intellectual property rights. There is a risk that CLX may not, in the future, be able to obtain patents, and it is possible that future applications may not result in the issuance of patents. Any failure or inability to obtain or maintain adequate protection of the Company's intellectual property rights for any reason could have a materially adverse effect on CLX's business, financial position and results of operations.

In order to protect CLX's intellectual property rights, CLX may be required to spend significant resources to monitor and protect those rights. Litigation brought to protect or enforce CLX's intellectual property rights could be costly and time-consuming and could result in the impairment or loss of portions of CLX's

intellectual property. Furthermore, CLX's efforts to enforce its intellectual property rights may be met with defences, counter-claims and countersuits attacking the validity and enforceability of CLX's intellectual property rights. Accordingly, CLX may not be able to prevent third parties from infringing upon or misappropriating CLX's intellectual property. CLX's failure to secure, protect and enforce its intellectual property rights could have a materially adverse effect on its business.

CLX also faces a risk of claims that it has infringed the intellectual property rights of third parties. There is considerable patent and other intellectual property development activity in CLX's industry and CLX's success depends on it not infringing upon the intellectual property rights of others. CLX's competitors, as well as a number of other entities and/or individuals, may own or claim to own intellectual property relating to CLX's industry. Furthermore, CLX may be unaware of the intellectual property rights that others may claim cover some or all of CLX's technology or service. Accordingly, CLX may be drawn into court proceedings for alleged infringement of the rights of others. If this happens, there is a risk that CLX may be liable to pay significant damages or settlement costs, including royalty payments, or be obligated to indemnify its customers or business partners, which could be costly and have a negative impact on CLX's operating profits.

**Some of CLX's services contain open source software, and CLX licenses some of its software through open source projects.**

CLX uses open source software in some of its internal systems. The terms of many open source licenses to which CLX is subject have not been interpreted by domestic or foreign courts, and there is a risk that open source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on CLX's ability to provide or distribute its services or solutions. Additionally, CLX may from time to time face claims from third parties claiming ownership of, or demanding release of, the open source software or derivative works that CLX developed using such software, or otherwise seeking to enforce the terms of the applicable open source license. These claims could result in litigation and could require CLX to make its software source code freely available, purchase a costly license or cease offering or using the implicated systems. This re-engineering process could require significant development resources, and there is a risk that CLX will not be able to complete it successfully. In addition to risks related to license requirements, use of certain open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on the origin of software. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX's business depends on its ability to recruit and retain key personnel.**

CLX is dependent on executives and key personnel, including competent sales force as well as software developers with a

detailed knowledge of the Company and the industry. Identifying and recruiting qualified personnel and training them requires significant time, expense and attention. There is a risk that CLX may not be able to retain or hire such personnel to the extent necessary. CLX's business may also be adversely affected if its efforts to expand and train its direct sales force do not generate a corresponding increase in revenue. If CLX fails to continue to attract and retain key employees and other skilled employees on acceptable terms it may not be able to sustain or further develop its business, which could have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX has experienced rapid growth in recent periods and may be unable to continue to manage its growth effectively or execute its business plan.**

CLX has grown substantially in its operations and employee headcount during the financial years under review. Potential investors should not consider CLX's recent growth as indicative of its future performance. Prior growth has placed, and future growth will place, a significant strain on CLX's management, administrative, operational and financial infrastructure. CLX's success will depend in part on its ability to manage its growth effectively. To manage the expected growth of CLX's operations and personnel, it will need to continue to improve its operational, financial and management controls, and its reporting systems and procedures. If CLX is unable to manage its growth effectively, the Company may be unable to successfully execute its business plan and potential customers may not enter, and existing customers may not renew agreements with CLX. These difficulties could have a materially adverse effect on CLX's business, financial position and results of operations.

**The Company's risk management and internal controls may prove inadequate, which could have a materially adverse effect on the Company's business.**

Effective corporate governance practices and internal controls are necessary for the Company to provide reliable financial information and effectively prevent fraud. There is a risk that the Company will not successfully manage corporate functions or internal risks or identify areas requiring improvement in the Company's governance and internal controls. In addition, as the Company continues to grow and hire additional employees to satisfy its staffing needs and address employee turnover, there may be a risk that the Company will not successfully maintain or implement its internal policies and controls with respect to its employees or that new employees will be adequately trained in respect of compliance with Company policies and controls. If the Company is unable to establish, maintain or implement appropriate and effective corporate governance policies, internal controls, routines and procedures, it could subject the Company to regulatory scrutiny, sanctions, cause investors to lose confidence in the Company's ability to control and manage such risks, which could have a materially adverse effect on CLX's business, financial position and results of operations.

**Inefficient and unsuccessful project management and/or forecasting may result in significant losses if costs are greater than anticipated.**

Part of CLX's sales arises from fixed and project related fees associated with the on boarding and integration of new customers. Revenues from fixed price projects are recognised by reference to the stage of completion. The essential skills for performance and profitability of a project are the Company's ability to accurately assess the various resources (in particular, human resources) necessary to carry out the project and to control technical events that could affect and delay progress on the project. In practice, poor project management or errors in calculating costs could have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX may pursue further acquisitions or joint ventures, which the Company may be unable to achieve or successfully integrate.**

As part of the business strategy going forward, CLX will review and consider joint ventures, strategic relationships and acquisitions that the Company expects to complement its existing business. Successful growth through acquisitions is dependent on the Company's ability to identify suitable acquisition targets, conduct appropriate due diligence, negotiate transactions on favourable terms, obtain required licenses and authorisations and ultimately complete such acquisitions and integrate them into the Group. There is a risk that the Company will not find attractive acquisition targets or opportunities on favourable terms or at all and the Company may face competition for attractive acquisition targets, which may increase the price of the target. If the Company cannot complete an acquisition on favourable terms, it could adversely impact the Company's growth. In addition, future acquisitions could pose numerous risks to the Company's operations, including:

- The Company may experience significant changes in debt levels, contingent liabilities, capitalisation and results of operations;
- The Company may have difficulty integrating acquired operations, software, technologies or personnel;
- The Group may incur substantial unanticipated integration costs;
- Integrating the acquired businesses may divert significant management attention and financial resources from the Company's other operations and could disrupt its ongoing business;
- Acquisitions could result in the loss of key employees, particularly those of the acquired operations;
- The Group may have difficulty retaining, or developing the relationship with, the acquired businesses' customers;
- The Group may fail to realise the potential cost savings or other financial benefits and/or the strategic benefits of the acquisitions; and
- The Group may incur liabilities or other claims from the acquired businesses, and it may not be successful in seeking indemnification for such liabilities or claims.

In connection with any such acquisition or investment, the Company could incur debt, amortisation expenses relating to intangible assets, large and immediate write-downs, assume liabilities or issue shares as payment for the acquisition that would dilute its current shareholders' percentage of ownership. If CLX is not able to realise the anticipated benefits or the expected return on its investments or acquisitions, or is unable to complete acquisitions or integrate the operations, software, technologies or personnel gained through any such acquisition, it could have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX's consolidated balance sheet includes significant goodwill.**

As per 31 March 2016, CLX's goodwill amounted to SEK 56.7 million, of which SEK 42.0 million is attributable to CLX's acquisition of CLX Networks AB ("**CLX Networks**"). The acquisition of Mblox entails the goodwill to increase significantly. CLX assesses the need to write down the goodwill on a yearly basis, or more often if an indication of a need to write down the value is identified. There is a risk that goodwill may be impaired in the future if CLX determines that the recoverable amount is lower than CLX's carried value due to changes in circumstances.

If CLX's goodwill would be significantly impaired, it could have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX may not succeed to obtain further financing on commercially viable terms, or to obtain any further financing at all, or to comply with its obligations according to existing financing terms.**

CLX has entered into two credit facilities, one long term facility of originally SEK 80 million and one overdraft facility of SEK 100 million. The credit facilities include customary provisions and undertakings, for example in relation to changes in the controlling ownership of CLX and an undertaking not to exceed a maximum ratio for net debt to EBITDA and to maintain a minimum equity ratio. If CLX or any of its subsidiaries do not comply with the provisions of the credit facilities the lender has the right to terminate the credit facilities and demand prepayment of all loans outstanding and, if prepayment is not made, to enforce the security.

CLX has in connection with the acquisition of Mblox entered into a new facility agreement in order to refinance the existing long term facility of originally SEK 80 million and to partly finance the acquisition of Mblox. The facility agreement includes customary provisions, representations and undertakings, for example in relation to delisting of the Company's shares and changes in the controlling ownership of the Company, an undertaking not to pledge any of the Company's assets, restrictions on the acquisition of businesses and disposal of assets and an undertaking not to exceed a maximum ratio for net debt to EBITDA, and to maintain a minimum ratio for debt service coverage and a minimum solvency ratio. A condition for drawdown under the facility agreement is that CLX has received the full amount under the Rights Issue and that the conditions in relation to the completion of the acquisition of Mblox will be satisfied. If CLX

and its subsidiaries do not comply with their undertakings under the facility agreement, the lenders have the right to refuse drawdown or, if a drawdown has been made, to demand immediate repayment of the full loan amount and the right to enforce all securities.

If changes to the controlling ownership or a delisting of CLX occur or if CLX is not in compliance with the provisions of the above described loan agreement it may have a materially adverse effect on CLX's business, financial position and results of operations and CLX's possibilities to obtain further financing and complete the acquisition of Mblox.

CLX's ability to repay its debt and comply with its undertakings under the credit facilities and the Group's ability to refinance its loans and pay in accordance with other obligations is among other things dependent on CLX's future financial performance. Certain aspects of CLX future financial performance depend on economic, financial, competition and other factors partly outside CLX's control.

There is also a risk that further financing will not be available to CLX on commercially viable terms when there is a future need, or that further financing will not be available at all. If CLX cannot obtain further financing on commercially viable terms or obtain further financing at all it may have a materially adverse effect on CLX's business, financial position and results of operations and CLX may be subject to an order for specific performance to obtain replacement financing on any terms available to complete the transaction, or be subject to liability for damages for breach of contract or other damages including tort damages.

**Exposure to currency risk may affect CLX's cash flow, income statement and balance sheet.**

Currency risk refers to the risk of exchange rate fluctuations having an adverse effect on CLX's cash flow, income statement and balance sheet. The Company reports in SEK, and SEK is the functional currency of most entities in the Group. Foreign exchange exposure occurs in conjunction with products and services being bought or sold in currencies other than the respective subsidiary's local currency (transaction exposure) and during conversion of the balance sheets and income statements of non-Swedish subsidiaries into SEK (translation exposure). CLX's global operations give rise to significant cash flows in other currencies than the SEK. CLX is principally exposed to changes in EUR, USD and GBP. Due to the acquisition of Mblox, the Company's exposure to USD and GBP, as well as other currencies on markets where Mblox conducts its business, will increase. Accordingly, any exchange rate fluctuations could have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX operates in a global environment and is exposed to local business risks in many jurisdictions.**

CLX operates in a global environment and is exposed to various risks such as implementation of new, or changes in existing, legislation, rules or regulations, particularly in respect of the telecommunications industry. Restrictions introduced by the authorities in the countries where CLX operates, or in other

countries where CLX may operate in the future, as well as sanctions or other measures by associations and organisations such as the EU and UN, may restrict the Company's operations, delay or prevent planned investments or have a materially adverse effect on CLX's business. CLX's business is also subject to risks inherent in its business activities, such as:

- Fees and rules relating to customs and anti-circumvention fines;
- Recessionary trends, inflation or instability in local markets;
- The introduction or application of more stringent product norms and standards and associated costs;
- Exposure to different legal standards and enforcement mechanisms and the cost of compliance with those standards;
- Being subject to various, and potentially overlapping, regulations and rules, particularly those relating to export and import controls, anti-corruption and anti-bribery;
- Longer payment terms for debtors on accounts receivables and difficulties collecting accounts receivable;
- Tariffs, duties, export controls, import restrictions and other trade barriers including fees, tariffs and taxes for network access;
- Variances in pricing restrictions;
- Foreign exchange control and restriction on repatriation factors of funds; and
- Political and social unrest and instability.

CLX may not be able to develop and implement systems, policies and practices to completely manage these risks or comply with applicable regulations without incurring additional costs. The materialisation of any of these risks could have a materially adverse effect on CLX's business, financial position or results of operations.

**CLX's business is subject to regulations and regulatory supervision.**

The legal and regulatory environment relating to CLX's business is constantly evolving and can be subject to significant change. CLX is a global company that is exposed to different regulatory risks in the countries and regions in which it operates. New laws and regulations could be adopted in a variety of countries in which CLX operates, including Sweden and the United States, which could address issues applicable to CLX's business, including: sales and other taxes, privacy restrictions, pricing controls, characteristic and quality of services, transmission of communications, consumer protection, cross border commerce, libel and defamation, copyright, trademark and patent infringement, storage and use of customer data, location of server centers and other claims based on the nature and content of internet materials. Such laws and regulations could impact the manner in which CLX provides its services and may increase the potential liabilities associated with operating in the enterprise cloud communications market. As CLX expands into new countries and regions, there is a risk that the applicable laws and/or regulations in those jurisdictions will not be equivalent to those laws and/or regulations with which CLX already complies. If CLX is not

able to satisfy its regulatory requirements, it could be subject to significant penalties or liabilities and its growth could be harmed, which could have a materially adverse effect on CLX's business, financial position and results of operations.

Changes in regulation could increase CLX's costs and impact margins and could potentially prevent CLX from delivering its services and solutions in a cost efficient manner. For example, in a number of countries the interconnection rates charged for transmissions between service providers, mobile operators and end-users are set and controlled by local regulators. If these regulators were to change the interconnection rates, CLX may be required to pay higher rates, which could increase the costs of delivering its services and solutions to its customers, and there is a risk that CLX will not be able to pass on the increase to its customers, which could have an adverse impact on the Company's gross margin and pricing. In addition, regulators may impose price ceilings or controls on mobile communications and data usage, which could adversely impact the Company's revenue and margins. Similarly, regulators may restrict the type of communication that is permitted (for example, short code versus long number in the United States), which can require the Company to adjust its services to comply with local regulations which in turn can increase the costs associated with conducting business in certain countries. Changes in regulation could also slow the growth of the internet, which could, in turn, delay the growth in the enterprise cloud communications market and have a materially adverse effect on CLX's business, financial position or results of operations. Changes in regulations related to the internet may also diminish the demand for CLX's services and solutions, and could have a negative impact on CLX's business. Government bodies and agencies have in the past adopted, and may in the future adopt, laws or regulations affecting the use of the internet as a commercial medium, and changes in these laws or regulations could require CLX to modify its services and solutions in order to comply with these changes. In addition, government agencies or private organisations may begin to impose taxes, fees or other charges for accessing the internet or commerce conducted via the internet. These laws or charges could limit the growth of internet-related commerce or communications generally, or result in reductions in the demand for internet-based software and services solutions that are offered by CLX.

In addition, as a service provider, the Company must adapt to regulatory changes applicable in the various industries in which CLX's customers operate, and CLX is thus exposed to risks arising from regulations that impact its customers. CLX has previously been required to provide certifications of security and system strength to customers in the banking industry as a prerequisite to providing services to these customers. Changes in regulations impacting its customers may require CLX to adjust its systems, software or operations in order to continue to provide services to its existing customers or to qualify for required certifications or fulfil regulatory standards, which could result in an increase in research and development costs and other costs, and may have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX may be subject to legal and administrative proceedings.**

CLX may become involved in disputes within the framework of its normal business activities and there is always a risk that CLX is subject to claims in suits concerning a number of factors, including its customer agreements and agreements with mobile operators, any alleged defaults, delays or interruptions in the Company's supply of services and solutions to its customers, security breaches of its software or server centers or regulations in the countries and regions in which the Company operates. In addition, CLX (or CLX's senior executives, board members, employees or affiliates) may become subject to criminal investigations and proceedings. In addition, due to the acquisition of Mblox, CLX will be exposed to known and unknown disputes and administrative proceedings relating to the business conducted by Mblox prior to the acquisition. Disputes, claims, investigations and proceedings of this kind can be time consuming, disrupt normal operations, involve large amounts and result in considerable costs. Moreover, it can be difficult to predict the outcome of complex disputes, claims, investigations and proceedings. Accordingly, the impact of any such legal or administrative proceeding, irrespective of whether the respective proceeding is well founded or whether CLX is at fault, could have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX is exposed to tax related risks.**

CLX manages its operations through subsidiaries in a number of countries. Transactions between Group companies are made in accordance with CLX's transfer pricing policy and according to CLX's understanding or interpretation of current tax laws, tax treaties, other tax law stipulations and the requirements of the concerned tax authorities. Entities within the Group have previously been, currently are and may in the future be subject to tax audit. The tax authorities of the countries concerned could make assessments and take decisions which deviate from CLX's understanding or interpretation of the applicable laws, treaties and other regulations. CLX's tax position, both for previous years and the present year, may change as a result of the decisions of the tax authorities concerned, or as a result of changed laws, treaties and other regulations. Such decisions or changes, possibly retroactive, could have a materially adverse effect on CLX's business, financial position and results of operations.

Swedish corporate income taxation, as well as other fiscal charges and contributions, is also subject to frequent changes. On 12 June 2014, the Swedish Committee on Corporate Taxation (the "Committee") delivered a proposal to the Swedish Government on the introduction of a new system for corporate taxation in Sweden. The Committee's main proposal is that deductions for net financial costs, such as interest expenses and other financial costs should be discontinued and that a standard deduction should be introduced at a rate of 25 percent of a company's entire taxable profit. Further, the Committee proposed that tax losses carried forward in a company should be reduced by 50 percent as a one-off occurrence. The proposal is currently subject to submissions and is then expected to be

reviewed by the Government in Sweden. Following such review, the Swedish Government is expected to present a bill to the Swedish Parliament. However, the Minister of Finance has stated that the proposal will likely be altered, therefore the final wording of the proposal is uncertain. The Minister of Finance has also stated that new rules can enter into force as from 1 January 2017 at the earliest. Since the corporate income taxation, as well as other fiscal charges and contributions, is subject to frequent changes, it cannot be excluded that changes to tax rates in the future may lead to increased costs for CLX and affect the conditions for the CLX's operations. Changes to corporate income tax and other fiscal charges and contributions may adversely affect the CLX's business, financial position and results of operations.

**Risks relating to the share and the Rights Issue****The price of CLX's shares may be volatile, and investors could lose a part or all of their investment.**

Risk and risk taking is an inevitable part of share ownership. Since an investment in shares can increase and decrease in value, there is a risk that an investor will not get back the invested capital. The share price of the Company's shares may decrease below the subscription price in the Rights Issue. Those who choose to subscribe for new shares might then make a loss on the sale of such shares. The development of the share price is dependent on a number of factors, some of which are related to the Company, while others are linked to the stock market as a whole. Such factors can also increase the volatility of the shares. Thus, a thorough analysis should be made prior to each investment in shares.

**There is a risk that an active market for the trading of subscription rights will develop.**

Subscription rights will be traded on the Nasdaq Stockholm during the period from 13 June 2016 to 27 June 2016. There is a risk that an active market of trading in the subscription rights will not develop or that sufficient liquidity will not be available. If such a market develops, the price of the subscription rights, among other things, will depend on the price movements of the outstanding shares of the Company and the price of the subscription rights may therefore be subject to greater volatility than the Company's shares.

**Shareholders who do not exercise their subscription rights will have their percent of the share capital and votes in CLX diluted.**

Shareholders who choose not to, fully or partially, exercise their subscription rights in connection with the forthcoming Rights Issue will have their percent of the Company's share capital and votes diluted.

**Following the Rights Issue, the Principal Shareholders will continue to have significant influence over CLX and its operations and the ability to influence matters requiring shareholders' approval, whereby the interests of these shareholders may conflict with those of other shareholders.**

As at the date of this Prospectus, the Principal Shareholders will own approximately 53 percent of the share capital and votes in CLX. The Principal Shareholders have committed to subscribe for shares in the Rights Issue corresponding to their respective pro rata shares, representing approximately 53 percent of the Rights Issue. Accordingly, the respective Principal Shareholder will retain a substantial interest in CLX and will continue to have the potential to significantly influence the outcome of matters submitted to CLX's shareholders for approval, including the election of board members and mergers or sales of all or substantially all of CLX's assets. These matters also include the issuance of additional shares or other equity related securities, which may dilute holders of CLX's shares, and the payment of any future dividends. The Principal Shareholders may also be able to exercise control over CLX's board of directors through their representation on the board of directors, thus influencing the board of directors' direction of CLX's operations and other affairs. Furthermore, some of the representatives of the Principal Shareholders hold senior executive positions in CLX's management and thus will be able to direct the day-to-day operations and strategy of CLX. There is a risk that the interests of the Principal Shareholders may not be aligned with, may differ significantly from or may compete with CLX's interests or those of the other shareholders, and there is a risk that the Principal Shareholders could exercise their influence over CLX in a manner that does not promote the interests of the other shareholders. For example, there could also be a conflict between the interests of the Principal Shareholders on the one hand, and the interests of CLX or its other shareholders on the other hand, with respect to dividend resolution or other fundamental corporate matters. The concentration of share ownership could delay, postpone or prevent a change of control in CLX, and impact mergers, consolidations, acquisitions or other forms of combinations, as well as distributions of profit, which may or may not be desired by other investors. Such conflicts could have a materially adverse effect on CLX's business, financial position and results of operations.

**CLX's ability to pay dividends may be constrained and is dependent upon CLX's financial position, cash flow, working capital requirements, acquisition opportunities and future prospects.**

If declared by a shareholders' meeting, shareholders will be entitled to receive future dividends. Swedish law limits the ability of the board of directors and CLX to propose and declare dividends to certain funds legally available for that purpose. The amount of any future dividend that CLX will pay, if any, will depend upon a number of factors, such as the Company's financial position, cash flow, working capital requirements, acquisition opportunities and future prospects. Since CLX may not have sufficient distributable funds, and CLX's shareholders may not resolve to pay dividends, it cannot be predicted whether a dividend will be proposed or declared in any given year.

**Differences in currency exchange rates may have a material adverse effect on the value of shareholdings or dividends paid.**

The shares will only be quoted in SEK and any dividend will be paid in SEK. As a result, investors whose reference currency is a currency other than SEK may be adversely affected by any reduction in the value of the SEK relative to the respective investor's reference currency. Any depreciation of the SEK in relation to such foreign currency will reduce the value of the investment in the shares or any dividends in foreign currency terms, and any appreciation of the SEK will increase the value in foreign currency terms of any such investment or dividends. In addition, such investors could incur additional transaction costs in converting SEK into another currency. Investors whose reference currency is a currency other than SEK are therefore urged to consult their financial advisors.

**Future issuances of shares or other securities in the Company may dilute the shareholding and adversely affect the price of the shares.**

CLX may need additional capital to fund its business or to make additional investments. In the future, CLX may seek to raise additional capital through the issuance of shares, share-related or convertible debt securities. An issue of additional equity securities or securities with rights to convert into equity could also reduce the market price of the shares and would dilute the economic and voting rights of existing shareholders of CLX if made without granting preferential rights for existing shareholders. Because the timing and nature of any future offering will depend on market conditions at the time of such an offering, CLX cannot predict or estimate the amount, timing or nature of any future offering. Thus, shareholders bear the risk of any future offerings reducing the market price of the shares and/or diluting their shareholdings in CLX.

**Shareholders in the United States or other countries outside Sweden may not be able to participate in the forthcoming Rights Issue or any potential future offerings.**

If the Company issues new shares in a cash issue, shareholders have, as a general rule, preferential rights to subscribe for new shares in proportion to the number of shares held prior to the issue. Shareholders in certain countries may, however, be subject to limitations that prevent them from participating in rights offerings or otherwise makes participation difficult or limited. For example, shareholders in the United States may be unable to exercise rights to subscribe for new shares unless a registration statement under the Securities Act is effective in respect of such subscription rights and shares or an exemption from the registration requirements under the Securities Act is available. Shareholders in other jurisdictions outside Sweden may be similarly affected if the subscription rights or the new shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction. CLX is under no obligation to file a registration statement under the Securities Act or seek similar approvals under the laws of any other jurisdiction outside Sweden in respect of the forthcoming Rights Issue or any potential future offerings, of subscription rights and shares and doing so may be impractical or costly. To the extent that CLX's

shareholders in jurisdictions outside Sweden are not able to exercise their rights to subscribe for new shares in the forthcoming Rights Issue or in any future offerings, their proportional interests in the Company would be reduced.

**Non-secured subscription and guarantee commitments may result in the underwriters not being able to fulfil their respective commitments.**

The Principal Shareholders and the major shareholders Första AP-fonden, Fjärde AP-fonden, Alecta Pensionsförsäkring, ömsesidigt, RAM ONE, Rational Asset Management Equity Long/Short and LMK Forward AB, who holds approximately 75 percent of the shares and votes in the Company, have committed to subscribe for their pro rata shares in the Rights Issue. In addition, RAM ONE, Rational Asset Management Equity Long/Short, LMK Forward AB, Prior & Nilsson Fond- och Kapitalförvaltning AB, Italo Invest AB and AB Grenspecialisten, have committed to subscribe for shares in the Rights Issue in an amount corresponding to approximately 25 percent of the Rights Issue. Thus, there are subscription and guarantee commitments amounting to 100 percent of the Rights Issue. However, the subscription and guarantee commitments are not secured. Consequently, there is a risk that one or several of the underwriters will not be able to fulfil their respective commitments. If the commitments are not fulfilled, this may adversely affect CLX's opportunities to receive an amount of approximately 624 million before transaction costs in the Rights Issue, which could have a material adverse effect on CLX's business, financial position and results of operations, partly because no-funding from the Rights Issue may result in the Company acting in breach of the merger agreement relating to the acquisition of Mblox.

# Forward-looking statements and presentation of financial and other information

## Forward-looking statements

This Prospectus contains various forward-looking statements that reflect the management's current views with respect to future events and anticipated financial and operational performance. Forward-looking statements as a general matter are all statements in the Prospectus not referring to historical facts and events, as well as all statements other than statements about historical facts or present facts or circumstances. Forward-looking statements may be recognised by the use of the words "believe", "anticipate", "intend", "aim", "estimate", "expect", "assume", "predict", "might", "will", "should", "could", "by estimation", "deem", "may", "plan", "potential", "compute" or "known to", or, in each case, their negative, or similar expressions, suitable for the identification of information referring to future events. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements appear in a number of places in this Prospectus, including statements, without limitation, in sections "Summary", "Risk factors", "Market overview", "Description of CLX" and "The new group" and "Share capital and ownership structure" and include, among other things, statements relating to CLX's strategy, outlook and growth prospects, including its operational and financial objectives; the expected growth and other developments of the enterprise cloud communications market and the mobile operators software and services market including, in particular, IoT; CLX's ability to manage its growth; the retention of existing customers and fluctuations in the use of CLX's software, services and solutions by new and existing customers; CLX's direct relationships with mobile operators; regulations and legislative changes; potential acquisitions and geographic expansion; the scalability, cost, timing and successful development of CLX's systems, software, services and solutions, including its ability to develop and address opportunities regarding software, services and solutions; the competitive environment in the market in which CLX operates; and CLX's dividend policy and ability to pay dividends.

Although CLX believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialise or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors, including, among others conditions in the enterprise cloud communications market and general economic conditions, and CLX's ability to adapt to changes in regulations and market conditions,

particularly with respect to laws and regulations regarding the internet; CLX's ability to meet and anticipate customer and market preferences and changes in technologies; CLX's ability to improve its operational and technical systems and managerial controls and procedures to keep pace with CLX's growth; CLX's ability to successfully manage its growth and execute its growth strategy, including the integration of any future acquisitions, the actions or results of operations of CLX's competitors in the markets in which it operates; and CLX's ability to develop direct relationships with mobile operators.

Additional factors that could cause CLX's actual results, performance or achievements to differ materially include, but are not limited to, those discussed under section "Risk factors".

These forward-looking statements speak only as of the date of this Prospectus. CLX expressly undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law or regulation. Accordingly, prospective investors are cautioned not to place undue reliance on any of the forward-looking statements herein.

## Business and market data

Information provided in this Prospectus regarding market environment, market developments, growth rates, market trends, and the competitive situation in the markets and regions in which the Company operates, is based on data, statistical information and reports from third parties and/or prepared by the Company based on the Company's own information and information in such third-party reports. Such information has been accurately reproduced and, as far as the Company is aware and can assess after a comparison with other information published by such third-party sources, no information has been omitted in a way that would make the reproduced information inaccurate or misleading.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. Business and market data is inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. The Company has not independently verified and can give no assurances as to the accuracy of industry or market data contained in this Prospectus that was extracted or derived from these industry publications or reports. Such data is based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments as to

which types of transactions should be included in the relevant market.

This Prospectus also contains evaluations, estimates of market data and information derived therefrom that cannot be gathered from publications by market research institutions or any other independent sources. Such information is prepared by the Company based on third-party sources and its own internal estimates. In many cases there is no publicly-available information on such market data, for example from industry associations, public authorities or other organisations and institutions. The Company believes that its estimates of market data and information derived therefrom are helpful in order to give investors a better understanding of the industry in which it operates as well as its position within the industry. Although the Company believes that its internal market observations are reliable, its own estimates are not reviewed or verified by any external sources. While the Company is not aware of any misstatements regarding the industry or similar data presented herein, such statements or similar data involve risks and uncertainties and are subject to change based on various factors, including those discussed under “*Risk Factors*”.

### Presentation of financial and other information

This Prospectus contains information from the Company’s historical financial information for the years that ended 30 June 2015, 2014 and 2013, which have been audited by the Company’s auditors and prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“**IFRS**”), and the Company’s unaudited interim report for the period 1 July 2015–31 March 2016 which has been reviewed by the Company’s auditors (Deloitte AB) and prepared in accordance with IAS 34 Interim Financial Reporting. For additional information about the Company’s auditors and the auditor, see section “*Board of directors, senior executives and auditor*” under the heading “*Auditor*” and section “*Corporate governance*” under the heading “*Auditing*”.

This Prospectus also contains information from Mblox’s audited financial statements for the years that ended 31 December 2015, 2014 and 2013, which have been audited by Mblox auditors (Grant Thornton LLP) and prepared in accordance with US GAAP.

Reference to “SEK” refers to Swedish kronor, reference to “US \$” refers to United States dollars, reference to “GBP” refers to British pound and references to “EUR” refers to the euro. “M” means million. “k” means thousand.

### Definitions of financial measures and key figures

<i>Gross profit</i>	Net sales less cost of goods sold and services.
<i>Gross margin</i>	Gross profit as a percentage of net sales.
<i>Equity per share</i>	Equity attributable to owners of the parent Company at the end of the period, divided by the number of outstanding shares at the end of the period.
<i>Net margin</i>	Profit after tax as a percentage of net sales.
<i>Earnings per share before/after dilution</i>	Profit for the period, attributable to owners of the parent Company, divided by the volume weighted-average number of outstanding shares during the period before / after dilution.
<i>Working capital</i>	Current assets less current liabilities.
<i>Equity ratio</i>	Total Equity attributable to owners of the parent Company as a percentage of total assets.

### Non-IFRS financial measures

These financial measures included in the Prospectus are not measures of financial performance of liquidity as defined by IFRS:

<i>EBITDA</i>	Profit for the period before finance income, finance expenses, income tax expenses and depreciation/amortisation of tangible and intangible assets.
<i>EBITDA margin</i>	EBITDA as a percentage of net sales.
<i>Free cash-flow</i>	Cash-flow from operating activities and investing activities.
<i>Net debt</i>	Non-current liabilities to credit institutions and liabilities to ultimate parent company less cash and cash equivalents.
<i>EBIT margin</i>	EBIT as a percentage of net sales.
<i>EBIT</i>	Profit for the period before financial income, financial expenses and income tax expenses.

The non-IFRS financial measures presented in the Prospectus are not recognised measurements of financial performance under IFRS, but are measures used by management to monitor and analyse the underlying performance of the business and operations. In particular, non-IFRS financial measures should not be viewed as substitutes for total income, other operating income, operating profit/-loss, profit/(loss) for the period, cash flow from operating activities at the end of the period or other income statement or cash flow items computed in accordance with IFRS. The non-IFRS financial measures do not necessarily indicate whether cash flow will be sufficient or available to meet the cash requirements and may not be indicative of the Company's historical operating results. These measures are not meant to be predictive of the Company's future results.

The Company presents these non-IFRS measures in the Prospectus as it considers them to be important supplemental measures of the Company's performance and believes that they are widely used by investors in comparing performance between companies. Because not all companies calculate these or other financial measures that are non-IFRS measures in the same way, it is possible that the way that CLX has chosen to use the financial measures may not be comparable to similarly defined terms or measures used by other companies.

#### **Adjustments**

Certain financial and other information as described in the Prospectus have been rounded to make the information more accessible to the reader. Consequently, the figures in certain tables may not exactly correspond to the specified total amount.

# Background and reasons

On May 13, 2016, CLX announced that it had entered into a definitive merger agreement under which CLX will acquire 100 percent of the shares in the United States-based company Mblox for a cash consideration of USD 117 million (corresponding to SEK 954 million<sup>1)</sup>). Mblox is a competitor to CLX's Enterprise division within the market for cloud-based communication, specifically within A2P-messaging (mobile messaging services) which Mblox focuses on. With this acquisition, CLX expands its operations within the Enterprise division in both existing and new geographical markets. Furthermore, the acquisition entails significant synergies. The acquisition will be financed partly by new bank financing of approximately SEK 400 million and partly through the proceeds from the contemplated Rights Issue of approximately SEK 624 million<sup>2)</sup>. The Rights Issue will thus be carried out in order to ensure that the Company has sufficient working capital to fulfil its obligation to pay part of the purchase price under the merger agreement (see section "*Capitalisation, indebtedness and other financial information*" under heading "*Working capital statement*").

Mblox is one of the largest providers of cloud-based communications services to enterprises within A2P mobile messaging. The company was founded in 1999 and is one of the pioneers within the enterprise SMS industry. Mblox is headquartered in Atlanta, Georgia (US). The company today has around 3,000 customers globally. Mblox has, similar to CLX, focused on establishing a large amount of direct connections to mobile operators and today the company has around 100 direct connections to mobile operators globally.

CLX has, since its foundation in 2008, developed into a leading supplier of cloud-based communication services and solutions to enterprises and mobile network operators, with a strong position within the A2P enterprise messaging market. CLX's Enterprise division enables business critical communication globally through mobile messaging services (SMS), voice applications and mobile connectivity services for IoT. CLX's Operator division offers advanced solutions and services to mobile operators through real-time Business Support Systems (real-time BSS), value-added services (VAS), services to mobile virtual network operators (MVNO), IoT-solutions and network security.

In addition to strong organic growth, CLX has completed three strategic acquisitions since 2009, all of which have positively affected the Company's development, product offering and growth. The acquisition of Voltari<sup>3)</sup> in 2014 established a basis for CLX's expansion on the North American market. CLX has local presence, customers and direct connections with operators in both the United States and Canada. On October 8, 2015, CLX was listed on Nasdaq Stockholm which attracted large interest from both Nordic as well as international investors and the Company reached an important milestone in its development. CLX is well positioned to capture future growth and development opportunities.

CLX believes that the strategic and financial motives supporting the acquisition are significant and that the merger will strengthen the Company's position as one of the leading suppliers of cloud-based communications solutions to enterprises and mobile operators. Through the acquisition CLX strengthens its position as one of the global leaders within A2P-messaging for enterprises. The Company increases the number of direct connections to operators globally and strengthens its relationship with existing operators, which is vital in an industry with scale benefits. Both CLX and Mblox have a global reach with customers around the world, however with complementary geographical strengths. CLX's strong position in Europe is particularly complemented by Mblox's strong positions in the United States, the United Kingdom and Australia. Mblox has a large and attractive customer base with more than 900 enterprise customers and above 2,000 SME customers. Combined with CLX's more than 600 enterprise customers, the new group will have a large and diversified customer base.

The acquisition enables significant annual synergies of approximately USD 10 million, expected to be realised over a period of 24 months. The most important areas for estimated synergies are increased efficiency within sales- and support-organisations in Europe and the United States, as well as decreased overhead- and administrative expenses. The new group's strengthened relationships with operators globally also have a strategic value as it strengthens CLX's potential to succeed in its continued roll-out of mobile connectivity services within IoT. The Company also sees clear scale benefits and believes that the transaction in the medium term will enable significant cost reductions through consolidation of all messaging traffic to one technical platform as well as being able to leverage a strengthened position to reduce procurement costs of mobile connectivity and capacity. However, the Company has currently not included

1) Based on the exchange rate as at 12 May 2016, amounting to 8.1545 SEK per USD.

2) The Rights Issue will also partly finance the estimated integration costs of SEK 60 million as well as transaction costs of SEK 40 million.

3) Voltari Operating Corporation, Voltari Canada Inc. and Voltari Corporation (together "**Voltari**").

these effects in its synergy calculations. Total integration costs (one-off expenses) of approximately SEK 60 million are expected to be recognised in the coming 18 months after the acquisition.

The acquisition is in line with the strategy presented in conjunction with the initial public offering of CLX in October 2015.

The purchase price is financed by way of new bank financing of approximately SEK 400 million from Danske Bank and Handelsbanken and subscription and guarantee commitments from certain shareholders in CLX and external investors of 100 percent of the contemplated Rights Issue of approximately SEK 624 million. The gross proceeds from a fully subscribed Rights Issue will amount to approximately SEK 624 million. CLX's issue and transaction costs (including guarantee commissions) are expected to amount to approximately SEK 40 million. Net proceeds from the Rights Issue will be used to finance parts of the acquisition of Mblox as well as parts of the integration costs.

*The board of directors of CLX is responsible for the contents of this Prospectus. It is hereby assured that all reasonable precautionary measures have been taken to ensure that the information in this Prospectus to the best of the board of directors' knowledge, corresponds to the factual circumstances and that nothing has been omitted that would affect its purpose.*

Stockholm 10 June 2016

**CLX Communications AB (publ)**

*The board of directors*

# Invitation to subscribe for shares in CLX Communications AB (publ)

On 12 May 2016, the board of directors of CLX resolved, subject to the extraordinary general meeting's subsequent approval, to increase the Company's share capital by way of an issue of new shares with preferential rights for the Company's existing shareholders. On 7 June 2016, the extraordinary general meeting approved the board of directors' resolution.

By way of the Rights Issue, the Company's share capital is increased with SEK 1,621,621.50 from SEK 3,243,243 to SEK 4,864,864.50, through the issuance of 16,216,215 shares. The subscription price is set to SEK 38.50 per share, which means that CLX, upon full subscription of the Rights Issue, will receive approximately SEK 624 million before the deduction costs related to the Offer, which are estimated to amount to approximately SEK 40 million.

Those who, on the record date 9 June 2016 are registered as shareholders in CLX, will receive one subscription right for each share in CLX held. The subscription rights entitle the holder to subscribe for new shares with preferential right, in which case two subscription rights entitle the holder to subscribe for one new share in CLX. Subscription for new shares will take place during the period from and including 13 June 2016 up to and including 27 June 2016. The board of directors of CLX reserves the right to extend the subscription period, which when applicable, will be announced through a press release no later than 27 June 2016.

Shareholders who choose not to participate in the Rights Issue will have their ownership diluted by approximately 33 percent, but can fully or partly financially compensate for the dilution by selling their subscription rights.

In the Rights Issue, shares may also be subscribed for without subscription rights. The board of directors shall decide on the allotment of shares subscribed for without subscription rights. Allocation will thereby take place in accordance with the following:

- Firstly, the shares shall be allotted to those that have applied for subscription and subscribed for shares by exercising subscription rights, regardless of the subscriber being a shareholder or not on the record date, and, in case of oversubscription, in proportion to the number of subscription rights used for subscription of shares, and where this is not possible, by drawing of lots.
- Secondly, the shares shall be allotted to others that have applied for subscription without subscription rights and, in case of oversubscription, in proportion to the number of shares that each has applied to subscribe for, and where this is not possible, by drawing of lots.
- Third, any remaining shares shall be allotted to those who guaranteed the rights issue pursuant to separate guarantee commitments with the Company, with allocation in proportion to the size of their respective commitments.

The Principal Shareholders of the Company and the major shareholders Första AP-fonden, Fjärde AP-fonden, Alecta Pensionsförsäkring, ömsesidigt, RAM ONE, Rational Asset Management Equity Long/Short and LMK Forward AB, with approximately 75 percent of the shares and votes in the Company, have expressed their support for the Rights Issue and have entered into agreements with the Company under which they have committed to subscribe for their pro rata shares in the Rights Issue. In addition, RAM ONE, Rational Asset Management Equity Long/Short, LMK Forward AB, Prior & Nilsson Fond- och Kapitalförvaltning AB, Italo Invest AB and AB Grenspecialisten have committed to subscribe for shares in the Rights Issue in an amount corresponding to approximately 25 percent of the Rights Issue. Thus, there are subscription and guarantee commitments amounting to 100 percent of the Rights Issue. In addition, Swedbank Robur Fonder AB and Handelsbanken Fonder AB, with approximately 10 percent of the capital and votes, have indicated that they are positive to the Rights Issue and that they intend to subscribe for their pro rata shares in the Rights Issue. See section "*Legal considerations and supplementary information*" under the heading "*Material agreements - Subscription and guarantee commitments*".

CLX's shareholders are hereby invited to subscribe for new shares in CLX in accordance with the terms and conditions set forth in this Prospectus.

Stockholm on 10 June 2016

**CLX Communications AB (publ)**

*The board of directors*

# Terms and conditions

*This section regards terms and conditions of the Offer. For further information on the new shares issued, please see the section "Share, share capital and ownership structure".*

## Preferential right and subscription rights

Those who, on the record date 9 June 2016 are registered as shareholders in CLX, will receive one (1) subscription right for each share in CLX held. The subscription rights entitle the holder to subscribe for new shares with preferential right, in which case two (2) subscription rights entitle the holder to subscribe for one (1) new share in CLX. At transfer of subscription rights, the preferential right is transferred to the new holder of the subscription right.

## Issue price

The new shares are issued at a price of SEK 38.50 per new share. No commission will be charged.

## Record date

The record date at Euroclear for determining who are entitled to receive subscription rights in the Offering is 9 June 2016. Shares of CLX will be traded excluding the right to receive subscription rights from and including 8 June 2016. The last day for trading in CLX shares including the right to receive subscription rights was thus 7 June 2016.

## Subscription period

Subscription for new shares will take place during the period from and including 13 June 2016 up to and including 27 June 2016 at 5:00 P.M. CET. The board of directors of CLX reserves the right to extend the subscription period, which when applicable, will be announced through a press release no later than 27 June 2016.

## Issue statements

### Directly registered shareholders

Shareholders, who on the record date are registered in the share register maintained by Euroclear on CLX's behalf, will receive the Prospectus and a pre-printed issue statement with an attached payment notice. The pre-printed issue statement shows the number of subscription rights received and the total number of new shares that may be subscribed for with subscription rights. Those who are registered in the special register of pledge holders and trustees maintained in connection with the share register will not receive any issue statement but will be noticed separately. No securities statement (Sw. *VP-avi*) will be sent out regarding the registration of subscription rights on the shareholders' securities accounts.

## Nominee-registered holdings

Shareholders in CLX whose holdings on the record date are nominee registered with a bank or nominee will not receive a pre-printed issue statement from Euroclear. Subscription and payment for nominee registered shareholders shall be made in accordance with instructions from the respective bank or nominee or, if the holding is registered with multiple nominees, from each one of these.

## Shareholders resident in certain ineligible jurisdictions

The allotment of subscription rights and the issue of new shares by exercise of subscription rights to persons who are resident in countries other than Sweden could be affected by securities legislation in such countries; see section "*Information for Investors*". Consequently, shareholders whose existing shares are directly registered in a securities account (Sw. *VP-konto*) and whose registered address is Australia, Canada, Hong Kong, Japan, Singapore, South Africa, Switzerland and the United States will not receive the Prospectus. Nor will they receive any subscription rights on their respective securities accounts. Subscription rights that would have been delivered to such shareholders will be sold, and the sale proceeds, less deduction for costs, will be paid to such shareholders. Amounts of less than SEK 100 will, however, not be paid out.

## Trading in subscription rights

Subscription rights will be traded on Nasdaq Stockholm during the period from and including 13 June 2016 up to and including 22 June 2016. Banks and other securities institutions with the required authorisation can provide brokerage services for the purchase and sale of subscription rights. Unexercised subscription rights must be sold in order not to lapse without value. The ISIN code for the subscription rights is SE0008432041.

## Subscription and payment of shares with preferential right

### Subscription of shares with preferential right

Subscription of new shares through exercise of subscription rights shall be made by simultaneous cash payment during the period from and including 13 June 2016 up to and including 27 June 2016 at 5.00 p.m. CET. After expiration of the subscription period, unexercised subscription rights will be void and without value. Unexercised subscription rights will be deregistered from the respective shareholders' securities accounts without notification from Euroclear. In order not to lose the value of the subscription rights, the shareholder must either:

- exercise the received subscription rights and subscribe for new shares no later than 27 June 2016, which is the last day of the subscription period; or
- sell the received subscription rights that have not been exercised for subscription of new shares no later than 22 June 2016, which is the last day for trading in subscription rights.

The board of directors of CLX reserves the right to extend the subscription period and the payment period. Any extension will be announced by the Company no later than 27 June 2016. Subscription of new shares through the exercise of subscription rights is irrevocable, and the shareholder may not withdraw or modify a subscription for new shares.

### Shareholders with directly registered holdings resident in Sweden

Subscription for new shares with preferential rights through exercise of subscription rights shall be made by means of simultaneous cash payment and is binding. Subscription and payment are done either by using the pre-printed bankgiro form or the appropriate application form with simultaneous payment using one of the following options:

- **Bankgiro form:** In the case that all subscription rights received on the record date are exercised for subscription of shares, the pre-printed bankgiro form from Euroclear shall be used as the basis for application for subscription by means of payment. The special application form should therefore not be used. No additions or changes may be made to the pre-printed text on the bankgiro form.
- **Application form:** In the case that subscription rights have been acquired or sold, or if, for any other reason, the number of subscription rights to be exercised differs from the number stated on the pre-printed issue statement, a special application form shall be used as the basis for subscription by means of payment. Payment shall be made at the same time as the application is made at any Swedish bank branch office with the required authorisation, in accordance with the instructions on the application form. Such an application form can be obtained from any of Handelsbanken's branch offices in Sweden. The pre-printed bankgiro form should, in such case, not be used.

### Information to shareholders with directly registered holdings not resident in Sweden<sup>1)</sup>

Shareholders in CLX residing outside of Sweden and who are not subject to the restrictions described in the section "*Important information to investors*" and who wish to participate in the issue shall use the distributed application form when subscribing. Upon submission of the application form to the address specified below, payment shall be made in Swedish krona (SEK) to the bank account specified below:

Handelsbanken Capital Markets,  
Emission SE-106 70 Stockholm, SWEDEN  
Bank account: 6028 973 562 838  
IBAN number: SE77 6000 0000 0009 7356 2838  
SWIFT: HANDSESS

Upon payment, the subscriber's name and address as well as securities account number or payment identity as stated on the issue statement must be stated. The application form and payment must be received by Handelsbanken Capital Markets no later than 5.00 p.m. CET on 27 June 2016. Application forms for shareholders who reside abroad can be obtained from Handelsbanken's website, [www.handelsbanken.se/investeringserbjudande](http://www.handelsbanken.se/investeringserbjudande), as well as from CLX's website, [www.clxcommunications.com](http://www.clxcommunications.com).

### Shareholders with nominee-registered holdings

For shareholders whose holdings are registered with a bank or nominee, subscription for new shares on the basis of preferential right shall be made to the respective nominee and in accordance with the instructions from such nominee or if applicable, nominees.

### Paid subscribed shares (BTAs)

Registration of shares subscribed for with preferential right by means of payment will be registered with Euroclear as soon as possible, which normally means up to two banking days after payment. After that, the subscriber will receive a securities notification confirming the registration of the BTAs in the subscriber's securities account. After the issue has been registered with the Swedish Companies Registration Office, which is expected to take place on or about 1 July 2016, the BTAs will be converted to new shares, without notification from Euroclear. The new shares are expected to be available in each securities account on or about 5 July 2016. Shareholders with nominee-registered holdings receive BTAs and information in accordance with procedures of each nominee. The ISIN code for BTA is SE0008432058.

### Trading in BTAs

Trading in BTAs is expected to take place on Nasdaq Stockholm during the period from and including 13 June 2016 up to and including 29 June 2016 under the symbol CLX BTA. Banks and other securities institutions with required licenses will provide brokerage services for purchase and sale of BTA.

### Subscription without preferential right

Subscription of shares without preferential right will take place during the same time period as the application for subscription of shares on the basis of preferential right, *i.e.* from and including 13 June 2016 up to and including 27 June 2016. The application to subscribe for shares without preferential right shall be made using the application form "*Subscription of shares without subscription right*" which is to be completed, signed, and then

1) Note that directly registered customers who reside outside Sweden and have access to a Swedish internet bank can use the pre-printed payment form for subscription and payment.

mailed or delivered to Handelsbanken Capital Markets, Emission, to the address stated on the application form. Application forms can be obtained at any Handelsbanken branch office or downloaded from Handelsbanken's website [www.handelsbanken.se/investeringserbjudande](http://www.handelsbanken.se/investeringserbjudande). An application form can also be downloaded from the Company's website, <http://www.clxcommunications.com>. The application form in its original must be received by Handelsbanken Capital Markets, the Issue department, no later than 5.00 p.m. CET on 27 June 2016.

The application form may be sent by mail to the address on the application form or may be handed in at any of Handelsbanken's branch offices. Only one application form per person or firm will be considered. In the event that more than one application form is sent, only the most recently dated form will be considered. Application forms for less than 100 shares will not be considered. Incomplete or incorrectly completed application forms may be disregarded.

#### **Shareholders with nominee-registered holdings**

For shareholders whose holdings are nominee registered with a bank or nominee, subscription for new shares without preferential right shall be made to the respective nominee and in accordance with the instructions from such nominee or if applicable, nominees.

#### **Allotment of shares subscribed for without preferential right**

Shares subscribed for without preferential right will be allotted through the decision of the CLX board. Allotment will be made accordingly: Firstly, shares shall be allotted to those who subscribed for shares with subscription rights, regardless whether the subscriber was a shareholder on the record date or not, in relation to how many subscription rights each one have used for subscription of shares and, to the extent that this is not possible, by drawing lots. Secondly allotment will be made to others who have applied for subscription of shares without subscription rights and, in the event that they cannot obtain full allotment, in relation to the number of shares that each person has applied to for subscription and, if this is not possible, by drawing lots. Thirdly, any remaining shares shall be allotted to those who have guaranteed the Rights Issue in accordance with separate guarantee commitments with the Company, and in proportion to the size of their respective commitments.

A settlement note will be sent as confirmation of any allotment on or about 1 July 2016, and is to be paid in accordance with the relevant instructions. A confirmation is only sent to persons who have been allotted shares. The estimated settlement date for shares subscribed for without preferential right is around 6 July 2016. If payment is not made in time, the shares can be allotted to others. In the event that the sale price is less than the subscription price in connection with such a transfer,

the persons who were initially allotted the shares are responsible for paying the entire or part of the difference. After payment of the subscribed and allotted shares and when the shares have been registered with the Swedish Companies Registration Office, a securities notification will be sent from Euroclear confirming the registration of the subscribed and allotted shares in the subscriber's securities account.

#### **Listing of the new shares**

CLX's share is listed for trading on Nasdaq Stockholm. Following the registration by the Swedish Companies Registration Office, the new shares will also be traded on Nasdaq Stockholm. Registration with the Swedish Companies Registration Office of the new shares subscribed for with preferential right is expected to occur on or about 1 July 2016. Trading in the new shares is expected to begin on or about 5 July 2016, provided that registration has taken place. The new shares subscribed for without preferential right are expected to be registered with the Swedish Companies Registration Office on or about 8 July 2016, and the shares are expected to be registered on each securities account on or about 12 July 2016 as well as begin trading on or about 12 July 2016, provided that registration has taken place.

#### **Right to dividend**

The new shares entitle the holder to dividends for the first time on the record date for dividend that occurs immediately following that the shares have been recorded in the share register maintained by Euroclear and the Rights Issue has been registered with the Swedish Companies Registration Office.

#### **Conditions for completion of the Offering**

The board of directors of CLX does not have the right to suspend, revoke or temporarily withdraw the Offering to subscribe for shares in CLX in accordance with the terms and conditions in this Prospectus. The board of directors of CLX is entitled to extend, one or several times, the period during which subscription and payment can be made. Notification of the extension of the subscription period, if any, will be announced by the Company through a press release no later than 27 June 2016.

#### **Announcement of the outcome of the Offering**

The outcome of the Offering will be published in a press release from CLX, which is expected to take place on or about 1 July 2016.

#### **Other information**

In the event that a subscriber paid a too large amount for issued shares, Handelsbanken will arrange for a refund of the excess amount. Incomplete or incorrectly completed application forms may be rejected. If the subscription payment is made too late, is inadequate or is incorrectly paid, the application for subscription may be disregarded or the subscription may take place at a lower amount. In such case, the subscription payment not used

will be refunded. Only one application form may be submitted. If several application forms of the same category are submitted, only the application form most recently received by Handelsbanken will be considered. Payments received late in amounts less than SEK 100 will only be refunded upon request. The fact that Handelsbanken is the issuing agent does not in itself mean that Handelsbanken regards the party registering in the Offering as a customer of Handelsbanken. Handelsbanken's receipt and processing of application forms does not result in any client relationship between investors in the Offering and Handelsbanken. The subscriber is only considered as a customer of Handelsbanken for the investment if Handelsbanken has advised the subscriber regarding the Offering or has contacted the subscriber individually regarding the Offering. The consequence of Handelsbanken not viewing the subscriber of the Offering as a client is that the rules regarding protection of investors under the Securities Markets Act (*Sw. lagen (2007:528) om värdepappersmarknaden*) will not be applied to the investment. This means, inter alia, that neither the so-called client classification nor the suitability assessment will be applicable regarding the investment. The subscriber is thus solely responsible for having sufficient experience and knowledge to understand the risks involved with the investment.

#### **Information on processing of personal data**

Those who subscribe for shares in the Offering will provide certain information to Handelsbanken. Personal data provided to Handelsbanken will be processed in computer systems to the extent necessary in order to provide services and administer client engagements. Also personal data that is collected from other parties than the client in question may be processed. It may also be the case that personal data is processed in computer systems of corporations or organisations with which Handelsbanken co-operates. Information regarding the processing of personal data is provided by Handelsbanken's branch offices, which also accept requests for correction of personal data. Address information may be collected by Handelsbanken through an automatic data run by Euroclear.

# Market overview

*Certain information set forth in this section has been derived from external sources, including reports by IDC and publicly available industry publications and reports. Industry publications and reports generally state that the information contained therein has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. CLX believes that these industry publications, reports and forecasts are reliable, but the Company has not independently verified them and cannot guarantee their accuracy or completeness. Such information has been accurately reproduced and, as far as the Company is aware and can assess after a comparison with other information published by such third-party sources, no information has been omitted in a way that would make the reproduced information inaccurate or misleading.*

*The forward-looking statements in this section are not guarantees of future performance and actual events and circumstances could differ materially from current expectations. Numerous factors could cause or contribute to such differences. See for example headings "Forward-looking statements and presentation of financial and other information" and section "Risk factors".*

## Introduction

CLX operates in the enterprise cloud communications market and the mobile operator software and services market. Within the enterprise cloud communications market, CLX today provides communication services within mobile messaging services, voice applications and mobile connectivity for Internet-of-Things (IoT). CLX's Operator division provides solutions and services to mobile network operators within realtime Business Support Systems (realtime-BSS), value added services (VAS), mobile virtual network operators (MVNO), IoT solutions and network security.

Mblox operates only present in the enterprise cloud communications market, and within this market, Mblox has a particular focus on messaging services. Cloud-based communication services allow enterprises to, in a simple and cost efficient manner, integrate messaging, voice application and mobile connectivity services for IoT<sup>1)</sup> in their businesses. The customers use the services to improve their customer relationships or to streamline operational efficiency. Examples of services are, among others, patient appointment reminders via SMS within health care, the offering of local virtual phone numbers and SIM cards for IoT for connected cars within the advertising market, home alarm systems, etc. Within the enterprise cloud communications market, CLX provides its services and solutions through its internally developed software-based communications

platform. The same communications platform is also offered within the market for software and services to mobile operators.

The enterprise cloud communications market has grown as the customers and employees increasingly have shifted their consumption of communications and content to mobile devices. Mobile communications have provided enterprises with new opportunities to communicate with customers, employees and, recently, with connected things around the world.

Providers of cloud-based communications, such as CLX and Mblox, utilise documented APIs, which are intuitive and easy-to-use sets of routines and tools. Enterprises that connect to these well-documented APIs can, without specific expertise within telecommunications, enable their software applications to communicate with customers, employees and connected Things.

The mobile operator software and services market is a mature and well-developed market that is driven primarily by the demands of mobile operators for cost-effective software and service solutions. Within the mobile operator software and services market, CLX provides applications with functionality for management of SMS and MMS as well as advanced systems for management of prepaid SIM cards through its internally developed software-based communications platform. See heading "Introduction to the mobile operator software and services market" for more information.

1) The Company has during the Spring of 2016 initiated the commercial launch of its mobile connectivity services for IoT, which will continue in 2016.

## The enterprise cloud communications market

### Market segments

The enterprise cloud communications market can be divided into three segments, which are based on the three primary mobile communications channels:

- A2P messaging
- Voice applications
- Mobile connectivity for IoT (mobile data)



### A2P messaging

A2P messages are mobile text messages, primarily SMS, sent by applications or systems to mobile phones. While person-to-person (P2P) messages are sent between people, A2P messages are typically sent to customers, employees and Things automatically from enterprise applications and systems.

Companies using A2P messaging services typically consist of global enterprises from a broad range of industry sectors. These enterprises generally have customers and/or employees around the world. In this respect, A2P messaging has several benefits, including:

- 98 percent of all SMS are read, compared to 12 percent of all emails, 29 percent of all tweets and 16 percent of all Facebook posts<sup>1)</sup>;
- On average, recipients respond within 90 seconds of receiving an SMS, compared to an average response time of 90 minutes for an email<sup>2)</sup>;
- SMS messages can be received by all mobile phone users and do not require internet access or the download and installation of a specific mobile application;
- SMS works without data connectivity, which increases the geographical coverage; and
- SMS is an easy, automated, two-way communication method that can be applied and used in daily business activities and for One-time notifications.

### Voice applications

Voice applications are communication solutions enabling enterprises to, via the cloud, to connect calls to the businesses' different systems, for instance calls to and from business and operations systems, via the traditional telecommunications infrastructure.

### Mobile connectivity for IoT

IoT is a concept that describes the network of connected things, such as smart utility meters, automobiles with built-in sensors and health monitoring devices. IoT and the concept of a network of things that are continuously connected and capable of communicating are expected to enable advanced automation across a large variety of industries.

Mobile connectivity for IoT includes connecting devices to the telecom network as well as enabling customers to manage and control connected devices and services. Providers of enterprise cloud communications market can via a technical interface (API) enable the integration and mobile connectivity necessary for enterprises to smoothly and effectively launch IoT services and solutions.

### The enterprise cloud communications value chain

The enterprise cloud communications value chain consists of several different types of industry participants: enterprises, service and application providers, cloud communications service providers and mobile operators.

#### Enterprises

Enterprises are the original senders or the final recipients of A2P messages, voice applications and mobile data. These enterprises use enterprise cloud based communications services to communicate and interact with their customers, employees and connected things.

#### Service and application providers

Service and application providers develop and sell, typically internally developed, software which connects via cloud communications service providers to enterprises. Service and application providers can also act as middlemen between enterprises and cloud communications service providers by developing interfaces and by helping enterprises to connect their systems to these services.

#### Cloud communications service providers

Cloud communications service providers, such as CLX and Mblox, provide a single connection and service through which enterprises and service and application providers can connect their things as well as applications to the networks of various mobile operators around the world. Cloud communications service providers create value by making it easy for their customers to easily connect and communicate with their customers, employees and connected things globally. Cloud communications service providers typically focus on developing direct access connections to various operators' mobile networks globally by negotiating and securing traffic capacity with these mobile operators. These direct access connections typically ensure a higher quality service and lower prices for communications by enterprises.

Examples of global cloud communications service providers include CLX (Stockholm, Sweden), Mblox (Atlanta, United States) and Syniverse (Tampa, United States).

1) Mogreet.

2) IDC.

### Mobile operators

Mobile operators are operators that provide mobile communications services. They typically operate the infrastructure necessary to transmit wireless messages, voice calls and mobile data. Mobile operators can offer cloud-based enterprise communications solutions, but any such solutions typically represent a minor aspect of their business and focus.

### Market size and outlook

#### A2P messaging and voice applications

The A2P messaging market is a well-established, global market, which was estimated to have generated revenues of approximately USD 23.4 billion in 2014, according to IDC. The market primarily consists of regional and local enterprise cloud communications providers and a limited number of global players, such as CLX and Mblox.

In contrast to the decline of the P2P messaging market<sup>1)</sup>, which has been affected by the emergence of free smartphone-based over-the-top (OTT) applications, such as WhatsApp and WeChat, the A2P messaging market is growing<sup>1)</sup>. The market is growing as enterprises continue to realise the benefits and new use cases of A2P messaging services. According to IDC, the total A2P messaging market is expected to grow at a CAGR of 8 percent from 2014–2018. CLX and Mblox are, according to IDC, two of the largest A2P messaging service providers and among the few providers that are able to provide international messaging traffic on a global scale. This global A2P messaging market<sup>2)</sup> is expected to grow at a CAGR of 14 percent from 2014–2018, according to IDC.

The market for Voice applications through cloud platforms is a nascent but fast-growing market that is expected to grow from USD 94 million in 2014 to a total market value of USD 3.7 billion in 2018, according to IDC. This corresponds to a CAGR of 150 percent.

USD million	2011	2012	2013	2014e	2015e	2016e	2017e	2018e	CAGR 2014–2018
Messaging	18,141	19,470	21,771	23,416	25,232	27,219	29,371	31,720	8 %
Of which global providers	1,814	2,142	2,623	3,064	3,577	4,129	4,720	5,112	14 %
Voice applications	–	–	61	94	180	475	1,275	3,673	150 %

Source: IDC

### The cloud communications market from a geographical perspective

CLX believes that the enterprise cloud communications market varies across different geographical regions. For example, the Company believes that the enterprise cloud communications market in North America and several European countries are further developed and more organised than the rest of the world. These markets are typically larger, and have a higher price transparency and a lower frequency of fraud. The Company estimates that North America is a large and attractive market with high margins, due to that the cost of delivering messages is typically lower than in, regions such as, Europe. United

States-based mobile network operators however only work together with a limited number of providers of enterprise cloud communications services. As the two largest mobile network operators in the United States, AT&T and Verizon, with approximately one third of the market each, have not provided any new direct connections to providers of mobile messaging services, the Company believes that the entry barriers to the United States market are very high. The North American market is very attractive for CLX as there is a high concentration of global enterprises that, according to the Company, can be expected to have a need for CLX's global communications network.

1) IDC.

2) According to IDC, the global A2P messaging market includes multi-country and international A2P messaging traffic.



## Market drivers and trends

### Key market drivers

- **Communication with employees and customers is more often conducted via mobile phones:** There are several strong market forces driving a surge in smartphone adoption and smartphone traffic around the world, one of which is an increasing number of services being made available on mobile phones, including communications, banking, shopping and a wide-range of other services. This development forms the foundation of the enterprise cloud communications market and creates an increasing need for services catering to mobile communications with employees and customers.
- **Business critical services are being transitioned to the cloud:** An increasing number of business critical services are being moved to the cloud in order to better accommodate the needs of global enterprises with mobile workforces. Previously, enterprises kept business critical services in internal corporate networks behind network security perimeters, such as firewalls. As the security level of internet applications reaches that of internal networks, and the number of high-quality cloud services increases, enterprises are increasingly willing to outsource the development and management of enterprise IT systems to the cloud.

- **Development of existing and new use cases within enterprises:** Enterprises are quickly discovering new use cases for A2P messaging. For example, enterprises such as Uber, Airbnb and Instagram are increasingly using A2P messaging to acquire, convert and retain customers. Such companies are expected to continuously generate high volumes of messages to, for example, verification of the identity of customers who have downloaded applications, or to improve and protect their customers' ongoing engagements.

### Market trends

In addition to the above mentioned market drivers, CLX's market is affected by a number of important market trends. Some of the most important market trends are listed below.

- **Availability of easy-to-use cloud API platforms:** Small and medium-sized businesses (SMEs) have historically been less targeted by cloud communications providers. Cloud API platform companies, such as Nexmo, Tropo and Twilio, have through automated development processes and less complex interfaces, made it even easier for developers to embed A2P messaging services in all types of applications and business processes. Such API-based development has become familiar to many developers, leading to diminishing barriers for SMEs to use A2P messaging.

- **Enterprises are rediscovering voice applications as communications method:** Historically, the use of voice services in enterprise applications was associated with high upfront investments and complex technology requiring special competence. Cloud communications eliminate such barriers, and mobile voice applications have become a new and fast-growing market segment.
- **Increasing importance of enterprise security for cloud applications:** As enterprises move business critical systems and tools to the cloud, security is becoming increasingly important for enterprises. SMS based two-factor authentication, has emerged as a simple solution that provides increased authentication security. SMS-based two-factor authentication has historically and primarily been used by banks and financial institutions, but is now increasingly adopted by companies in several other industries.
- **Specification for embedded SIMs – opening up the IoT market:** The mobile connectivity for IoT opportunities for companies such as CLX have become more tangible by means of the technical standards published by GSMA for embedded SIMs, which enable switching mobile operators without switching SIM cards.

## Competitive environment

### Competitors

The enterprise cloud communications market is characterised by a high degree of competition and fragmentation. CLX's competitors can broadly be categorised into three groups: Global Cloud Communications Service Providers (including CLX and Mblox); Regional Service Providers (including mobile operators); and Cloud API Providers. These groups can in turn be segmented by their target customers (SMEs or Large enterprises) and their ability to offer direct access to global mobile networks.

Global cloud communications service providers, such as CLX and Mblox, focus on developing relationships with global enterprises and mobile operators around the world. The global providers target global enterprises with need of large-scale communications to customers, employees and connected things.

Examples of global cloud communications service providers include: CLX, Mblox, SAP Mobile (Walldorf, Germany) and Syniverse (Tampa, United States).

Cloud API providers target developers, particularly those in application providers and SMEs. These providers generally offer user-friendly interfaces and ready-to-use applications, which

SMEs can integrate in their own applications in an easy way. Typically, they also often provide support services free of charge, manuals, example codes and other tools in order to help smaller enterprises to use and try their services. Examples of Cloud API providers include: Nexmo (San Francisco, United States), Plivo (San Francisco, United States), Tropo (Menlo Park, United States) and Twilio (San Francisco, United States).

IDC estimates that there are hundreds of market players that offer enterprise cloud communications services on a local or regional level. These players compete with global cloud communications service providers for enterprises that require only local or regional services and solutions for their communications.

This group also includes large mobile operators, which, due to their high brand recognition, often are the go-to communications service providers for enterprises. Examples of regional service providers include: Bulksms.com (Cape Town, South Africa), Ocito (Paris, France), Clickatell (Redwood City, United States), Dialogue Group (Sheffield, United Kingdom) and GIN International (Hong Kong). Example of mobile operators include: TeliaSonera (Stockholm, Sweden) and AT&T (Dallas, United States).

### Key barriers to market entry

There are several barriers preventing new entrants to establish on the market for enterprise cloud communications, including:

- **Direct relationships with mobile operators:** Direct relationships with mobile operators are essential to be able to offer enterprises high quality and cost effective communications services on a global scale. Additionally, many mobile network operators seek to reduce the number of providers and instead work with fewer provides that rather have a broader product and service portfolio.
- **High traffic volumes:** High traffic volumes are necessary to develop direct relationships with mobile operators and gain attractive prices on mobile connectivity and traffic.
- **High performance communications platform:** Enterprise cloud communications service providers require a trusted and high-performance communications platform that can handle large communications volumes and geographic complexity.

## Introduction to the mobile operator software and services market

### Introduction

Within its Operator division, CLX provides software and service solutions to mobile operators across the globe, such as Telia-Sonera, SmarTone, Virgin Mobile and Telefónica. CLX's Operator division continues to focus on developing its internally developed communications platform to mobile network operators. CLX's Operator division provides, among other services and solutions, advanced software solutions and services for real-time-BSS, prepaid SIM card management, value added services (VAS), including SMS solutions, mobile virtual network operator solutions (MVNO), IoT platform solutions and network security.

Customers on the market include mobile network operators (MNO's) and virtual mobile network operators (MVNO's) that purchase traffic from mobile network operators instead of owning proprietary telecommunication networks. CLX's Operator division has traditionally and primarily delivered physical installations to mobile network operators, but the number of installations delivered over the cloud, so called Managed Services and cloud-based solutions is increasing.

CLX believes that some of the most important trends and markets drivers include:

- Consolidation of software service providers to increase efficiency.
- Growth of MVNOs and new market entrants.
- Increasing focus on security and fraud prevention.
- Demand for ancillary services and complete service solutions.

The market for mobile operator software service providers is highly fragmented. CLX's competitors in this market include a wide range of players, from small, niche service providers to large companies such as Ericsson and Huawei. CLX believes it has a strong market position and that the Company provides a cost-efficient and flexible software platform to mobile operators. The Company has a long history in the market through the acquisition of Symsoft AB ("**Symsoft**"), which has provided software services since its foundation in 1989.



# Description of Mblox

*This section focuses primarily on Mblox's business prior to CLX's acquisition of Mblox. Due to CLX's acquisition of Mblox, the business of Mblox is broadened, see section "The new group". For more detailed information about CLX, see "Description of CLX."*

## Introduction

Mblox is a provider of application-to-person (A2P) mobile messaging services. Mblox was founded in 1999 and is one of the pioneers within the SMS industry. Mblox operates, as CLX's Enterprise division, on the enterprise cloud communications market.

Mblox's primary service offer is its online interface and API's for carrier-based mobile messaging services, utilised for A2P messaging between enterprises and mobile devices. The carrier-based mobile messaging services include both outbound and inbound SMS, enabling interactive two-way mobile communication. Mblox has a particularly strong service offering in the United States where Mblox has a full mobile messaging product offering.

Mblox has a broad customer base across several industries that request messaging services worldwide. The customer base includes several large blue-chip customers across different industries, such as internet companies, financial services and major media brands. Through its self-service online platform,

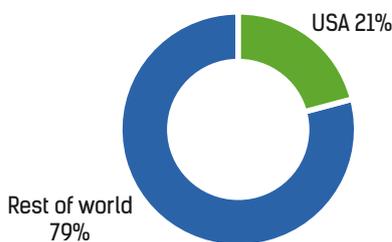
Mblox also targets customers within the small and medium sized business segment.

In June 2015, Mblox was recognised as one of only four Tier One providers in the world (together with CLX) and as the highest rated United States-based global provider, according to a survey of around 180 mobile network operators conducted by the Roaming Consulting Company. The survey measured mobile network operators' perceptions of enterprise SMS providers on more than 30 performance and leadership categories.

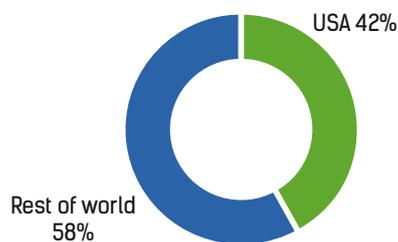
Mblox is headquartered in Atlanta, Georgia (United States), and operates on a global basis through offices in Campbell, California (United States), Canterbury (United Kingdom), London (United Kingdom), Lund (Sweden), Paris (France), Prague (Czech Republic), Stockholm (Sweden) and Sydney (Australia).

In 2015, Mblox had net sales of USD 140.4 million (audited) (SEK 1,184 million<sup>1)</sup>) and an adjusted EBITDA of USD 6.9 million (SEK 58 million<sup>1)</sup>). As of December 31 2015, Mblox had 188 employees and long-term hired consultants.

Net sales by region 2015



Gross profit by region 2015



<sup>1)</sup> Based on the average exchange rate during the period 1 January – 31 December 2015, amounting to 8.435 SEK per USD.

## History

Below is an overview of the most important milestones in Mblox's history.

- **1999:** Founded in London, United Kingdom.
- **2003:** Merged with MobileSys, a leading United States provider of enterprise SMS services, to form Mblox.
- **2010:** Acquired Mashmobile, a mobile application provider from Sweden, which provided Mblox with push notification technology and patents.
- **2013:** Divested its "Premium SMS"-services to become completely focused on Enterprise messaging.
- **2014:** Acquired Zoove and Card Board Fish; which broadened Mblox's reach and product offering.
- **2015:** Acquired the SMS business line of 4INFO, a United States mobile technology company.
- **2015:** Divested Zoove.
- **2016:** Completed the migration of customers to the new communications platform.

## Product offering

Mblox has a broad suite of products and solutions within enterprise cloud communications, primarily services related to mobile messaging, inbound numbers and number lookup. Particularly, in the United States, Mblox has a complete product offering within messaging services, including two-way SMS and Multimedia Messaging Services (MMS), HLR/MNP number lookup service, dedicated and shared numbers for SMS and MMS, 1-800 phone numbers and Free to End User (FTEU) phone numbers.

Mblox's products and solutions enable customers to design solutions which increase end-customer loyalty and drive sales. Typical use cases include services within logistics and supply chain, e-commerce, banking and travel. A few selected examples of such services are listed below.

- **Logistics and supply chain:** Mblox provides services that remind customers of when postal packages will be delivered and allows them to reschedule delivery if required.
- **E-commerce:** Mblox provides services allowing customers to access customer service, order status or discount vouchers that can be redeemed in-store. Mblox also provide two-factor authentication and verification messages enabling secure online shopping.
- **Banking:** Mblox provides services that enable daily bank balance notifications, fraud alerts and overdrawn account notifications.
- **Travel:** Mblox provides services that enable updates or information about the running of buses, trains, and planes or allow for the payment of tolls via SMS.

## Customers

Mblox has a broad customer base across several industries that use messaging services worldwide. The customer base consists of several blue-chip enterprises across different industries, such as internet companies, financial services and major media brands. Among the most notable clients in this category are L'Oreal, Genesys and Viber.

Mblox's customer base is well balanced across its core markets in the United States, Europe and Australia, combined with an expanding presence in Latin America and Central Asia. Mblox serves its customers directly or through value-added-resellers and application solution providers. For tier 1-customers Mblox deploys a traditional sales and support model to serve customers and the resellers serving the customers. Mblox has 10 offices around the world.

Mblox targets customers within the small and medium sized businesses segment (SMB) via an online self-service platform. The online self-service platform enables Mblox to cost-efficiently manage a large amount of customers generating small messaging volumes.

## Suppliers

In order to offer its customers network reach to mobile subscribers (end-customers), Mblox has connected its communications platform with mobile operators around the world. Similar to CLX, Mblox focuses on obtaining direct connections with major operators to be able to secure high quality of service and lowest possible delivery prices. Establishing direct relationships is typically a lengthy and complex process and the connections enable Mblox to offer a more reliable and secure network. At the end of 2015, Mblox had more than 100 direct connections with mobile operators globally (including a vast majority of all major operators in the United States and Western Europe).

## Communications platform

Mblox has in recent years invested significant resources in developing its communications platform, leading to substantial technical and operational improvements. The platform now entails an advanced set of API's, improved service levels and self-service capabilities which increase customer loyalty whilst lowering the cost to serve these customers.

Additionally, the development of the platform also addressed more advanced data security requirements typically required by large enterprise customers, facing demanding regulatory compliance rules regarding data protection, business continuity and security. In particular, customers facing firm Safe Harbor Standards for data residency will find the Mblox network and platform highly attractive due to data center locations ranging from the United States to the United Kingdom, Continental Europe and to Australia. These data centers are ISO27001, PCI and SOC3 compliant. The platform was finalised in the second half of 2016 and all customers have been migrated to the new platform.

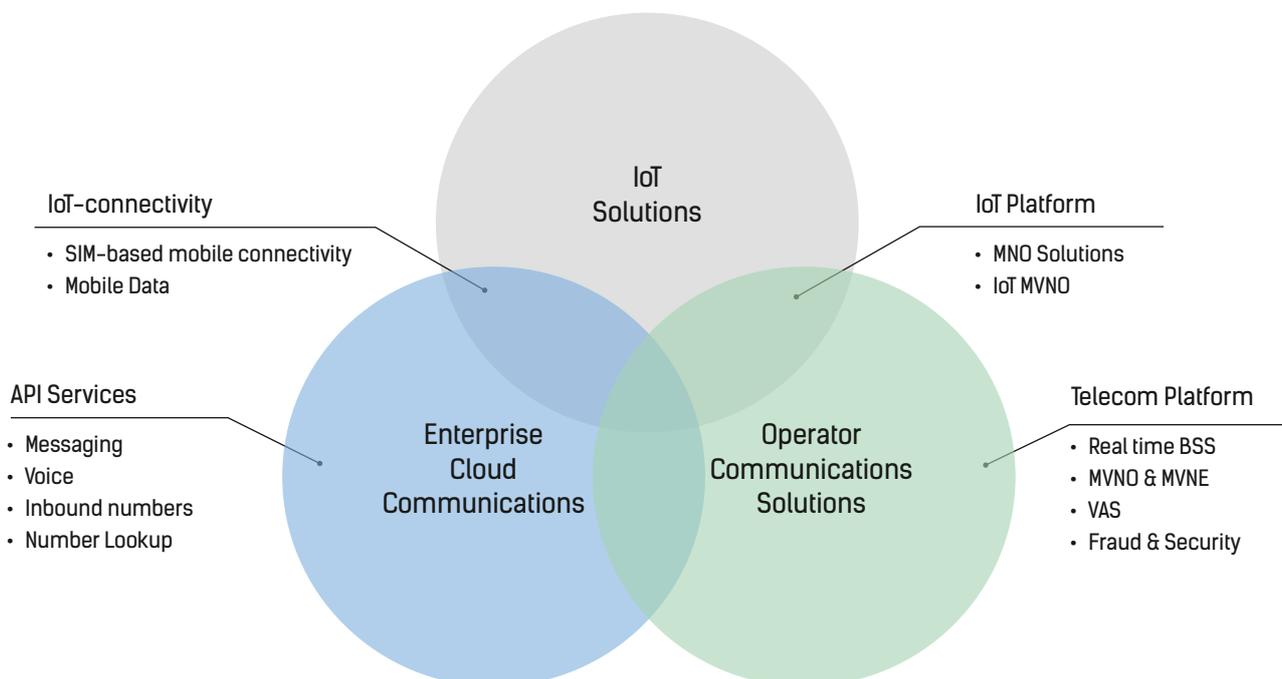
# Description of CLX

## Overview

CLX is a leading provider of cloud-based communications services to enterprises and communications solutions to mobile operators. CLX's internally developed software-based communications platform enables enterprises to quickly, securely and cost-effectively communicate globally with, and send business-critical information to, customers' and employees' mobile phones and connected things.

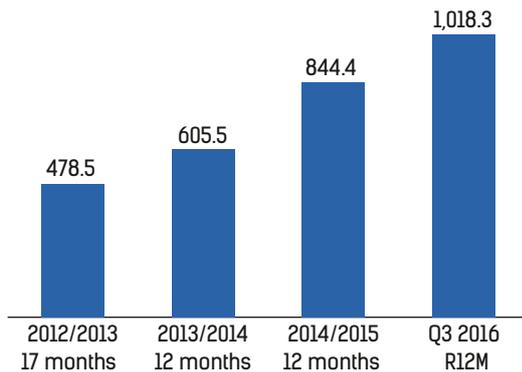
CLX operates through two business divisions, the Enterprise division, which primarily provides cloud-based communications services to enterprises, and the Operator division, which primarily provides software and service solutions to mobile operators for management of their communications. CLX Operator division operates under the brand Symsoft.

CLX is also active within the IoT. During the spring 2016, the Company initiated its commercial launch of mobile connectivity services for the IoT, which will continue throughout 2016. IoT within the Enterprise division includes services that help corporate customers to connect connected devices to mobile networks and enable management and control of connected devices and services globally in various networks. CLX's interfaces (APIs) enables the integration and mobile connectivity needed for companies to launch IoT services and solutions in a simple and efficient manner. Within CLX's Operator division the IoT offering includes a tailor made platform to effectively manage connected things in real time.

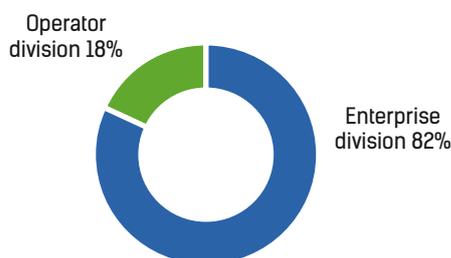


The Group has generated increased net sales each year since its inception in 2008 and achieved net sales of SEK 844.4 million in the financial year that ended 30 June 2015. The Company has grown profitably since its foundation. While organic growth has been the main driver of the Company's net sales development, CLX made three strategic acquisitions in 2009, 2014 and 2015 that positively impacted the Company's performance and growth. These acquisitions have been successfully integrated into the Company's operations.

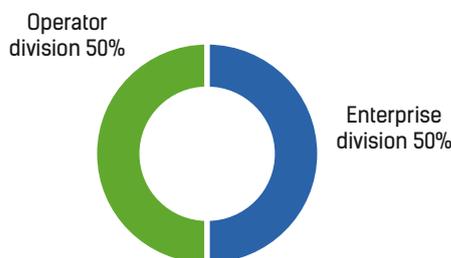
### Group net sales development (SEK million)<sup>1)</sup>



### Net sales per division R12M Q3 2015/2016<sup>2), 3)</sup>



### EBITDA per division R12M Q3 2015/2016<sup>4), 5)</sup>



### CLX history

- **2008:** CLX was founded by six entrepreneurs with experience from telecommunications and internet services.
- **2009:** CLX acquires Symsoft to strengthen its technology infrastructure and relationships with mobile operators. Symsoft provides software and services to mobile operators and have a communications platform through which CLX could deliver its communication services to companies.
- **2010:** The Swedish investment firm Neqst acquires a minority share in CLX. Neqst is today one of the largest shareholders in the Company.
- **2012:** CLX opens its 10th international office.
- **2014:** CLX acquires Voltari's messaging business in North America which enabled the Company to obtain strategically important direct relationships with leading mobile operators in both the United States and Canada, including AT&T and Verizon.
- **2015:** The Company acquires the majority of the shares in Caleo Technologies AB ("**Caleo Technologies**"), which expanded its portfolio of services and solutions for mobile operators. CLX also introduced its mobile connectivity services for the IoT, which enables connected things to connect to the internet through the various mobile operators that CLX has agreements with. Trial testing with customers commenced during the end of 2015. On 8 October, CLX Communications was introduced on the Nasdaq Stockholm Mid Cap.
- **2016:** The Company initiates its commercial launch of mobile connectivity services for IoT during spring 2016.

### Communications platform

CLX operates an internally developed software-based communications platform with capabilities to manage messaging, voice and mobile data traffic, which means that it is very reliable, with proven capacity, in environments requiring 99.999 percent availability. CLX handles all traffic generated from its enterprise customers in its Enterprise division through its communications platform. The same carrier-grade platform is also sold and used in mobile operators' businesses, hence it generates revenues to CLX's Operator division. This means that CLX uses the same infrastructure and technology, *i.e.* its communications platform, in both the Enterprise and Operator division, thus it can extract significant and attractive synergies, including economies of scale in research and development, support and operations as well as strong relationships and trust in the mobile operator community.

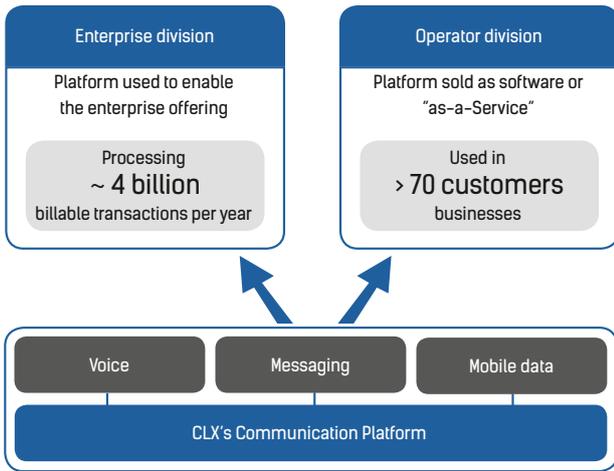
1) Audited for the financial years ended 30 June 2015, 2014 and 2013. Unaudited for R12M Q3 2016.

2) These percentages have been calculated by dividing the sum of the internal and external net sales for each respective division with CLX total net sales for the period, without adjustment for eliminations.

3) Unaudited.

4) These percentages have been calculated before group items and eliminations.

5) Unaudited.



The platform is modular and scalable, which enables flexibility in use while delivering extensive functionality. During 2015, the platform managed around 4 billion billable transaction from CLX's enterprise customers and it is used in more than 70 customers' (of which approximately 60 are mobile operators) businesses.

Via its communications platform, CLX offers its enterprise customers efficient direct reach to around 7 billion mobile subscribers and connected things worldwide. The communications platform is easily accessed through secure and flexible APIs. The Company has a significant number of direct relationships with mobile operators, and provides its enterprise customers with direct access to a global mobile network. This global mobile network together with the Company's communications platform, facilitate cost-effective, high-quality, secure and scalable enterprise cloud communications services and solutions. CLX's communications services can decrease the investments, costs and barriers associated with launching a global communications service for enterprises.

### Enterprise division

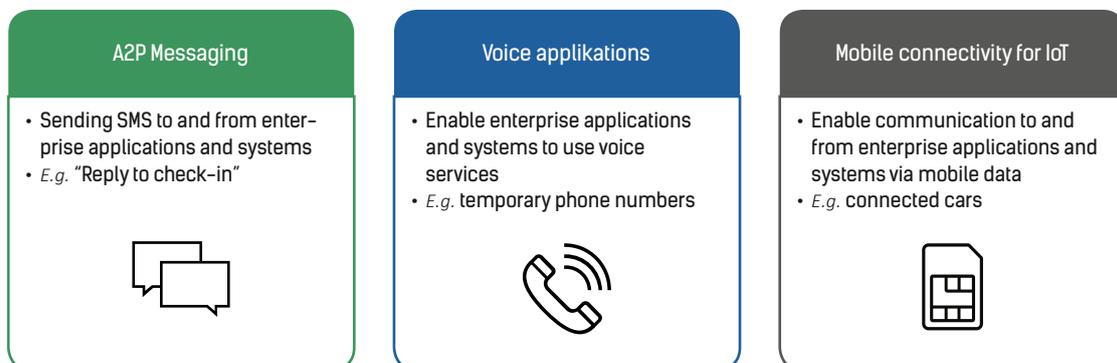
Through its Enterprise division, CLX offers enterprises cloud communications services and solutions, including A2P messaging, voice applications, and mobile connectivity services for IoT, which are all delivered through the Company's communications platform and enable enterprises to communicate with customers, employees and connected things around the world.

### Service offering

CLX's enterprise cloud communications services and solutions include:

- Mobile messaging services, Application-to-Person (A2P) messaging, mainly in the form of SMS, which enable enterprises to easily send and receive tailored text messages to and from their customers, employees and connected Things worldwide. This forms the core of CLX's service offering within the Enterprise division.
- Voice application services, enabling enterprises to connect incoming and outgoing voice calls to their applications and systems, via the cloud.
- Mobile connectivity services for IoT, which will enable connected things to easily connect to the internet regardless of their location. CLX's connectivity service for IoT is in the advanced stages of development. The Company has an agreement with a number of mobile operators around mobile connectivity for IoT and has signed the first contracts. CLX have developed its own SIM-cards<sup>1)</sup> based on multi IMSI (International Mobile Subscriber Identity, a unique number within telecommunications which is used to identify a mobile subscriber or a connected device). Ahead, CLX also look to offer solutions for integrated SIM. Today, a limited number of customers have been offered the solution for commercial validation. The customers who are now using the service represent a wide variety of application areas and geographical markets. CLX will gradually increase the number of customers and SIM-cards as all the functions and administrative support systems become fully validated. The Company believes that full commercial launch of mobile connectivity services for the IoT will take place during the second half of 2016.

### Global connectivity through all three major mobile communications channels



Source: CLX, IDC.

1) A subscriber identification module (SIM) is an integrated circuit which stores the subscriber's unique identity number (International Mobile Subscriber Identity).

## Customers

CLX's services and solutions primarily targets enterprises with large or expanding communication volumes in all industries and the Company has a diverse global customer base consisting of over 600 customers within the Enterprise division. CLX's enterprise customers, many of which are global blue-chip enterprises, operate across a broad range of industry sectors. Examples of customers include global enterprises, such as Air Canada and Microsoft as well as high growth technology companies, such as Truecaller and Boku. The Company's business model makes it possible for companies to pay for actual use, so called pay-as-you-go, instead of traditional business models with fixed monthly fees. The Company's revenues are generated by each transaction processed through its platform. Enterprise customers pay for services and solutions per SMS, per voice minute and for the mobile connectivity services for IoT, payment is made per megabyte of data. The business model offers CLX's customers scalability while decreasing their upfront investment requirements.

## Suppliers

In order to offer enterprise customers direct reach to mobile subscribers, CLX has connected its communications platform with mobile operators around the world. These connections include direct relationships and connections with mobile operators, indirect relationships with mobile operators and connectivity to mobile operator networks via local partners, *e.g.* other enterprise cloud communications providers. As of 31 December 2015, the Company had over 100 direct relationships with mobile operators around the world and the vast majority of CLX's traffic was routed through direct connections.

## Operator division

In the Operator division, CLX, via its brand Symsoft, offers mobile operators and other service providers the software and service solutions needed to manage many of their core services.

## Service offering

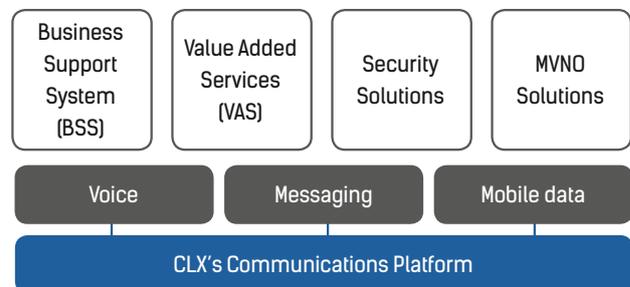
Through its internally developed communications platform, CLX Operator division provides software and service solutions to mobile operators worldwide. CLX Operator division provides advanced solutions and services for real time BSS, Value Added Services (VAS), MVNO-services, IoT-solutions and network security solutions. These solutions enable mobile operators to manage most of their core services, including SMS traffic and the billing of subscribers for the traffic they generate in the mobile networks. The wide range of software and service solutions available can also be combined to offer a full communication solution suite for voice, messaging and mobile data in a single platform, which can function as a full "operator in a box" service primarily offered to mobile virtual network operators (MVNOs). For these solutions mobile operators typically pay software license fees and service and support fees. Furthermore, CLX

increasingly offers its communications platform as a service, Platform-as-a-Service (PaaS), whereby CLX runs the platform and software on behalf of the customer and thereby generates a greater share of recurring service fees.

The platform is modular and scalable, which provides flexibility of use while delivering extensive functionality.

The key components and functionalities of the communications platform can be grouped into the following categories:

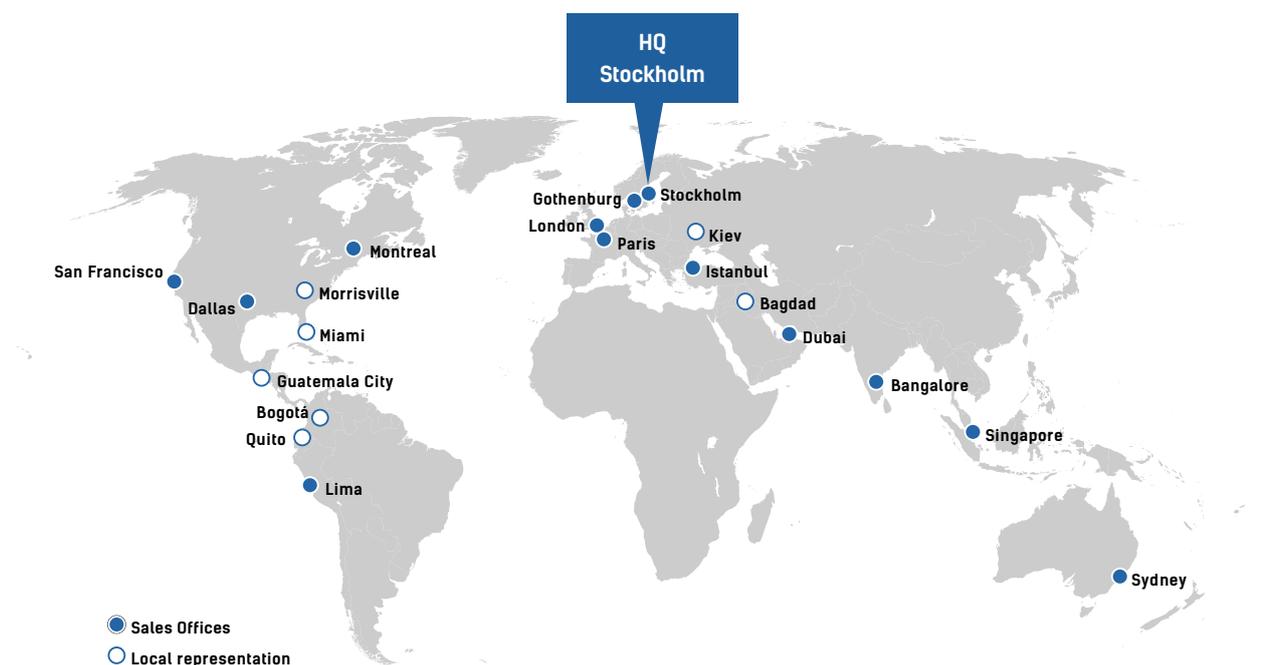
- **Real time – BSS:** Provides mobile operators and MVNOs with the components and opportunities they need to manage customer care, billing and create offers and campaigns, as well as information that provide insight into subscriber behavior.
- **Value Added Services (VAS):** CLX offers a consolidated solution for multiple value adding services based on its software platform. All messaging services, including SMS, MMS, USSD (Unstructured Supplementary Service Data) and voicemail, as well as a broad range of call completion services, such as Call Me, Call-back Roaming, Collect Call, Missed Call Alerts and Interactive Voice Response, are supported.
- **Security solutions:** CLX's security solutions secure availability of services, protect end-customer privacy and experience, and ensures revenues and legal compliance for mobile operators.
- **MVNO-solutions:** Software components from CLX's communications platform are offered together as a complete service offering with the functionality needed by MVNOs and smaller mobile operators to operate their businesses.



## Customers

Customers in the Operator division range in size from larger mobile operators with millions of subscribers to small mobile operators with tens of thousands of subscribers. The software and service solutions are currently used by over 70 customers (of which approximately 60 are mobile operators) in their respective businesses. Examples of customers within the Operator division are larger mobile network operators, such as Telia-Sonera, Vodafone, Telefónica, America Móvil, Millicom, Tele2 and 3.

CLX is headquartered in Stockholm, Sweden, and operates through 14 local sales offices and 50 sales representatives in 16 countries worldwide.



## Employees

For the nine month period that ended 31 March 2016, CLX had on average 154 full time employees, of which 121 were located in Sweden and 33 abroad.

As of 31 March 2016, CLX also had 40 consultants working for the Company, mainly within sales; 14 in Sweden, eight in America, 15 in Europe, one in Australia, one in Ukraine and one in the Middle East.

The table below shows the number of full time employees as of the indicated periods.

	31 March 2016 (9 months)	30 June 2015 (12 months)	30 June 2015 (12 months)	30 June 2015 (17 months)
Sweden	121	108	110	95
Canada	8	8	1	0
United Arab Emirates	12	10	11	8
United Kingdom	8	7	0	0
United States	5	5	4	4
<b>Total</b>	<b>154</b>	<b>138</b>	<b>126</b>	<b>107</b>

# The new group

On May 13, 2016, CLX announced that it had entered into a definitive merger agreement under which CLX will acquire its American competitor Mblox in a cash offer. The acquisition results in the expansion of CLX's operations in both existing and new geographies and entails significant cost and efficiency synergies.

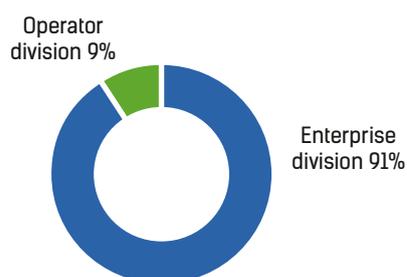
Through the acquisition, CLX strengthens its position as a leading provider of cloud-based communication services to enterprises and communication solutions to mobile operators, primarily within A2P-messaging services for enterprises. CLX's internally developed software-based communications platform enables enterprises to quickly, securely and cost-effectively communicate globally with, and send business-critical

information to, customers' and employees' mobile phones and connected things.

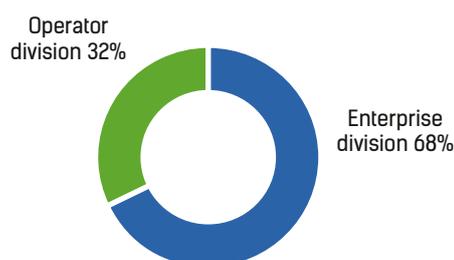
CLX operates through two complementary business divisions, the Enterprise division, which primarily provides cloud-based communications services to enterprises, and the Operator division, which primarily provides software and service solutions to mobile operators for management of their communications.

Through the acquisition, the Enterprise division will constitute an even larger part of the Company's operations. The graphs below show CLX's pro forma net sales and EBITDA during the twelve month period ending on 31 December 2015.

Combined net sales

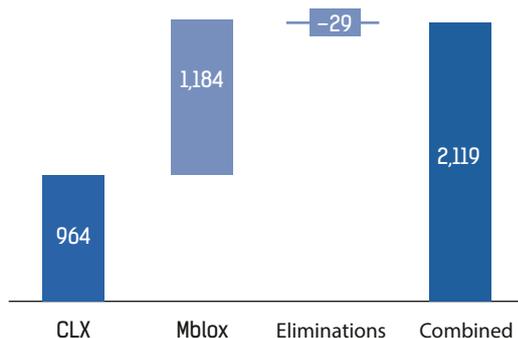


Combined adjusted EBITDA

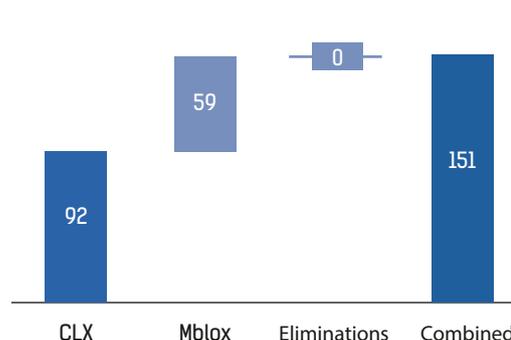


As a result of the transaction, CLX significantly increases its net sales and adjusted EBITDA. For the twelve month period ending on 31 December 2015, net sales increase from SEK 963.9 million to SEK 2,118.9 million, corresponding to an increase of 120 percent. During the same period, adjusted EBITDA increased from SEK 91.7 million to SEK 150.5 million, corresponding to an increase of 64 percent, excluding potential synergies of approximately SEK 80–90 million (corresponding to approximately USD 10 million). CLX's net sales for the twelve month period ending on 31 December 2015 have been reviewed by the Company's auditor. No other figures have been reviewed or audited. For more information and other financial information regarding the new group, see "Pro forma accounts".

Combined net sales calendar year 2015



Combined adjusted EBITDA calendar year 2015



## Transaction rationale

CLX believes that the strategic and financial motives supporting the acquisition are significant and that the merger will strengthen the Company's position as one of the global leaders within A2P-messaging for enterprises. The Company increases the number of direct connections to operators globally and strengthens its relationship with existing operators, which is vital in an industry with scale benefits. Both CLX and Mblox have a global reach with customers around the world, however with complementary geographical strengths. CLX's strong position in Europe is particularly complemented by Mblox's strong positions in the United States, the United Kingdom and Australia. Mblox has a large and attractive customer base with more than 900 enterprise customers and above 2,000 SME customers. Combined with CLX's more than 600 enterprise customers the new group will have a large and diversified customer base. Furthermore, the acquisition entails significant annual cost and efficiency synergies, see more under "Synergies". The new group's relationships with customers and operators around the world, specifically in the United States, are of strategic value and strengthens CLX's potential to succeed in its continued roll-out of the Company's mobile connectivity services within IoT.

The acquisition is in line with the strategy presented in conjunction with the initial public offering of the Company in October 2015:

- Strengthen the position within the A2P messaging market segment;
- Expansion in new geographies; and
- Complete strategic acquisitions and initiate the consolidation of the A2P-messaging industry.

## Synergies

The acquisition enables significant annual synergies of approximately USD 10 million, expected to be realised over a period of 24 months. The most important areas for estimated synergies are increased efficiency within sales and support organisations in Europe and the United States, as well as lower overhead and administrative expenses. The Company also sees clear scale benefits and believes that the transaction will enable significant cost reductions through consolidation of all messaging traffic to one technical platform as well as being able to leverage its strengthened position to reduce procurement costs of mobile connectivity and capacity. However, the Company has currently not included such effects in its synergy calculations.

## The combined operations

### Product offering

Despite to a large extent operating on the same market, the market for cloud-based enterprise communications, CLX's and Mblox's product offering complement each other well. CLX's voice communication services and mobile connectivity services for IoT are new services which will be offered to Mblox's existing customer base. Mblox's online-based self service-platform for SMEs fits CLX, which previously has been unable to manage such customers in a cost-efficient manner.

## Customer base

CLX's Enterprise division targets enterprises in all industries that request messaging services (including A2P messages, voice applications and mobile connectivity for the IoT) worldwide. The customer base within the Enterprise division has grown rapidly and consisted of approximately 600 enterprise customers before the acquisition of Mblox, including several blue-chip customers across different industries such as banking, technology and transportation. Examples of customers include global enterprises, such as Air Canada and Microsoft as well as high growth technology companies, such as Truecaller and Boku.

Mblox has a large and attractive customer base with more than 900 enterprise customers and above 2,000 SME customers. The customer base includes global companies such as L'Oréal, Genesys and Viber. Combined with CLX's more than 600 enterprise customers the new group will have a large and diversified customer base.

Mblox has, similar to CLX, a global customer base but compared to CLX a stronger market position in North America. The new customer base provides several opportunities to increase cross-selling of products and solutions, especially as CLX has a broader service offering, including voice application and IoT services, which Mblox has previously not been able to offer its customers.

Mblox's large amount of SME customers is a new type of customers for CLX and entails several interesting opportunities.

CLX's customer base within the Operator division is not directly affected by the acquisition of Mblox, however CLX will strengthen its relationship with several global mobile operators through the supplier relationship in the Enterprise division. Please see "Suppliers" below.

## Suppliers

CLX and Mblox both have supplier agreements with several mobile network operators for messaging and other services. Through direct connections to mobile networks, CLX provides its customers with direct access to a global network of mobile networks, and gives the Company the ability to provide its communications services at a competitive cost and helps to ensure high quality-of-service for its enterprise customers. Both CLX and Mblox focus on obtaining direct connections with major operators on the market to be able to secure competitive prices and high quality of service.

By acquiring Mblox, CLX gains access to a significant number of additional direct operator relationships and strengthens existing relationships through increased amounts of traffic, which is of great importance in an industry with scale benefits. CLX's improved relationship with mobile operators is expected to enable more secure, fast and cost-efficient delivery of messages and other traffic. The new group's expected substantial amount of direct relationships are anticipated to contribute to the success of the global offering of IoT mobile connectivity services, as the ability to provide broad mobile connectivity to connected things is dependent on the amount of networks CLX is connected to.

Furthermore, CLX believes that the new group will be able to leverage its stronger position to reduce purchasing costs for traffic and network capacity as CLX will be a larger company of bigger relevance and stronger position towards several operators.

### Communications platform

CLX operates an internally developed software-based communications platform with capabilities to manage messaging, voice and mobile data traffic, which means that it is very reliable, with proven capacity, in environments requiring 99.999 percent availability. CLX handles all traffic generated from its enterprise customers in its Enterprise division through its communications platform. The same carrier-grade platform is also sold and used in mobile operators' businesses and as such generates revenues to CLX's Operator division.

Mblox has recently made significant investments in developing a new communications platform for managing traffic. The new platform was launched in 2015 and by 2016 all customers had been migrated.

As of today, it is yet to be decided to what extent Mblox's communications platform will be utilised, however, Mblox's experience and knowledge of migrating customers between platforms are regarded as a large asset.

The Company believes that the acquisition over time will be able to generate cost-saving synergies through consolidating all messaging traffic to one technical platform.

### Strategy

CLX believes that the acquisition of Mblox is in line with the strategy presented in conjunction with the initial public offering of CLX in October 2015 and the Company will continue to pursue this strategy. CLX, together with Mblox, will continue to:

- Strengthen the position within the A2P messaging market segment.
- Develop the Company's service offering.
- Capture growth opportunities in the rapidly growing mobile connectivity for IoT market.
- Expand in new geographies.
- Develop and leverage its channel partnerships.
- Expand its Platform-as-a-Service offering.
- Make strategic acquisitions.

### Geographic footprint

CLX is headquartered in Stockholm and will through the acquisition expand its number of sales offices from 14 to 19 and have local presence in five additional countries, 19 in total, around the globe. Both CLX and Mblox aim to establish local presence when the volume of terminated traffic indicates large market potential and that a local sales office could be profitable. CLX will continue to pursue the same strategy to the time to come.

As described under "Synergies", increased efficiency within the sales and support organisation is one of the most important areas for the estimated synergies which are expected to be realised through the acquisition.

### Organisation and employees

CLX's executive management will after the acquisition still include the CEO, CFO, VP Corporate and Business Development, Head of Enterprise division and Head of Operator division. All positions are held by the same individuals as for the time of CLX's initial public offering during the autumn of 2015.

The average number of full time employees in CLX was as of 31 December 2015 151, of which 121 were located in Sweden and 30 abroad. As of 31 December 2015 CLX also worked with 37 consultants, primarily within sales, of which 27 operated in EMEA, 8 in America and 2 in APAC. The average number of full time employees in Mblox for the year ending 31 December 2015 was 171.

The table below outlines the average number of full time employees per region as of 31 December 2015 for CLX and Mblox.

Average number of full time employees as of 31 December 2015	CLX (Group)	Mblox	The new group
<i>Per region</i>			
EMEA	127.2	91.5	218.7
Americas	13.5	75.0	88.5
APAC	10.0	4.0	14.0
<b>Total</b>	<b>150.7</b>	<b>170.5</b>	<b>321.2</b>

Defined as average number of permanently employed during the period, including part-time employees re-calculated as FTEs.

### Organisational structure after the acquisition

No decisions have been made regarding the operational organisation's structure after the acquisition. Upon completion of the closing of the transaction, the new organisation will be formed over time. Mblox will be a part of CLX's Enterprise division.

# Pro forma accounts

## Background and purpose of pro forma accounts

On 13 May 2016, CLX announced that the Company has entered into an agreement to acquire the American corporation Mblox. The purchase price amounted to USD 117 million on a cash and debt free basis, financed partially through bank financing of approximately SEK 400 million and partially through the forthcoming Rights Issue of approximately SEK 624 million. As a result of the acquisition, CLX is significantly growing its business in the Enterprise Division in both new and existing geographical markets. The acquisition also provides opportunities for substantial cost and efficiency synergies.

The acquisition of Mblox is further expected to have significant impact on CLX's earnings and financial position. In order to show the financial effects of the acquisition, the following pro forma accounts have been prepared to illustrate the possible outcome of the CLX income statement for the period of 1 January–31 December 2015 if the acquisition of Mblox had been effective as of 1 January 2015, and of the CLX balance sheet if the acquisition of Mblox had been effective on 31 December 2015.

The pro forma accounts are solely for informational purposes and to illustrate facts and are intended to describe a hypothetical situation. Accordingly, the pro forma accounts do not necessarily provide any indication of CLX's actual earnings and financial position if the acquisition had been made during the reported period. Nor are the pro forma accounts intended to represent expected earnings or financial position for any future period or any point in time.

## Basis of the pro forma accounts

The pro forma accounts are based on CLX's unaudited rolling twelve months income statement for the period of January–December 2015, the unaudited balance sheet as of 31 December 2015 from CLX's internal accounting system and Mblox's audited annual accounts for 2015.

CLX applies IFRS, as adopted by the EU, while Mblox applies US GAAP. The pro forma accounts have been prepared in accordance with CLX's accounting policies. Effective 1 October 2015, CLX applies hedge accounting of currency forwards. The effect is recognised in "*Other Comprehensive Income*", rather than in profit and loss for the period. Otherwise, the recognition and measurement methods coincide with those applied in the annual report for 2014/2015. In preparing the pro forma accounts, CLX has analysed whether there are any significant differences between the accounting policies applied by CLX under IFRS and those applied by Mblox under US GAAP. CLX's assessment found no significant differences for the Company

that should be observed, other than the classification of a number of line items in the income statement.

The income statement for Mblox and the pro forma adjustments in the income statement have been restated at the exchange rate of 8.435 SEK per USD, which corresponds to the average exchange rate for the period of 1 January – 31 December 2015. The exchange rate of 8.3524 SEK per USD which is the closing day rate applied by CLX as of 31 December 2015, was used for the pro forma adjustments in the CLX balance sheet and for the Mblox balance sheet.

The pro forma adjustments have been made to reflect the impact of the acquisition of Mblox, the Rights Issue and the bank financing. The pro forma accounts have been prepared with the assumption that the bank loans raised by reason of the acquisition will be amortised, which entails quarterly amortisations except in the first year, when no amortisation is required under the loan agreement.

## Pro forma adjustments

### Acquisition

The acquisition of Mblox is expected to be completed in the beginning of July 2016. Consequently, it was not possible at this point in time to establish the fair value of the identifiable assets and liabilities acquired when preparing these pro forma accounts.

The acquisition is on a cash and debt free basis which entails adjustments in the pro forma balance sheet for derivative instruments, cash and cash equivalents and prepaid expenses regarding assets and for loans, other current liabilities and accrued expenses regarding liabilities.

Purchases and sales have taken place between CLX and Mblox amounting to SEK 29.4 million through January to December 2015. Per 31 December 2015 the outstanding amount for accounts receivable and accounts payable was SEK 1.7 million. These items have been eliminated in the pro forma income statement and balance sheet.

The difference between the cash consideration and Mblox's recognised net assets as of 31 December 2015 has been recognised as unallocated surplus values in the pro forma accounts. The cash consideration on a cash and debt free basis is estimated at USD 117 million, corresponding to SEK 977 million<sup>1)</sup>, which has been compared to Mblox's recognised net assets, excluding goodwill, on a cash and debt free basis, which amount to SEK 151 million, resulting in an unallocated surplus value of SEK 826 million.

Identifiable assets and liabilities will be recognised at fair value in the acquisition analysis that will be prepared as of the acquisition date. This may entail assigning different fair values to

1) Based on the exchange rate as at 31 December 2015, amounting to 8.3524 SEK per USD.

recognised tangible and intangible assets and new intangible assets may be identified. As a result, future earnings may be encumbered by significant depreciation and amortisation on these assets.

### Financing

As the acquisition of Mblox is on a debt free basis, Mblox's interest expenses during the period have been reversed. The reversal of interest expenses in Mblox has resulted in a positive effect of SEK 52.2 million before tax. Tax of 40 percent on the reversed amount has been taken into account.

Part of the new financing replaces the current financing, therefore only the difference amounting to SEK 393.4 million has been considered in the pro forma balance sheet, net of transaction cost of SEK 2.3 million. The entire loan has been classified as non-current since no amortisation is required during the first year. The transaction cost is recorded over three years and recognised as interest expense in the pro forma income statement and amounts, including the interest expense

according to the loan agreement, to SEK 10.0 million for the period January–December 2015. Tax of 22 percent has been taken into account for the new financing, as the loan has been raised in Sweden.

### Rights Issue

The issue proceeds in the pro forma accounts amount to SEK 620 million. Issue costs in the pro forma accounts amount to SEK 15 million before tax and have been recognised in the pro forma balance sheet as a reduction in equity, net after tax, of 22 percent.

### Transaction costs

Transaction costs related to the acquisition of SEK 20 million have been recognised in the pro forma balance sheet as a reduction in equity, net after tax, of 22 percent. Transaction costs have not been recognised in the pro forma income statement as these costs would have affected the income statement in an earlier period.

### Pro forma income statement

1 Jan – 31 Dec 2015 (12 months)			Pro forma adjustment			New group
	CLX Group	Mblox	Acquisition related adjustments <sup>1)</sup>	IFRS related adjustments <sup>2)</sup>	Effects of new financing <sup>3)</sup>	
	SEK million					
	IFRS	US GAAP				
Net sales	963.9	1,184.4	-29.4			2,118.9
Other operating income	18.7	–	–			18.7
Work performed by the entity and capitalised	6.9	–	–	22.1		29.1
Cost of goods sold and services	-676.0	-826.5	29.4			-1,473.1
Other external costs	-81.7	-106.4	–			-187.9
Personnel costs	-135.3	-192.7	–	-22.1		-350.2
Depreciation/amortisation of tangible and intangible assets	-5.9	-44.7	–	–		-50.6
Other operating expenses	-21.7	-0.7	–	-8.7		-31.1
<b>Operating profit</b>	<b>68.9</b>	<b>13.4</b>	<b>0.0</b>	<b>-8.7</b>	<b>0.0</b>	<b>73.8</b>
<i>Net finance income/expenses:</i>						
Profit from sale of subsidiary	–	7.7	–	–	–	7.7
Finance income	1.0	1.0	–	–	–	2.0
Finance expenses	-5.2	-60.9	52.2	8.7	-10.0	-15.2
<b>Profit/loss before tax</b>	<b>64.7</b>	<b>-38.8</b>	<b>52.2</b>	<b>0.0</b>	<b>-10.0</b>	<b>68.3</b>
Tax	-16.2	20.9	-20.9	–	2.2	-14.0
<b>Profit/loss for the period</b>	<b>48.5</b>	<b>-17.9</b>	<b>31.3</b>	<b>0.0</b>	<b>-7.8</b>	<b>54.3</b>
<b>Attributable to:</b>						
Owners of the parent	48.5	-17.9	31.3	0.0	-7.8	54.3
Non-controlling interests	0.0	–	–	–	–	0.0

Pro forma adjustment refer to the below and are all assumed to have a permanent effect:

- 1) Intra-group sales between CLX and Mblox of SEK 29.4 million, reversal of Mblox's interest expenses of SEK 52.2 million and tax effect of SEK 20.9 million as the acquisition is on a debt free basis.
- 2) Reclassification of capitalised personnel costs of SEK 22.1 million and operational exchange losses of SEK 8.7 million in accordance with CLX's accounting policies.
- 3) Interest expenses of SEK 10.0 million for new financing raised for partial financing of the acquisition and tax effect of SEK 2.2 million.

Pro forma balance sheet 31 December 2015

31 December 2015	Pro forma adjustment						
	CLX Group	Mblox	Acquisition related adjustments <sup>1)</sup>	Transaction costs <sup>2)</sup>	Effects of new financing <sup>3)</sup>	Effects of Rights Issue <sup>4)</sup>	New group
	IFRS	US GAAP	SEK million				
<b>ASSETS</b>							
<b>Non-current assets</b>							
Unallocated surplus value	–	–	825.9	–	–	–	825.9
Goodwill	56.7	148.9	–148.9	–	–	–	56.7
Capitalised product development expenses	11.2	53.7	–	–	–	–	64.9
Other intangible non-current assets	4.6	5.6	–	–	–	–	10.2
Tangible assets	5.2	36.8	–	–	–	–	42.0
Derivative instruments	0.6	4.5	–4.5	–	–	–	0.6
Deferred tax assets	0.2	86.0	–	–	–	–	86.2
Other non-current assets	2.8	6.8	–	–	–	–	9.6
<b>Total non-current assets</b>	<b>81.3</b>	<b>342.3</b>	<b>672.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1,096.1</b>
<b>Current assets</b>							
Inventories	0.3	–	–	–	–	–	0.3
Accounts receivable	164.9	215.7	–1.7	–	–	–	378.9
Current tax assets	7.7	2.2	–	–	–	3.3	13.2
Derivative instruments	4.2	–	–	–	–	–	4.2
Other receivables	9.2	11.5	–	–	–	–	20.7
Prepaid expenses and accrued income	48.2	38.0	–	–	–	–	86.2
Cash and cash equivalents	59.4	68.4	–1,045.6	–20.0	391.1	605.0	58.3
<b>Total current assets</b>	<b>293.9</b>	<b>335.8</b>	<b>–1,047.3</b>	<b>–20.0</b>	<b>391.1</b>	<b>608.3</b>	<b>561.8</b>
<b>TOTAL ASSETS</b>	<b>375.2</b>	<b>678.1</b>	<b>–374.8</b>	<b>–20.0</b>	<b>391.1</b>	<b>608.3</b>	<b>1,657.9</b>
<b>EQUITY AND LIABILITIES</b>							
Equity attributable to owners of the parent	68.5	–30.2	30.2	–20.0	–	608.3	656.8
Non-controlling interests	5.1	–	–	–	–	–	5.1
<b>Total equity</b>	<b>73.6</b>	<b>–30.2</b>	<b>30.2</b>	<b>–20.0</b>	<b>0.0</b>	<b>608.3</b>	<b>661.9</b>
<b>Non-current liabilities</b>							
Liabilities to credit institutions	39.8	175.5	–175.5	–	417.9	–	457.7
Other non-current liabilities	4.7	0.6	–	–	–	–	5.3
Derivative instruments	0.6	–	–	–	–	–	0.6
Deferred tax liabilities	8.2	15.8	–	–	–	–	24
<b>Total non-current liabilities</b>	<b>53.3</b>	<b>191.9</b>	<b>–175.5</b>	<b>0.0</b>	<b>417.9</b>	<b>0.0</b>	<b>487.6</b>
<b>Current liabilities</b>							
Liabilities to credit institutions	26.8	219.4	–219.4	–	–26.8	–	–
Advance payments from customers	1.1	2.2	–	–	–	–	3.3
Accounts payable	111.9	263.2	–1.7	–	–	–	373.4
Current tax liabilities	3.3	0.9	–	–	–	–	4.2
Derivative instruments	0.0	0.8	–	–	–	–	0.8
Other current liabilities	4.2	5.9	–3.8	–	–	–	6.3
Accrued expenses and prepaid income	101.0	24.0	–4.6	–	–	–	120.4
<b>Total current liabilities</b>	<b>248.3</b>	<b>516.4</b>	<b>–229.5</b>	<b>0.0</b>	<b>–26.8</b>	<b>0.0</b>	<b>508.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>375.2</b>	<b>678.1</b>	<b>–374.8</b>	<b>–20.0</b>	<b>391.1</b>	<b>608.3</b>	<b>1,657.9</b>

Pro forma adjustment refer to:

1) As the acquisition is on a cash and debt free basis, cash and cash equivalents of SEK 68.4 million, derivative instruments of SEK 4.5 million, liabilities to credit institutions of SEK 394.9 million and loan related liabilities of SEK 8.4 million have been adjusted. Difference between acquired net assets, excluding goodwill, of SEK 151.3 million and the cash consideration of SEK 977.2 million is recognized as unallocated surplus value of SEK 825.9 million. Elimination intra-group accounts receivable and accounts payable of SEK 1.7 million.

2) Transaction costs of SEK 20.0 million.

3) Difference between new and current financing of SEK 393.4 million, net of transaction costs of SEK 2.3 million. Reclassification current part of existing loan of SEK 26.8 million to non-current.

4) Rights Issue of SEK 620.0 million net after issue costs of SEK 15.0 million and tax effect of SEK 3.3 million.

## Auditor's Report on the pro forma financials

To the board of directors in CLX Communications AB (publ), corporate registration number 556882-8908

### The Auditor's Report on Pro Forma Financial Information

We have audited the pro forma financial information set out on pages 60–62 in CLX Communications AB (publ) prospectus dated 10 June 2016.

The pro forma financial information has been prepared for illustrative purposes only to provide information about how the acquisition of Mblox Incorporated might have affected the consolidated balance sheet for CLX Communications AB (publ) as of 31 December 2015 and the consolidated income statement for CLX Communications AB (publ) for the period 1 January 2015 up to and including 31 December 2015.

### The board of directors' responsibility

It is the board of directors' and the CEO's responsibility to prepare the pro forma financial information in accordance with the requirements of the Commission Regulation (EC) No 809/2004.

### The auditor's responsibility

It is our responsibility to provide an opinion required by Annex II item 7 of Prospectus Regulation 809/2004/EC. We are not responsible for expressing any other opinion on the pro forma financial information or of any of its constituent elements. In particular, we do not accept any responsibility for any financial information used in the compilation of the pro forma financial information beyond that responsibility we have for auditor's reports regarding historical financial information issued in the past.

### Work performed

We performed our work in accordance with FAR's Recommendation RevR 5 Examination of Prospectuses. This recommendation requires that we comply with FAR's ethical requirements and have planned and performed the audit to obtain reasonable assurance that the financial statements are free from material misstatements. The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the historical information, assessing the evidence supporting the pro forma adjustments and discussing the pro forma financial information with the management of the company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to obtain reasonable assurance that the pro forma financial information has been compiled on the basis stated on pages 60–62, and in accordance with the accounting principles applied by the company.

### Opinion

In our opinion the pro forma financial information has been properly compiled on the basis stated on pages 60–62 and in accordance with the accounting principles applied by the company.

Stockholm 10 June 2016

**Deloitte AB**

*Erik Olin*

Authorised public accountant

# Additional information

## Combined adjusted EBITDA (unaudited)

The following key figures, EBITDA and adjusted EBITDA, are not defined by IFRS. CLX understands that these and comparable measurements are used extensively by certain investors, securities analysts and other stakeholders as supplementary measurements of earnings growth. The key figures estimated by CLX are not necessarily comparable to key figures with similar designations as analytical tools.

The earnings of both CLX and Mblox were affected by extraordinary items in 2015. CLX's earnings were reduced by SEK 16.9 million in 2015 for costs related to the Company's initial public offering in October 2015. The adjustment is described in

greater detail in the section "Consolidated financial information for CLX". Mblox's earnings were reduced by SEK 0.5 million in 2015 for IFRS-related adjustments and non-recurring items. The adjustments are described in greater detail in the section "Consolidated financial information for Mblox".

The key figures reported below are illustrative only and do not reflect synergy effects, integration costs, transaction costs or depreciation/amortisation of surplus values as a result of the acquisition analysis. The combined figures are hypothetical and must not be regarded as pro forma.

The table below presents an overview based on the key figures:

1 January–31 December 2015 (12 months)	CLX (Group)		Mblox		Combined	
	USDk	SEkM	USDk	SEkM	USDk	SEkM
<b>Reported operating profit (EBIT)</b>	<b>8,165</b>	<b>68.9</b>	<b>1,584</b>	<b>13.4</b>	<b>9,749</b>	<b>82.3</b>
Depreciation and amortisation	698	5.9	5,278	44.7	5,976	50.6
<b>EBITDA</b>	<b>8,863</b>	<b>74.8</b>	<b>6,862</b>	<b>58.1</b>	<b>15,725</b>	<b>132.9</b>
CLX adjustments	2,011	16.9	–	–	2,011	16.9
Mblox adjustments	–	–	58	0.5	58	0.5
<b>Adjusted EBITDA</b>	<b>10,874</b>	<b>91.7</b>	<b>6,920</b>	<b>58.6</b>	<b>17,794</b>	<b>150.5</b>

# Consolidated financial information for CLX

The tables below present selected historical financial information derived from CLX's historical financial statements for the financial years that ended 30 June 2015, 2014 and 2013 which have been audited by the Company's auditors and prepared in accordance with IFRS as well as financial information derived from the Company's unaudited interim report for the period 1 July 2015–31 March 2016, which have been reviewed by the Company's auditors and prepared in accordance with IAS 34 Interim Financial Reporting.

In 2012, the Company resolved to extend its financial year to 30 June 2013. Accordingly, the audited consolidated historical financial statements for the financial year that ended 30 June 2013 (17 months) reflect the operations of the business for the period from 1 February 2012 to 30 June 2013. As a result, the audited consolidated historical financial statements for the financial year that ended 30 June 2013 are not directly comparable to the audited consolidated historical financial statements for the financial years that ended 30 June 2015 and 2014, and a period to period comparison of the Company's results of operations for the year that ended 30 June 2014 to 30 June 2013 is not meaningful.

The information below should be read in conjunction with the section "Comments to CLX's financial development".

## Condensed consolidated income statement

SEK million	1 July 2015 – 31 March 2016 (9 months) Unaudited	1 July 2014 – 31 March 2015 (9 months) Unaudited	1 July 2014 – 30 June 2015 (12 months) Audited	1 July 2013 – 30 June 2014 (12 months) Audited	1 Feb 2012 – 30 June 2013 (17 months) Audited
Net sales	783.9	610.0	844.4	605.5	478.5
Other operating income	15.4	24.7	29.6	13.8	19.2
Work performed by the entity and capitalised	9.7	2.4	3.3	3.8	5.8
Cost of goods sold and services	-560.3	-420.5	-592.5	-372.6	-252.6
Other external costs	-59.6	-41.5	-58.3	-40.4	-45.0
Personnel costs	-102.3	-87.6	-124.7	-102.3	-121.1
Depreciation/amortisation of tangible and intangible assets	-5.1	-3.0	-4.4	-2.0	-1.2
Other operating expenses	-20.1	-4.4	-8.6	-29.5	-20.9
<b>Operating profit</b>	<b>61.6</b>	<b>80.1</b>	<b>88.7</b>	<b>76.2</b>	<b>62.7</b>
Finance income	2.2	0.8	0.9	0.6	0.6
Finance expenses	-2.2	-17.7	-19.8	-32.8	-38.4
<b>Profit before tax</b>	<b>61.6</b>	<b>63.3</b>	<b>69.8</b>	<b>44.1</b>	<b>25.0</b>
Income tax expense	-14.0	-13.4	-16.8	-10.8	-7.7
<b>Profit for the period</b>	<b>47.6</b>	<b>50.0</b>	<b>52.9</b>	<b>33.3</b>	<b>17.2</b>
<b>Attributable to:</b>					
Owners of the parent	47.4	50.0	53.2	33.3	17.2
Non-controlling interests	0.3	0.0	-0.3	0.0	0.0

### Condensed consolidated balance sheet

SEK million	31 March 2016 Unaudited	31 March 2015 Unaudited	30 June 2015 Audited	30 June 2014 Audited	30 June 2013 Audited
<b>ASSETS</b>					
Goodwill	56.7	53.1	56.8	45.4	44.5
Other intangible non-current assets	19.2	9.0	9.1	9.0	5.6
Tangible non-current assets	5.1	1.4	4.7	1.7	1.4
Non-current financial assets	6.4	1.4	2.6	–	–
Deferred tax assets	–	4.4	0.2	4.4	0.8
<b>Total non-current assets</b>	<b>87.4</b>	<b>69.4</b>	<b>73.4</b>	<b>60.6</b>	<b>52.3</b>
Inventories	0.5	0.6	0.2	0.0	2.9
Other current receivables	259.9	167.8	189.6	192.2	164.4
Cash and cash equivalents	48.5	88.1	71.0	55.9	61.0
<b>Total current assets</b>	<b>308.9</b>	<b>256.5</b>	<b>260.7</b>	<b>248.1</b>	<b>228.3</b>
<b>TOTAL ASSETS</b>	<b>396.3</b>	<b>325.9</b>	<b>334.2</b>	<b>308.7</b>	<b>280.6</b>
<b>EQUITY AND LIABILITIES</b>					
Equity attributable to owners of the parent	85.8	–116.4	36.6	–128.3	–161.7
Non-controlling interests	5.1	1.2	4.9	–	–
<b>Total equity</b>	<b>90.9</b>	<b>–115.2</b>	<b>41.5</b>	<b>–128.3</b>	<b>–161.7</b>
Non-current liabilities, interest bearing	33.1	283.8	80.8	301.5	339.2
Non-current liabilities, non-interest bearing	10.0	12.0	13.4	7.3	6.2
<b>Total non-current liabilities</b>	<b>43.1</b>	<b>295.9</b>	<b>94.3</b>	<b>308.8</b>	<b>345.4</b>
Current liabilities, interest bearing	26.8	–	–	–	–
Current liabilities, non-interest bearing	235.5	145.3	198.5	128.3	96.9
<b>Total current liabilities</b>	<b>262.3</b>	<b>145.3</b>	<b>198.5</b>	<b>128.3</b>	<b>96.9</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>396.3</b>	<b>325.9</b>	<b>334.2</b>	<b>308.7</b>	<b>280.6</b>

### Condensed consolidated cash flow statement

SEK million	1 July 2015 – 31 March 2016 (9 months) Unaudited	1 July 2014 – 31 March 2015 (9 months) Unaudited	1 July 2014 – 30 June 2015 (12 months) Audited	1 July 2013 – 30 June 2014 (12 months) Audited	1 Feb 2012 – 30 June 2013 (17 months) Audited
Cash flow from operating activities	14.3	59.4	94.9	–5.1	46.6
Cash flow from investing activities	–15.5	–5.7	–9.8	13.5	14.4
Cash flow from financing activities	–21.1	–21.8	–70.2	–13.5	0.0
<b>Period's cash flow</b>	<b>–22.3</b>	<b>31.9</b>	<b>14.9</b>	<b>–5.1</b>	<b>61.0</b>
Cash and cash equivalents at the beginning of the period	71.0	55.9	55.9	61.0	0.1
Exchange differences in cash and cash equivalents	–0.2	0.3	0.2	0.1	–0.1
<b>Cash and cash equivalents at the end of the period</b>	<b>48.5</b>	<b>88.1</b>	<b>71.0</b>	<b>55.9</b>	<b>61.0</b>

Key information and data<sup>1)</sup>

SEK million	1 July 2015 – 31 March 2016 (9 months) Unaudited	1 July 2014 – 31 March 2015 (9 months) Unaudited	1 July 2014 – 30 June 2015 (12 months) Audited	1 July 2013 – 30 June 2014 (12 months) Audited	1 Feb 2012 – 30 June 2013 (17 months) Audited
Net sales <sup>2)</sup>	783.9	610.0	844.4	605.5	478.5
Gross profit <sup>2)</sup>	223.6	189.5	251.9	232.9	225.9
Gross margin (%) <sup>2)</sup>	28.5	31.1	29.8	38.5	47.2
EBITDA <sup>3)</sup>	66.7	83.1	93.1	78.3 <sup>4)</sup>	63.9 <sup>4)</sup>
EBITDA margin (%) <sup>3)</sup>	8.5	13.6	11.0	12.9 <sup>4)</sup>	13.4 <sup>4)</sup>
Operating profit (EBIT) <sup>3)</sup>	61.6	80.1	88.7	76.2 <sup>4)</sup>	62.7 <sup>4)</sup>
EBIT margin (%) <sup>3)</sup>	7.9	13.1	10.5	12.6 <sup>4)</sup>	13.1 <sup>4)</sup>
Profit after tax <sup>2)</sup>	47.6	50.0	52.9	33.3	17.2
Net margin (%) <sup>2)</sup>	6.1	8.2	6.3	5.5	3.6
Cash flow from operating activities <sup>2)</sup>	14.3	59.4	94.9	-5.1	46.6
Free cash flow <sup>2)</sup>	-1.2	53.7	85.1	8.3 <sup>4)</sup>	61.0 <sup>4)</sup>
Total assets <sup>2)</sup>	396.3	325.9	334.2	308.7	280.6
Total equity <sup>2)</sup>	90.9	-115.2	41.5	-128.3	-161.7
Net debt <sup>3)</sup>	11.4	195.8	9.8	245.6 <sup>4)</sup>	278.2 <sup>4)</sup>
Equity ratio (%) <sup>2)</sup>	22.9	-35.3	12.4	-41.6	-57.6
Average number of outstanding shares after dilution (thousand) <sup>2), 5)</sup>	32,432	30,000	30,033 <sup>4)</sup>	30,000	30,000
Earnings per share after dilution, (SEK) <sup>2), 5)</sup>	1.43	1.67	1.77	1.11	0.57
Equity per share, (SEK) <sup>2)</sup>	2.65	neg.	33.83	neg.	neg.
Average number of employees <sup>3)</sup>	154	136	138 <sup>4)</sup>	126 <sup>4)</sup>	107 <sup>4)</sup>

1) For definitions, please see the section "Forward-looking statements and presentation of financial and other information" under the headings "Definitions of financial measures and key figures" and "Non-IFRS financial measures".

2) Key indicators defined in accordance with IFRS.

3) Key indicators not defined in accordance with IFRS.

4) Unaudited.

5) With regard to the 30:1 share split that was conducted in August 2015.

## The following table provides EBITDA and adjusted EBITDA for the periods indicated:

SEK million	1 July 2015 – 31 March 2016 (9 months) Unaudited	1 July 2014 – 31 March 2015 (9 months) Unaudited	1 July 2014 – 30 June 2015 (12 months) Audited	1 July 2013 – 30 June 2014 (12 months) Audited	1 Feb 2012 – 30 June 2013 (17 months) Audited
<b>Reported operating profit (EBIT)</b>	<b>61.6</b>	<b>80.1</b>	<b>88.7</b>	<b>76.2</b>	<b>62.7</b>
Depreciation/amortisation of tangible and intangible assets	-5.1	-3.0	-4.4	-2.0	-1.2
<b>EBITDA</b>	<b>66.7</b>	<b>83.1</b>	<b>93.1</b>	<b>78.3</b>	<b>63.9</b>
Market listing costs	11.2	-	6.3	-	-
Recovered previously impaired receivables	-	-10.3	-10.3	7.9	2.4
<b>Adjusted EBITDA, unaudited</b>	<b>77.9</b>	<b>72.8</b>	<b>89.1</b>	<b>86.2</b>	<b>66.3</b>

## The following table provides EBIT and adjusted EBIT for the periods indicated:

SEK million	1 July 2015 – 31 March 2016 (9 months) Unaudited	1 July 2014 – 31 March 2015 (9 months) Unaudited	1 July 2014 – 30 June 2015 (12 months) Audited	1 July 2013 – 30 June 2014 (12 months) Audited	1 Feb 2012 – 30 June 2013 (17 months) Audited
<b>Reported operating profit (EBIT)</b>	<b>61.6</b>	<b>80.1</b>	<b>88.7</b>	<b>76.2</b>	<b>62.7</b>
Market listing costs	11.2	-	6.3	-	-
Recovered previously impaired receivables	-	-10.3	-10.3	7.9	2.4
<b>Adjusted EBIT, unaudited</b>	<b>72.8</b>	<b>69.8</b>	<b>84.7</b>	<b>84.1</b>	<b>65.1</b>

# Comments to CLX's financial development

The tables below present selected historical financial information derived from CLX's historical financial statements for the financial years that ended 30 June 2015, 2014 and 2013 which have been audited by the Company's auditors and prepared in accordance with IFRS as well as financial information derived from the Company's unaudited interim report for the period 1 July 2015–31 March 2016, which have been reviewed by the Company's auditors and prepared in accordance with IAS 34 Interim Financial Reporting.

In 2012, the Company resolved to extend its financial year to 30 June 2013. Accordingly, the audited consolidated historical financial statements for the financial year that ended 30 June 2013 (17 months) reflect the operations of the business for the period from 1 February 2012 to 30 June 2013. As a result, the audited consolidated historical financial statements for the financial year that ended 30 June 2013 are not directly comparable to the audited consolidated historical financial statements for the financial years that ended 30 June 2015 and 2014, and a period to period comparison of the Company's results of operations for the year that ended 30 June 2014 to 30 June 2013 is not meaningful.

The information below should be read in conjunction with the section "Consolidated financial information for CLX".

## Period on period comparison

### Selected consolidated income statement for the nine month period 1 July 2015 to 31 March 2016 compared to the nine month period 1 July 2014 to 31 March 2015

The table below sets forth the Company's condensed income statement and the period on period percentage change for the periods indicated.

	For the nine months ended		
	31 March 2016 Unaudited SEK million	Change (%)	31 March 2015 Unaudited SEK million
Net sales	783.9	28.5	610.0
Other operating income	15.4	-37.7	24.7
Work performed by the entity and capitalised	9.7	304.2	2.4
Cost of goods sold and services	-560.3	33.2	-420.5
Other external costs	-59.6	43.6	-41.5
Personnel costs	-102.3	16.8	-87.6
Depreciation/amortisation of tangible and intangible assets	-5.1	70.0	-3.0
Other operating expenses	-20.1	356.8	-4.4
<b>Operating Profit</b>	<b>61.6</b>	<b>-23.1</b>	<b>80.1</b>
Finance income	2.2	175.0	0.8
Finance expenses	-2.2	-87.6	-17.7
<b>Profit before tax</b>	<b>61.6</b>	<b>-2.7</b>	<b>63.3</b>
Income tax expense	-14.0	4.5	-13.4
<b>PROFIT FOR THE PERIOD</b>	<b>47.6</b>	<b>-4.8</b>	<b>50.0</b>

**Net sales**

The Company's net sales increased by SEK 173.9 million, or 28.5 percent, from SEK 610.0 million in the nine months that ended 31 March 2015 to SEK 783.9 million in the nine months that ended 31 March 2016. The increase was primarily due to increased organic growth in the Enterprise division.

**Net sales by division**

The table below sets forth the Company's external net sales from the two divisions and the period on period percentage change for the periods indicated.

	For the nine months ended		
	31 March 2016 Unaudited SEK million	Change (%)	31 March 2015 Unaudited SEK million
Enterprise division	651.5	27.5	510.8
Operator division	132.4	33.5	99.2
<b>Net sales<sup>1)</sup></b>	<b>783.9</b>	<b>28.5</b>	<b>610.0</b>

1) For the nine months ended 31 March 2016, the Enterprise division and the Operator division also generated internal revenue of SEK 0.7 million (2015: SEK 6.3 million) and SEK 2.6 million (2015: SEK 8.2 million), respectively, from the intercompany sale of software and services and shared services of these divisions. This internal revenue was eliminated from net sales reported for each respective period, and is not reflected in the net sales amounts of SEK 783.9 million and SEK 610.0 million for the twelve months ended 31 March 2016 and 2015, respectively.

**Enterprise division**

Net sales generated by the Enterprise division increased by SEK 140.7 million, or 27.5 percent, from SEK 510.8 million in the nine months that ended 31 March 2015 to SEK 651.5 million in the nine months that ended 31 March 2016. The increase was primarily due to increased sales to existing customers and that the Company has gained new customers during the period.

**Operator division**

Net sales generated by the Operator division increased by 33.2 million, or 33.5 percent from SEK 99.2 million in the nine months that ended 31 March 2015 to SEK 132.4 million in the nine months that ended 31 March 2016. The increase was primarily due to good growth of new customers as well as add-on projects for existing customers.

**Other operating income**

The Company's other operating income decreased by SEK 9.3 million, or 37.7 percent, from SEK 24.7 million in the nine months that ended 31 March 2015 to SEK 15.4 million in the nine months that ended 31 March 2016. The decrease was primarily due to lower operational exchange rate gains.

**Work performed by the entity and capitalised**

Work performed by the entity and capitalised increased by SEK 7.3 million, or 304.2 percent, from SEK 2.4 million in the nine months that ended 31 March 2015 to SEK 9.7 million in the nine months that ended 31 March 2016. The increase was primarily due to increased development efforts in the area of IoT.

**Cost of goods sold and services**

The Company's cost of goods sold and services increased by SEK 139.8 million, or 33.2 percent, from SEK 420.5 million in the nine months that ended 31 March 2015 to SEK 560.3 million in the nine months that ended 31 March 2016. As a percentage of the Company's net sales, cost of goods sold and services increased from 68.9 percent in the nine months that ended 31 March 2015 to 71.5 percent in the nine months that ended 31 March 2016. The increase was primarily due to increased traffic charges to mobile operators in the Enterprise division.

**Other external costs**

The Company's other external costs increased by SEK 18.1 million, or 43.6 percent, from SEK 41.5 million in the nine months that ended 31 March 2015 to SEK 59.6 million in the nine months that ended 31 March 2016. As a percentage of net sales, other external costs increased from 6.8 percent in the nine months that ended 31 March 2015 to 7.6 percent in the nine months that ended 31 March 2016. The increase was primarily related to costs for the Company's listing on the Nasdaq Stockholm and the Company's establishment of a Network Operations Center in Poland and a data center in the United States.

**Personnel costs**

The Company's personnel costs increased by SEK 14.7 million, or 16.8 percent, from SEK 87.6 million in the nine months that ended 31 March 2015 to SEK 102.3 million in the nine months that ended 31 March 2016. As a percentage of net sales, personnel costs decreased from 14.4 percent in the nine months that ended 31 March 2015 to 13.1 percent in the nine months that ended 31 March 2016. The decrease was primarily due to that transaction volumes within the Enterprise division does not depend on the number of employees, but can increase without a corresponding increase in staff.

**Depreciation/amortisation of tangible and intangible assets**

Depreciation/amortisation increased by SEK 2.1 million, or 70.0 percent, from SEK 3.0 million in the nine months that ended 31 March 2015 to SEK 5.1 million in the nine months that ended 31 March 2016. The increase was primarily due to increased capitalisation of development expenses and that some of these capitalised development expenses have now been deemed ready to start to be written off.

**Other operating expenses**

The Company's other operating expenses increased by SEK 15.7 million, or 356.8 percent, from SEK 4.4 million in the nine months that ended 31 March 2015 to SEK 20.1 million in the nine months that ended 31 March 2016. The increase was primarily due to higher operational currency exchange losses.

### Operating profit

Operating profit decreased by SEK 18.5 million, or 23.1 percent, from SEK 80.1 million in the nine months that ended 31 March 2015 to SEK 61.6 million in the nine months that ended 31 March 2016. The decrease was primarily caused by costs for the Company's listing on the Nasdaq Stockholm and currency exchange effects.

### Profit/loss from financial items

The Company's result from financial items increased by SEK 16.9 million, or N/A percent, from SEK -16.9 million in the nine months that ended 31 March 2015 to SEK 0 million in the nine months that ended 31 March 2016. The increase was primarily attributable to significantly lower interest costs compared to the previous year as loans from the Company's former parent company have been repaid and partially replaced by a bank loan with more favorable interest rate conditions as well as higher exchange rate gains.

### Income tax expense for the period

The Company's income tax expense for the period increased by SEK 0.6 million, or 4.5 percent, from SEK 13.4 million in the nine months that ended 31 March 2015 to SEK 14.0 million in the nine months that ended 31 March 2016. The increase primarily resulted from an increase in the Company's profit before tax in countries where the tax rate is higher.

### EBITDA

The Company's EBITDA decreased by SEK 16.4 million, or 19.7 percent, from SEK 83.1 million in the nine months that ended 31 March 2015 to SEK 66.7 million in the nine months that ended 31 March 2016. EBITDA is a non-IFRS measure and is not a substitute for any IFRS measure. Management uses this measure for many purposes in managing and directing the Company.

The table below sets forth the Company's EBITDA for each of its divisions and the period on period percentage change for the periods indicated.

	For the nine months ended		
	31 March 2016 Unaudited SEK million	Change (%)	31 March 2015 Unaudited SEK million
Enterprise division	35.9	-12.7	41.1
Operator division	46.1	10.6	41.7
Intra-group	-15.3	n/a	0.0
Eliminations	0.0	-100	0.3
<b>Total</b>	<b>66.7</b>	<b>-19.7</b>	<b>83.1</b>

### Enterprise division

The Enterprise division's EBITDA decreased by SEK 5.2 million, or 12.7 percent, from SEK 41.1 million in the nine months that ended 31 March 2015 to SEK 35.9 million in the nine months that ended 31 March 2016. The decrease was primarily caused by increased investments in new geographic markets, primarily France, Turkey and the United States, as well as a somewhat lower gross margin.

### Operator division

The Operator division's EBITDA increased by SEK 4.4 million, or 10.6 percent, from SEK 41.7 million in the nine months that ended 31 March 2015 to SEK 46.1 million in the nine months that ended 31 March 2016. The increase was primarily due to larger add-on projects for existing customers.

### Selected consolidated statement for the twelve month period 1 July 2014 to 30 June 2015 compared to the twelve month period 1 July 2013 to 30 June 2014

The table below sets forth the Company's condensed income statement and the period on period percentage change for the periods indicated.

	For the twelve months ended		
	30 June 2015 Audited SEK million	Change (%)	30 June 2014 Audited SEK million
Net sales	844.4	39.4	605.5
Other operating income	29.6	114.9	13.8
Work performed by the entity and capitalised	3.3	-13.6	3.8
Cost of goods sold and services	-592.5	59.0	-372.6
Other external costs	-58.3	44.2	-40.4
Personnel costs	-124.7	22.0	-102.3
Depreciation/amortisation of tangible and intangible assets	-4.4	117.1	-2.0
Other operating expenses	-8.6	-70.7	-29.5
<b>Operating Profit</b>	<b>88.7</b>	<b>16.3</b>	<b>76.2</b>
Finance income	0.9	39.1	0.6
Finance expenses	-19.8	-39.6	-32.8
<b>Profit before tax</b>	<b>69.8</b>	<b>-58.3</b>	<b>44.1</b>
Income tax expense	-16.8	56.3	-10.8
<b>PROFIT FOR THE PERIOD</b>	<b>52.9</b>	<b>59.0</b>	<b>33.3</b>

#### Net sales

The Company's net sales increased by SEK 238.9 million, or 39.4 percent, from SEK 605.5 million in the twelve months that ended 30 June 2014 to SEK 844.4 million in the twelve months that ended 30 June 2015. The increase was primarily caused by an increase in net sales generated by the Company's Enterprise division resulting from increased traffic volume. A reduction in traffic volume in certain markets limited the increase in total net sales somewhat.

#### Net sales by division

The table below sets forth the Company's external net sales from the two divisions and the period on period percentage change for the periods indicated.

	For the twelve months ended		
	30 June 2015 Audited SEK million	Change (%)	30 June 2014 Audited SEK million
Enterprise division	704.0	51.4	465.1
Operator division	140.4	-	140.4
<b>Net sales<sup>1)</sup></b>	<b>844.4</b>	<b>39.4</b>	<b>605.5</b>

1) For the twelve months ended 30 June 2015, the Enterprise division and the Operator division also generated internal revenue of SEK 7.8 million (2014: SEK 11.9 million) and SEK 14.3 million (2014: SEK 10.6 million), respectively, from the intercompany sale of software and services and shared services of these divisions. This internal revenue was eliminated from net sales reported for each respective period, and is not reflected in the net sales amounts of SEK 844.4 million and SEK 605.5 million for the twelve months ended 30 June 2015 and 2014, respectively.

#### Enterprise division

Net sales generated by the Enterprise division increased by SEK 238.9 million, or 51.4 percent, from SEK 465.1 million in the twelve months that ended 30 June 2014 to SEK 704.0 million in the twelve months that ended 30 June 2015.

The increase was primarily caused by a significant increase in traffic volume from many existing enterprise customers and new traffic volume from over 140 new enterprise customers. Traffic volume from these new customers comprised approximately 7.0 percent of the total traffic volume in the twelve months that ended 30 June 2015, and resulted from an increase in the Company's sales and marketing efforts and the opening of three new offices in the twelve months that ended 30 June 2015. Traffic volume from existing customers significantly increased and represented approximately 93 percent of the total traffic volume in the twelve months that ended 30 June 2015. The increase in traffic volume from existing customers was caused by general growth of the enterprise cloud communications market, successful upselling efforts of the Company and investments in the Company's sales organisation. Net sales also increased as a result of the impact of new services introduced by the Company during the twelve months that ended 30 June 2014. In addition, the increase in net sales resulted partly from a slight increase in the average price per unit charged by the Company. The increase was reduced in part by a reduction in traffic volume in certain markets.

#### Operator division

Net sales generated by the Operator division remained stable and amounted to SEK 140.4 million in the twelve months that ended 30 June 2014 and 30 June 2015 respectively. The Operator division continued to generate net sales from new customers and continued to shift its revenue streams and focus to more diversified and recurring revenue streams, including a broader offering based on the acquisition of Caleo Technologies. For example, the Company began offering additional Managed Services to customers during the twelve months that ended 30 June 2015.

**Other operating income**

The Company's other operating income increased by SEK 15.8 million, or 114.8 percent, from SEK 13.8 million in the twelve months that ended 30 June 2014 to SEK 29.6 million in the twelve months that ended 30 June 2015. The increase was primarily related to the recovery of bad debts and was also caused by positive currency effects on accounts receivable and accounts payable, as well as from forward foreign exchange contracts.

**Work performed by the entity and capitalised**

Work performed by the entity and capitalised decreased by SEK 0.5 million, or 13.6 percent, from SEK 3.8 million in the twelve months that ended 30 June 2014 to SEK 3.3 million in the twelve months that ended 30 June 2015. The decrease was primarily caused by the Company's focus on its development efforts with customers, which are not included under work performed by the entity and capitalised.

**Cost of goods sold and services**

The Company's cost of goods sold and services increased by SEK 219.9 million, or 59.0 percent, from SEK 372.6 million in the twelve months that ended 30 June 2014 to SEK 592.5 million in the twelve months that ended 30 June 2015. As a percentage of the Company's net sales, cost of goods sold and services increased from 60.2 percent in the twelve months that ended 30 June 2014 to 67.8 percent in the twelve months that ended 30 June 2015.

The increase in cost of goods sold and services was primarily caused by an overall increase in customer traffic volumes, as the Company was required to purchase more network capacity from mobile operators in order to meet the demands of its enterprise customers, and by an increase in traffic terminated via mobile operators with whom the Company has an indirect relationship. For example, the share of traffic volume terminated in the Middle Eastern and Latin American markets, where the Company has fewer direct relationships with mobile operators, increased for the twelve months that ended 30 June 2015 as compared to the twelve months that ended 30 June 2014.

An improvement of the Company's routing efficiencies had a positive effect on cost of goods sold and services. In addition, a decrease in the share of traffic volume terminated in the European market, where costs relating to the purchase of network capacity are generally higher than in other markets and an increase in the share of traffic volume terminated in North America, where the Company has a direct relationship with certain key mobile operators, both contributed positively to cost of goods sold and services.

Gross margin decreased by approximately 8 percent, primarily due to significant growth of the Enterprise division, which has lower gross margin than the Operator division. In addition, the gross margin within the Enterprise division decreased from 25.1 percent in the twelve months that ended 30 June 2014 to 18.6 percent in the twelve months that ended 30 June 2015, primarily driven by an increase in volumes from a limited group of large

customers that use CLX as a Managed Service provider or for targeted purposes rather than as a complete solutions provider. In addition, the gross margin within the Enterprise division decreased due to an increase in the share traffic terminated domestically and a decrease in the share of inter-national traffic, as well as a minor increase in the average cost per unit during the period. For the year that ended 30 June 2015, the majority of traffic terminated by CLX was international traffic and the minority of traffic terminated by CLX was domestic traffic.

**Other external costs**

The Company's other external costs increased by SEK 17.9 million, or 44.2 percent, from SEK 40.4 million in the twelve months that ended 30 June 2014 to SEK 58.3 million in the twelve months that ended 30 June 2015. As a percentage of net sales, other external costs increased slightly from 6.7 percent in the twelve months that ended 30 June 2014 to 6.9 percent in the twelve months that ended 30 June 2015.

The increase in other external costs was primarily caused by the Company's geographic expansion and the opening of three new offices in the twelve months that ended 30 June 2015. The Company expanded with new offices and/or new arrangements with sales representatives in Gothenburg (Sweden), Miami (United States), Kiev (Ukraine) and Bangalore (India), in the twelve months that ended 30 June 2015.

**Personnel costs**

The Company's personnel costs increased by SEK 22.5 million, or 22.0 percent, from SEK 102.3 million in the twelve months that ended 30 June 2014 to SEK 124.7 million in the twelve months that ended 30 June 2015. As a percentage of net sales, personnel costs decreased from 16.9 percent in the twelve months that ended 30 June 2014 to 14.8 percent in the twelve months that ended 30 June 2015.

The increase in personnel costs was caused by the expansion of the Company's workforce as a result of the Company's geographic expansion, including the opening of three new offices, in the twelve months that ended 30 June 2015. In addition, the increase resulted from higher incentive payments to employees in the Company's sales and marketing team in the twelve months that ended 30 June 2015 as compared to the twelve months that ended 30 June 2014.

**Depreciation/amortisation of tangible and intangible assets**

Depreciation/amortisation increased by SEK 2.4 million, or 117.1 percent, from SEK 2.0 million in the twelve months that ended 30 June 2014 to SEK 4.4 million in the twelve months that ended 30 June 2015. The increase primarily resulted from the fact that the Company capitalised research and development expenses during the financial year. The majority of the depreciation and amortisation consisted of amortisation relating to the Company's intangible assets, including its software copyrights, and depreciation relating to its tangible fixed assets, including its server facilities and internal data systems.

### Other operating expenses

Other operating expenses decreased by SEK 20.9 million, or 70.7 percent, from SEK 29.5 million in the twelve months that ended 30 June 2014 to SEK 8.6 million in the twelve months that ended 30 June 2015. The decrease was primarily caused by the recovery of bad debts. Furthermore, the decrease was partly caused by lower currency exchange losses on accounts receivable and accounts payable, as well as a decrease in the amount of losses on forward foreign exchange contracts.

### Operating profit

The Company's operating profit increased by SEK 12.3 million, or 16.3 percent, from SEK 76.2 million in the twelve months that ended 30 June 2014 to SEK 88.7 million in the twelve months that ended 30 June 2015. The increase was caused primarily by an increase in operating profit generated by the Operator division, offset by a slight decrease in operating profit generated by the Enterprise division.

### Profit from financial items

The Company's net loss from financial items decreased by SEK 13.2 million, or 41.2 percent, from SEK -32.2 million in the twelve months that ended 30 June 2014 to SEK -18.9 million in the twelve months that ended 30 June 2015. The decrease in financial expenses was primarily attributable to a decrease in the interest charged (from 10 percent to 3 percent) on the Company's loan from the Company's ultimate parent company.

### Income tax expense

The Company's income tax expense for the period increased by SEK 6.1 million, or 56.3 percent, from SEK 10.8 million in the twelve months that ended 30 June 2014 to SEK 16.8 million in the twelve months that ended 30 June 2015. The increase primarily resulted from an increase in the Company's profit before tax in the twelve months that ended 30 June 2015 as compared to the twelve months that ended 30 June 2014. The Company's effective tax rate decreased slightly from 24.4 percent in the twelve months that ended 30 June 2014 to 24.1 percent in the twelve months that ended 30 June 2015, primarily due to a higher percentage of profit being taxed in Sweden, where corporate tax rates are lower than in certain other jurisdictions in which the group operates.

### EBITDA

The Company's EBITDA increased by SEK 14.9 million, or 19.0 percent, from SEK 78.3 million in the twelve months that ended 30 June 2014 to SEK 93.1 million in the twelve months that ended 30 June 2015. EBITDA is a non-IFRS measure and is not a substitute for any IFRS measure. Management uses this measure for many purposes in managing and directing the Company.

The table below sets forth the Company's EBITDA for each of its divisions and the period on period percentage of change for the periods indicated.

	For the twelve months ended		
	30 June 2015 Audited SEK million	Change (%)	30 June 2014 Audited SEK million
Enterprise division	54.4	-1.1	55.0
Operator division	45.0	93.2	23.3
Intra-group	-6.3	n/a	0.0
Eliminations	0	-	0.0
<b>Total</b>	<b>93.1</b>	<b>19.0</b>	<b>78.3</b>

### Enterprise division

Enterprise division's EBITDA decreased by SEK 0.6 million, or 1.1 percent, from SEK 55.0 million in the twelve months that ended 30 June 2014 to SEK 54.4 million in the twelve months that ended 30 June 2015. The decrease in EBITDA was primarily caused by an increase in expenses relating to cost of goods sold and services resulting from increased traffic volume and the Company's geographic expansion.

### Operator division

The Operator division's EBITDA increased by SEK 21.7 million, or 93.2 percent, from SEK 23.3 million in the twelve months that ended 30 June 2014 to SEK 45.0 million in the twelve months that ended 30 June 2015. The increase in EBITDA was primarily caused by an increase in net sales generated by the Operator division resulting from an increase in customers and demand for the division's software and services, as well as decreasing personnel costs within the division. The recovery of bad debts also contributed positively to the Operator division's EBITDA.

### Selected consolidated income statement for the twelve months that ended 30 June 2014 compared to the twelve months that ended 30 June 2013

In 2012, the Company resolved to extend its financial year to 30 June 2013. Accordingly, the audited consolidated financial historical statements for the financial year that ended 30 June 2013 reflect the operations of the business for the period from 1 February 2012 to 30 June 2013. As a result, the audited consolidated historical financial statements for the financial year that ended 30 June 2013 are not directly comparable to the audited consolidated financial statements for the financial years that ended 30 June 2015 and 2014, and a period to period comparison of the Company's results of operations for the year that ended 30 June 2014 to 30 June 2013 is not meaningful. The Company prepared selected audited consolidated historical financial information for the 12 months that ended 30 June 2013 to facilitate the comparison of the Company's results in such period with its operations for the year that ended 30 June 2014.

Set forth below is a comparison of the Company's net sales, work performed by the entity and capitalised, cost of goods sold and services, other costs and EBITDA, for the twelve months that ended 30 June 2014 compared to the twelve months that ended 30 June 2013. The financial information for the twelve months that ended 30 June 2013 as set forth in the table below is included as supplementary information to the audited consolidated historical financial information for the 17-months that ended 30 June 2013.

	For the twelve months ended		
	30 June 2014 Audited SEK million	Change (%)	30 June 2013 Audited SEK million
Net sales	605.5	45.6	416.0
Other operating income	13.8	-8.7	15.1
Work performed by the entity and capitalised	3.8	-7.9	4.2
Cost of goods sold and services	-372.6	67.4	-222.6
Other expenses <sup>1)</sup>	-172.2	13.1	-152.2
<b>EBITDA</b>	<b>78.3</b>	<b>29.5</b>	<b>60.5</b>

1) Other expenses include other external costs, personnel costs and other operating expenses.

### Net sales

The Company's net sales increased by SEK 189.5 million, or 45.6 percent, from SEK 416.0 million in the twelve months that ended 30 June 2013 to SEK 605.5 million in the twelve months that ended 30 June 2014.

The increase was primarily caused by an increase in net sales generated by the Company's Enterprise division resulting from an increase traffic volume. The increase was partly offset by a change in the average price per unit and a reduction in traffic volume to some markets, as well as an increase in eliminations during the twelve months that ended 30 June 2014.

### Net sales by division

The table below sets forth the Company's external net sales for each of its divisions and the period on period percentage of change for the periods indicated.

	For the twelve months ended		
	30 June 2014 Audited SEK million	Change (%)	30 June 2013 Audited SEK million
Enterprise division	465.1	68.3	276.4
Operator division	140.4	0.6	139.6
<b>Net sales<sup>1)</sup></b>	<b>605.5</b>	<b>45.6</b>	<b>416.0</b>

1) For the twelve months ended 30 June 2014, the Enterprise division and the Operator division also generated internal revenue of SEK 11.9 million (2013: SEK 11.1 million) and SEK 10.6 million (2013: SEK 5.5 million), respectively, from the intercompany sale of software and services and shared services of these divisions. This revenue was eliminated from net sales reported for each respective period, and is not reflected in the net sales amounts of SEK 605.5 million and SEK 416.0 million for the twelve months ended 30 June 2014 and 2013, respectively.

### Enterprise division

Net sales generated by the Enterprise division increased by SEK 188.7 million, or 68.3 percent, from SEK 276.4 million in the twelve months that ended 30 June 2013 to SEK 465.1 million in the twelve months that ended 30 June 2014.

The increase was primarily caused by a significant increase in traffic volume from existing enterprise customers and new traffic volume from over 120 new enterprise customers. Traffic volume from these new customers comprised approximately 6 percent of the total traffic volume in the twelve months that ended 30 June 2014, and resulted from an increase in the Company's sales and marketing efforts and the opening of five new offices in the twelve months that ended 30 June 2014. Traffic volume from existing customers significantly increased and represented approximately 94 percent of the total traffic volume in the twelve months that ended 30 June 2014. The increase in traffic volume from existing customers was caused by general growth of the enterprise cloud communications market investments in the Company's sales organisation. Net sales also increased as a result of the introduction of new services by the Company during the twelve months that ended 30 June 2014, such as number lookup and long number services. The increase in net sales was partly offset by a reduction in traffic volume to some markets.

### Operator division

Net sales generated by the Operator division increased by SEK 0.8 million, or 0.6 percent, from SEK 139.6 million in the twelve months that ended 30 June 2013 to SEK 140.4 million in the twelve months that ended 30 June 2014.

The increase was primarily caused by an increase in the number of customers and as a result of the Company's shift to focus on more diversified and recurring revenue streams. For example, the Operator division experienced an increase in net sales generated by support fees and revenue sharing contracts in the twelve months that ended 30 June 2014 as compared to the twelve months that ended 30 June 2013.

### Other operating income

The Company's other operating income decreased by SEK 1.3 million, or 8.7 percent, from SEK 15.1 million in the twelve months that ended 30 June 2013 to SEK 13.8 million in the twelve months that ended 30 June 2014. The decrease was primarily caused by negative currency effects on accounts receivable and accounts payable, as well as from forward foreign exchange contracts.

### Work performed by the entity and capitalised

Work performed by the entity and capitalised decreased by SEK 0.3 million, or 7.9 percent, from SEK 4.2 million in the twelve months that ended 30 June 2013 to SEK 3.8 million in the twelve months that ended 30 June 2014. The decrease was primarily caused by the Company's focus on its development efforts with customers, which are not included under work performed by the entity and capitalised.

### Cost of goods sold and services

The Company's cost of goods sold and services increased by SEK 150.1 million, or 67.4 percent, from SEK 222.6 million in the twelve months that ended 30 June 2013 to SEK 372.6 million in the twelve months that ended 30 June 2014. The increase in cost of goods sold and services was primarily caused by an overall increase in customer traffic volumes, as the Company was required to purchase more network capacity from mobile operators in order to meet the demands of its enterprise customers. In addition, the increase was caused by an increase in the percentage of traffic terminated via mobile operators with whom the Company has an indirect relationship. For example, the share of traffic volume terminated in the Australian, Middle Eastern and Latin American markets, where the Company has fewer direct relationships with mobile operators, increased for the twelve months that ended 30 June 2014 as compared to the twelve months that ended 30 June 2013.

An improvement in the Company's routing efficiencies resulting from continued investment in, and development of, its routing platform had a positive impact on cost of goods sold and services. For example, the Company established access to various databases to aid in number portability resolution, which increased its ability to determine the appropriate mobile operator through which to send traffic. The increase in cost of goods sold and services was also partly offset by a decrease in the share of traffic volume terminated in the European market, where costs relating to the purchase of network capacity are generally higher than in other markets, for the twelve months that ended 30 June 2014 as compared to the twelve months that ended 30 June 2013.

### Other expenses

The Company's other expenses increased by SEK 20.0 million, or 13.1 percent, from SEK 152.2 million in the twelve months that ended 30 June 2013 to SEK 172.2 million in the twelve months that ended 30 June 2014. The increase in other expenses was primarily caused by expenses relating to the geographic expansion of the Company. For example, the Company opened five new offices in the twelve months that ended 30 June 2014 and personnel costs increased as a result of the expansion of the Company's workforce and the 2014 acquisition of Voltari's messaging business in North America, which included 11 employees. The increase also resulted from an increase in incentive payments to employees in the Company's sales and marketing team in the twelve months that ended 30 June 2014 as compared to the twelve months that ended 30 June 2013.

### EBITDA

The Company's EBITDA increased by SEK 17.8 million, or 29.5 percent, from SEK 60.5 million in the twelve months that ended 30 June 2013 to SEK 78.3 million in the twelve months that ended 30 June 2014. EBITDA is a non-IFRS measure and is not a substitute for any IFRS measure. Management use this measure for many purposes in managing and directing the Company.

The table below sets forth the Company's EBITDA for each of its divisions and the period on period percentage of change for the periods indicated.

	For the twelve months ended		
	30 June 2014 Audited SEK million	Change (%)	30 June 2013 Audited SEK million
Enterprise division	55.0	28.6	42.8
Operator division	23.3	31.7	17.7
Intra-group	0.0	200.0	0.0
Eliminations	0.0	—	0.0
<b>Total</b>	<b>78.3</b>	<b>29.5</b>	<b>60.5</b>

#### Enterprise division

Enterprise division's EBITDA increased by SEK 12.2 million, or 28.6 percent, from SEK 42.8 million in the twelve months that ended 30 June 2013 to SEK 55.0 million in the twelve months that ended 30 June 2014. The increase was primarily caused by an increase in net sales generated by the Enterprise division resulting from a significant increase in traffic volume from new and existing enterprise customers. The increase was offset in part by an increase in expenses relating to cost of goods sold and services.

#### Operator division

The Operator division's EBITDA increased by SEK 5.6 million, or 31.7 percent, from SEK 17.7 million in the twelve months that ended 30 June 2013 to SEK 23.3 million in the twelve months that ended 30 June 2014. The increase was primarily caused by an increase in net sales generated by the Operator division resulting from an increase in customers and demand for the division's software and services.

## Cash flows

The following table sets forth the principal components of the Company's cash flows for the twelve months that ended 31 March 2016 and 2015 respectively and the twelve months that ended 30 June 2015 and 2014 respectively and the seventeen months that ended 30 June 2013.

SEK million	1 July 2015 – 31 March 2016 (9 months) Unaudited	1 July 2014 – 31 March 2015 (9 months) Unaudited	1 July 2014 – 30 June 2015 (12 months) Audited	1 July 2013 – 30 June 2014 (12 months) Audited	1 Feb 2012 – 30 June 2013 (17 months) Audited
Cash flow from operating activities	14.3	59.4	94.9	-5.1	46.6
Cash flow from investing activities	-15.5	-5.7	-9.8	13.5	14.4
Cash flow from financing activities	-21.1	-21.8	-70.2	-13.5	0.0
<b>Cash flow for the period</b>	<b>-22.3</b>	<b>31.9</b>	<b>14.9</b>	<b>-5.1</b>	<b>61.0</b>
Cash and cash equivalents at the beginning of the period	71.0	55.9	55.9	61.0	0.1
Exchange differences in cash and cash equivalents	-0.2	0.3	0.2	0.1	-0.1
<b>Cash and cash equivalents at the end of the period</b>	<b>48.5</b>	<b>88.1</b>	<b>71.0</b>	<b>55.9</b>	<b>61.0</b>

### Cash flow from operating activities

The Company's cash flow from operating activities decreased by 45.1 million from 59.4 million in the 9 months that ended 31 March 2015 compared to 14.3 million in the 9 months that ended 31 March 2016. The decrease was primarily due to increased capital in the form of working capital.

The Company's cash flow from operating activities increased by SEK 100.1 million from SEK -5.1 million in the twelve months that ended 30 June 2014 compared to SEK 94.9 million in the twelve months that ended 30 June 2015. The increase was due to improved operating results and changes in the Company's working capital. The Company's working capital was impacted primarily by a decrease in other current receivables of SEK 33.4 million in the twelve months that ended 30 June 2015 (compared to an increase of SEK 25.5 million in the twelve months that ended 30 June 2014) due partly to a change in the Company's invoicing processes. Working capital was also impacted by an increase in accounts payable of SEK 43.6 million in the twelve months that ended 30 June 2015 (compared to an increase of SEK 19.5 million in the twelve months that ended 30 June 2014) and an increase in other current liabilities of SEK 34.5 million in the twelve months that ended 30 June 2015 (compared to an increase of SEK 10.0 million in the twelve months that ended 30 June 2014). In addition, the Company's working capital was impacted by an increase in inventories of SEK 0.2 million in the twelve months that ended 30 June 2015 (compared to a decrease of SEK 2.9 million in the twelve months that ended 30 June 2014).

The Company's cash flow from operating activities was SEK 46.6 million in the seventeen months that ended 30 June 2013. The Company's cash flow from operating activities was impacted by operating profit of SEK 62.7 million and by changes in the Company's working capital. The Company's working capital for the seventeen months that ended 30 June 2013 was impacted by an increase in inventory of SEK 2.2 million, an increase in accounts receivable of SEK 8.7 million, an increase in other current receivables of SEK 10.0 million, an increase in accounts payable of SEK 8.0 million and an increase in other current liabilities of SEK 21.4 million.

### Cash flow from investing activities

The Company's cash flow from investing activities decreased by 9.8 million from -5.7 million in the nine months that ended 31 March 2015 compared to -15.5 million in the nine months that ended 31 March 2016. The decrease was primarily due to increased investments in the development of new software products.

The Company's cash flow from investing activities decreased by SEK 23.3 million from SEK 13.5 million in the twelve months that ended 30 June 2014 compared to SEK -9.8 million in the twelve months that ended 30 June 2015. The decrease was due primarily to increases in the acquisition of subsidiaries and equipment due to the Company's geographic and operational expansion in the twelve months that ended 30 June 2015, offset by a reduction in the acquisition of operations. The Company's cash flow from investing activities in the twelve months that ended 30 June 2014 was impacted by the repayment of a loan to the parent company of SEK 20.2 million and the acquisition of operations of SEK 2.0 million relating to the acquisition of Voltari's messaging business.

The Company's cash flow from investing activities was SEK 14.4 million in the seventeen months that ended 30 June 2013. The Company's cash flow from investing activities was significantly impacted by amounts generated from the acquisition of subsidiaries by the Company, and by the acquisition of intangible assets of SEK 5.8 million for the period.

### Cash flow from financing activities

The Company's cash outflow from financing activities decreased by 0.7 million from 21.8 million in the nine months that ended 31 March 2015 compared to 21.1 million in the nine months that ended 31 March 2016.

The Company's cash outflow from financing activities increased by SEK 56.7 million from SEK 13.5 million in the twelve months that ended 30 June 2014 compared to SEK 70.2 million in the twelve months that ended 30 June 2015. The increase was due to an increase in repayment of liabilities to the ultimate parent company, offset by an increase in amounts relating to loans and contributions from non-controlling interests.

The Company did not have cash flow from financing activities in the seventeen months that ended 30 June 2013.

# Consolidated financial information for Mblox

The tables below present selected financial information derived from Mblox's historical financial information for the financial years that ended 31 December 2015, 2014 and 2013, which have been audited by Mblox's auditor and prepared in accordance with US GAAP.

The information in this section should be read together with the section "Comments to Mblox's financial development".

## Condensed income statement

	1 January–31 December 2015 (12 months)		1 January–31 December 2014 (12 months)		1 January–31 December 2013 (12 months)	
	USDk Audited	SEKM <sup>1)</sup> Unaudited	USDk Audited	SEKM <sup>2)</sup> Unaudited	USDk Audited	SEKM <sup>3)</sup> Unaudited
Net sales	140,419	1,184.4	147,250	1,009.8	140,111	912.7
Cost of sales – service delivery	97,991	826.6	104,443	716.2	94,610	616.3
Cost of sales – operations	10,940	92.3	10,953	75.1	9,474	61.7
Research and development	3,655	30.8	6,551	44.9	5,941	38.7
Sales and marketing	12,630	106.5	13,775	94.5	14,368	93.6
General and administrative	8,341	70.4	13,434	92.1	11,158	72.7
Depreciation and amortisation	5,278	44.5	5,267	36.1	9,132	59.5
Restructuring expenses	–	–	–	–	1,883	12.3
<b>Gain/loss from operations (Operating profit/loss)</b>	<b>1,584</b>	<b>13.4</b>	<b>–7,173</b>	<b>–49.2</b>	<b>–6,455</b>	<b>–42.0</b>
Interest income	14	0.1	3	0.0	5	0.0
Interest expense	–6,188	–52.2	–4,441	–30.5	–1,945	–12.7
Change in fair value of warrant liabilities	109	0.9	–43	–0.3	430	2.8
Gain on divestiture of business	912	7.7	0	0.0	0	0.0
Foreign exchange loss/gain, net	–1,036	–8.7	–279	–1.9	1,598	10.4
Other income/expenses	8	0.1	–6	0.0	–22	–0.1
<b>Loss before income taxes</b>	<b>–4,597</b>	<b>–38.8</b>	<b>–11,939</b>	<b>–81.9</b>	<b>–6,389</b>	<b>–41.6</b>
Income tax benefit	2,476	20.9	363	2.5	9,999	65.1
<b>Profit/loss for the year</b>	<b>–2,121</b>	<b>–17.9</b>	<b>–11,576</b>	<b>–79.4</b>	<b>3,610</b>	<b>23.5</b>

1) Based on the average exchange rate for the period, amounting to 8.435 SEK per USD.

2) Based on the average exchange rate for the period, amounting to 6.8577 SEK per USD.

3) Based on the average exchange rate for the period, amounting to 6.514 SEK per USD.

## Condensed balance sheet

	31 December 2015		31 December 2014		31 December 2013	
	USDk Audited	SEKM <sup>1)</sup> Unaudited	USDk Audited	SEKM <sup>2)</sup> Unaudited	USDk Audited	SEKM <sup>3)</sup> Unaudited
<b>Current assets</b>						
Cash and cash equivalents	8,183	68.3	9,494	74.2	8,575	55.8
Accounts receivable	25,827	215.7	27,998	218.7	26,923	175.2
Prepaid expenses and other current assets	6,195	51.7	3,785	29.6	4,255	27.7
<b>Total current assets</b>	<b>40,205</b>	<b>335.8</b>	<b>41,277</b>	<b>322.4</b>	<b>39,753</b>	<b>258.7</b>
<b>Non-current assets</b>						
Property and equipment, net	4,404	36.8	2,915	22.8	3,409	22.2
Intangible assets, net	7,106	59.4	11,375	88.9	–	–
Goodwill	17,826	148.9	19,201	150.0	7,048	45.9
Deferred tax-assets	10,299	86.0	8,804	68.8	8,285	53.9
Other non-current assets	1,354	11.3	4,745	37.1	2,955	19.2
<b>Total non-current assets</b>	<b>40,989</b>	<b>342.4</b>	<b>47,040</b>	<b>367.5</b>	<b>21,737</b>	<b>141.5</b>
<b>Total assets</b>	<b>81,194</b>	<b>678.2</b>	<b>88,317</b>	<b>689.9</b>	<b>61,490</b>	<b>400.2</b>
<b>Current liabilities</b>						
Accounts payable	6,174	51.6	4,410	34.4	3,556	23.1
Compensation and benefits	1,752	14.6	2,686	21.0	2,398	15.6
Premium rate short message service costs	1,623	13.6	1,197	9.4	3,604	23.5
Standard rate message operator costs	23,700	198.0	27,864	217.7	22,004	143.2
Debt, current portion	26,266	219.4	–	–	–	–
Warrant liabilities	72	0.6	1,450	11.3	1,407	9.2
Other accrued liabilities	2,245	18.8	7,439	58.1	211	1.4
<b>Total current liabilities</b>	<b>61,832</b>	<b>516.4</b>	<b>45,046</b>	<b>351.9</b>	<b>33,180</b>	<b>215.9</b>
<b>Non-current liabilities</b>						
Debt, long term	20,166	168.4	43,200	337.5	17,000	110.6
Other liabilities	2,807	23.4	2,769	21.6	1,211	7.9
<b>Total non-current liabilities</b>	<b>22,973</b>	<b>191.9</b>	<b>45,969</b>	<b>359.1</b>	<b>18,211</b>	<b>118.5</b>
<b>Total equity</b>	<b>–3,611</b>	<b>–30.2</b>	<b>–2,698</b>	<b>–21.1</b>	<b>10,099</b>	<b>65.7</b>
<b>Total liabilities and equity</b>	<b>81,194</b>	<b>678.2</b>	<b>88,317</b>	<b>689.9</b>	<b>61,490</b>	<b>400.2</b>

1) Based on the exchange rate as at 31 December 2015, amounting to 8.3524 SEK per USD.

2) Based on the exchange rate as at 31 December 2014, amounting to 7.8117 SEK per USD.

3) Based on the exchange rate as at 31 December 2013, amounting to 6.5084 SEK per USD.

**Condensed cash flow statement**

	1 January–31 December 2015 (12 months)		1 January–31 December 2014 (12 months)		1 January–31 December 2013 (12 months)	
	USDk Audited	SEKM <sup>1)</sup> Unaudited	USDk Audited	SEKM <sup>2)</sup> Unaudited	USDk Audited	SEKM <sup>3)</sup> Unaudited
Cash flow from operating activities	89	0.8	-7,085	-48.6	-13,724	-89.4
Cash flow from investing activities	-2,037	-17.2	-17,908	-122.8	-2,151	-14.0
Cash flow from financing activities	1,331	11.2	26,335	180.6	2,555	16.6
<b>Cash flow for the period</b>	<b>-617</b>	<b>-5.2</b>	<b>1,342</b>	<b>9.2</b>	<b>-13,320</b>	<b>-86.8</b>
Cash and cash equivalents, beginning of period	9,494	80.1	8,575	58.8	22,034	143.5
Effect of foreign currency changes on cash and cash equivalents	-694	-5.9	-423	-2.9	-139	-0.9
<b>Cash and cash equivalents, end of period</b>	<b>8,183</b>	<b>69.0</b>	<b>9,494</b>	<b>65.1</b>	<b>8,575</b>	<b>55.9</b>

1) Based on the average exchange rate for the period, amounting to 8.435 SEK per USD.

2) Based on the average exchange rate for the period, amounting to 6.8577 SEK per USD.

3) Based on the average exchange rate for the period, amounting to 6.514 SEK per USD.

**Key information and data**

	1 January–31 December 2015 (12 months)		1 January–31 December 2014 (12 months)		1 January–31 December 2013 (12 months)	
	USDk	SEKM <sup>1)</sup> Unaudited	USDk	SEKM <sup>2)</sup> Unaudited	USDk	SEKM <sup>3)</sup> Unaudited
Net sales <sup>4)</sup>	140,419	1,184.4	147,250	1,009.8	140,111	912.7
Gross profit <sup>4)</sup>	42,428	357.9	42,807	293.6	45,501	296.4
Gross margin (%) <sup>4)</sup>	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%
EBITDA <sup>5)</sup>	6,862	57.9	-1,906	-13.1	2,677	17.4
EBITDA margin (%) <sup>5)</sup>	4.9%	4.9%	neg.	neg.	1.9%	1.9%
Operating profit (EBIT) <sup>4)</sup>	1,584	13.4	-7,173	-49.2	-6,455	-42.0
EBIT margin (%) <sup>4)</sup>	1.1%	1.1%	neg.	neg.	neg.	neg.
Cash flow from operating activities <sup>4)</sup>	89	0.8	-7,085	-48.6	-13,724	-89.4
Free cash flow <sup>5)</sup>	-1,948	-16.4	-24,993	-171.4	-15,875	-103.4
Total assets <sup>4)</sup>	81,194	678.2	88,317	689.9	61,490	400.2
Total equity <sup>4)</sup>	-3,611	-30.2	-2,698	-21.1	10,099	65.7
Net debt <sup>5)</sup>	38,249	319.5	33,706	263.3	8,425	54.8
Equity ratio (%) <sup>4)</sup>	neg.	neg.	neg.	neg.	16.4%	16.4%
Average number of employees <sup>5)</sup>	171	171	212	212	193	193

For definitions, please see the section "Forward-looking statements and presentation of financial and other information" under the headings "Definitions of financial measures and key figures" and "Non-IFRS financial measures".

1) Based on the average exchange rate for the period, amounting to 8.435 SEK per USD or the exchange rate as at 31 December 2015, amounting to 8.3524.

2) Based on the average exchange rate for the period, amounting to 6.8577 SEK per USD or the exchange rate as at 31 December 2014, amounting to 7.8117.

3) Based on the average exchange rate for the period, amounting to 6.514 SEK per USD or the exchange rate as at 31 December 2013, amounting 6.5084.

4) Audited.

5) Unaudited.

### Mblox's adjusted EBITDA (unaudited)

	1 January–31 December 2015 (12 months)		1 January–31 December 2014 (12 months)		1 January–31 December 2013 (12 months)	
	USDk	SEKM <sup>1)</sup>	USDk	SEKM <sup>2)</sup>	USDk	SEKM <sup>3)</sup>
<b>Reported operating profit/loss (EBIT)</b>	<b>1,584</b>	<b>13.4</b>	<b>-7,173</b>	<b>-49.2</b>	<b>-6,455</b>	<b>-42.0</b>
Depreciation and amortisation	5,278	44.5	5,267	36.1	9,132	59.5
<b>EBITDA</b>	<b>6,862</b>	<b>57.9</b>	<b>-1,906</b>	<b>-13.1</b>	<b>2,677</b>	<b>17.4</b>
Operational exchange rate differences	-1,036	-8.7	-279	-1.9	1,598	10.4
Contingent consideration not achieved	-1,687	-14.2	-	-	-570	-3.7
Settlements and legal fees	1,622	13.7	-	-	-	-
Recovered written-off receivables as well as written off receivables and liabilities	-856	-7.2	-950	-6.5	-223	-1.5
Restructuring and relocation costs	1,251	10.6	2,508	17.2	2,437	15.9
Discontinued/divested operations	764	6.4	708	4.9	-4,191	-27.3
M&A costs	-	-	1,754	12.0	-	-
<b>Adjusted EBITDA</b>	<b>6,920</b>	<b>58.4</b>	<b>1,835</b>	<b>12.6</b>	<b>1,728</b>	<b>11.3</b>

1) Based on the average exchange rate for the period, amounting to 8.435 SEK per USD.

2) Based on the average exchange rate for the period, amounting to 6.8577 SEK per USD.

3) Based on the average exchange rate for the period, amounting to 6.514 SEK per USD.

# Comments to Mblox's financial development

The following information present selected financial information derived from Mblox historical financial information for the financial years that ended 31 December 2015, 2014 and 2013, which have been audited by Mblox auditors and prepared in accordance with US GAAP.

Information in this section should be read in conjunction with the section "Consolidated financial information for Mblox".

## Comparison of the period 1 January to 31 December 2015 with the period 1 January to 31 December 2014

### Net sales

Mblox's net sales decreased by USD 6,831 thousand, or 4.6 percent, from USD 147,250 to USD 140,419 thousand in 2015. The decrease was primarily caused by the significant strengthening of the USD in 2015 versus 2014 that reduced the USD-reported revenue of the portion of Mblox's sales transacted in currencies other than the USD. The decrease was partially offset by an increase in sales from organic growth from SMS business driven by high volume growth and an increase in sales from full year impact of Cardboardfish and StarStar (the latter sold in December 2015) for the two businesses acquired in June 2014.

### Cost of sales – service delivery

Mblox's expenses for cost of sales – service delivery decreased by USD 6,452 thousand, or 6.2 percent, from USD 104,443 to USD 97,991 thousand in 2015. The decrease was primarily caused by the significant strengthening of the USD in 2015 versus 2014 that reduced the USD-reported cost of sales – service delivery transacted in currencies other than the USD. The decrease was partially offset by an increase in delivery costs from organic growth from SMS business driven by high volume growth from full year impact of Cardboardfish and StarStar (the latter sold in December 2015) for the two businesses acquired in June 2014. As a percentage of Mblox's net sales, cost of sales – service delivery expenses decreased from 70.9 percent to 69.8 percent in 2015.

### Gross profit

Mblox's gross profit decreased by USD 379 thousand, or 0.9 percent, from USD 42,807 to USD 42,428 thousand in 2015. The decrease was primarily caused by USD-reported transactions in currencies other than the USD but was mostly offset by increase in gross profit from organic growth from SMS business driven by high volume growth and an increase in gross profit from full year impact of Cardboardfish and StarStar acquisitions. As a percentage of Mblox's net sales, gross profit increased from 29.1 percent to 30.2 percent in 2015.

### Costs of sales – operations

Mblox's expenses for cost of sales – operations decreased by USD 13 thousand, or 0.1 percent, from USD 10,953 to USD 10,940 thousand in 2015. The increase of costs related to setup and migration to new messaging platform in 2015 was primarily offset by a decrease in infrastructure and telecommunications costs. As a percentage of Mblox's net sales, cost of sales – operations expenses increased from 7.4 percent to 7.8 percent in 2015.

### Research and development expenses

Mblox's expenses for research and development decreased by USD 2,896 thousand, or 44.2 percent, from USD 6,551 to USD 3,655 thousand in 2015. The decrease was primarily caused by a reduction in payroll costs and an increase of capitalisation of development costs related to the development of new SMS messaging and billing platform in 2015. As a percentage of Mblox's net sales, research and development expenses decreased from 4.4 percent to 2.6 percent in 2015.

### Sales and marketing expenses

Mblox's expenses for sales and marketing decreased by USD 1,145 thousand, or 8.3 percent, from USD 13,775 to USD 12,630 thousand in 2015. The decrease was primarily caused by reduction in online marketing and tradeshow costs and lower variable compensation. As a percentage of Mblox's net sales, sales and marketing expenses decreased from 9.4 percent to 9.0 percent in 2015.

### General and administrative expenses

Mblox's general and administrative expenses decreased by USD 5,093 thousand, or 37.9 percent, from USD 13,434 to USD 8,341 thousand in 2015. The decrease was primarily caused by a decline in acquisition costs, release of Cardboardfish contingent consideration for earn out milestones not achieved, reduction in payroll costs for efficiencies after integration of acquisitions and savings from office consolidation in early 2015. As a percentage of Mblox's net sales, general and administrative expenses decreased from 9.1 percent to 5.9 percent in 2015.

### **Depreciation and amortisation expenses**

Mblox's depreciation and amortisation expenses increased by USD 11 thousand, or 0.2 percent, from USD 5,267 to USD 5,278 thousand in 2015. The increase was primarily caused by an increase in amortisation of intangibles from 2014 acquisitions of Cardboardfish and StarStar. The increase was offset by a decrease in depreciation primarily for old billing system in which useful life was accelerated in 2014 after deciding to migrate Cardboardfish's platform. As a percentage of Mblox's net sales, depreciation and amortisation expenses increased from 3.6 percent to 3.8 percent in 2015.

### **Gain/loss from operations**

Mblox's gain from operations increased by USD 8,757 thousand, from USD -7,173 to USD 1,584 thousand in 2015. Gross profit decreased USD 379 thousand from 2014 to 2015. The decrease was primarily caused by USD-reported transactions in currencies other than the USD but was mostly offset by organic growth from SMS business driven by high volume growth and full year impact of Cardboardfish and StarStar acquisitions. Additionally, costs declined primarily by costs reductions for payroll and facilities, capitalisation of development costs for new SMS platform, lower acquisition costs and release of Cardboardfish contingent consideration. As a percentage of Mblox's net sales, EBIT increased to 1.1 percent in 2015.

### **EBITDA**

Mblox's EBITDA increased by USD 8,768 thousand, from USD -1,906 to USD 6,862 thousand in 2015. As a percentage of Mblox's revenue, EBITDA increased to 4.9 percent in 2015.

### **Cash flow**

Mblox's cash flow from operating activities increased by USD 7,174 thousand from USD -7,085 thousand to USD 89 thousand. The increase was due primarily to increase in EBITDA of USD 8,768 thousand less non-cash release of contingent consideration, less reduction in provision for bad debts and plus net improvement from working capital changes in balance sheet.

Mblox's cash flow from investing activities increased by USD 15,871 thousand from USD -17,908 thousand to USD -2,037 thousand. The increase was primarily due to fewer investments were made in acquisitions in 2015 compared with 2014 and the proceeds from divestiture of StarStar in 2015. The increase was partially offset by increased spending for capital expenditures of mainly for internal development of new SMS platform in 2015.

Mblox's cash flow from financing activities decreased by USD 25,004 thousand from USD 26,335 thousand to USD 1,331 thousand. The decrease was primarily due to issuance of additional debt of USD 22,967 thousand used for acquisitions in 2014.

## **Comparison of the period 1 January to 31 December 2014 with 1 January to 31 December 2013**

### **Net sales**

Mblox's net sales increased by USD 7,139 thousand, or 5.1 percent, from USD 140,111 to USD 147,250 thousand in 2014. The increase was primarily due to the acquired sales from Cardboardfish and StarStar, which were acquired in 2014, and organic growth from SMS business. The increase was partially offset by decline in Premium SMS ("PSMS") after Mblox sold the PSMS contracts in 2013.

### **Cost of sales – service delivery**

Mblox's expenses for cost of sales – service delivery increased by USD 9,833 thousand, or 10.4 percent, from USD 94,610 to USD 104,443 thousand in 2014. The increase was primarily caused by the acquired sales from Cardboardfish and StarStar, organic growth from SMS business, and decline in margins primarily in EMEA traffic. The increase was partially offset by decline in PSMS after Mblox sold the PSMS contracts in 2013. As a percentage of Mblox's net sales, cost of sales – service delivery expenses increased from 67.5 percent to 70.9 percent in 2014.

### **Gross profit**

Mblox's gross profit decreased by USD 2,694 thousand, or 5.9 percent, from USD 45,501 to USD 42,807 thousand in 2014. The decrease was primarily for decline in margins primarily in EMEA traffic and decline in PSMS business after Mblox sold the PSMS contracts in 2013. The decrease was partially offset primarily by gross profit generated by Cardboardfish and StarStar acquired in 2014 and organic growth from SMS business. As a percentage of Mblox's net sales, gross profit decreased from 32.5 percent to 29.1 percent in 2014.

### **Cost of sales – operations**

Mblox's expenses for cost of sales – operations increased by USD 1,479 thousand, or 15.6 percent, from USD 9,474 to USD 10,953 thousand in 2014. The increase was primarily caused by costs associated with StarStar and Cardboardfish, both acquired in 2014. As a percentage of Mblox's net sales, cost of sales – operations expenses increased from 6.8 percent to 7.4 percent in 2014.

### **Research and development expenses**

Mblox's expenses for research and development increased by USD 610 thousand, or 10.3 percent, from USD 5,941 to USD 6,551 thousand in 2014. The increase was primarily caused by costs from Cardboardfish and StarStar acquired in 2014 and for an increase in outside support costs for SMS platform. As a percentage of Mblox's net sales, research and development expenses increased from 4.2 percent to 4.4 percent in 2014.

**Sales and marketing expenses**

Mblox's expenses for sales and marketing decreased by USD 593 thousand, or 4.1 percent, from USD 14,368 to USD 13,775 thousand in 2014. The decrease was primarily caused by payroll reductions primarily in EMEA but partially offset by an increase in costs from Cardboardfish and StarStar acquired in 2014. As a percentage of Mblox's net sales, sales and marketing expenses decreased from 10.3 percent to 9.4 percent in 2014.

**General and administrative expenses**

Mblox's general and administrative expenses increased by USD 2,276 thousand, or 20.4 percent, from USD 11,158 to USD 13,434 thousand in 2014. The increase was primarily caused by acquisition costs incurred in 2014 from the Cardboardfish and StarStar acquisitions in 2014. The increase was partially offset by lower outside legal costs, primarily related to Mblox selling the PSMS contracts in 2013. As a percentage of Mblox's net sales, general and administrative expenses increased from 8.0 percent to 9.1 percent in 2014.

**Depreciation and amortisation expenses**

Mblox's depreciation and amortisation expenses decreased by USD 3,865 thousand, or 42.3 percent, from USD 9,132 to USD 5,267 thousand in 2014. The decrease was primarily caused by accelerated depreciation and amortisation related to the Engage product platform ("Over The Top" mobile technology) as useful life was reduced to one year. As a percentage of Mblox's net sales, depreciation and amortisation expenses decreased from 6.5 percent to 3.6 percent in 2014.

**Restructuring expenses**

Mblox's restructuring expenses decreased by USD 1,883 thousand, from USD 1,883 to USD 0 in 2014. In connection with Mblox selling the PSMS contracts in 2013, Mblox incurred restructuring charges primarily for payroll reductions and contract termination costs. As a percentage of Mblox's net sales, restructuring expenses decreased from 1.3 percent to 0 percent in 2014.

**Gain/loss from operations**

Mblox's loss from operations decreased by USD 718 thousand, or 11.1 percent, from USD -6,455 to USD -7,173 thousand in 2014. Mblox's gross profit decreased by USD 2,694 thousand primarily due to decline in margins primarily in EMEA traffic and decline in PSMS after Mblox sold the PSMS contracts in 2013. Additionally, Mblox's general and administrative expenses increased primarily caused by acquisition costs incurred in 2014 and costs from Cardboardfish and StarStar acquired in 2014. The decrease was partially offset by reductions in depreciation and amortisation expenses due to the acceleration of useful life of the Engage product platform and a decline in restructuring charges.

**EBITDA**

Mblox's EBITDA decreased by USD 4,583 thousand, from USD 2,677 to USD -1,906 thousand in 2014.

**Cash flow**

Mblox's cash flow from operating activities increased by USD 6,639 thousand from USD -13,724 thousand to USD -7,085 thousand. The increase was due primarily to working capital changes from Mblox selling the PSMS contracts and increase of SMS payables to European carriers. The increase was partially offset by a decrease in EBITDA of USD 4,583 thousand.

Mblox's cash flow from investing activities decreased by USD 15,757 thousand from USD -2,151 thousand to USD -17,908 thousand. The decrease was primarily due to cash used for acquisitions of Cardboardfish and StarStar in 2014.

Mblox's cash flow from financing activities increased by USD 23,780 thousand from USD 2,555 thousand to USD 26,335 thousand. The increase was primarily due to issuance of additional debt of USD 23,650 thousand used for acquisitions in 2014.

# Capitalisation, indebtedness and other financial information

## Capitalisation

CLX's capitalisation as of 31 March 2016 is presented in the table below.

SEK million	31 March 2016
<b>Current interest-bearing liabilities</b>	
Against guarantee	–
Against collateral*	26.8
Unsecured loans	–
<b>Total current liabilities</b>	<b>26.8</b>
<b>Non-current interest-bearing liabilities</b>	
Against guarantee	–
Against collateral*	33.1
Unsecured loans	–
<b>Total non-current liabilities</b>	<b>33.1</b>
<b>Equity</b>	
Share capital	3.2
Other capital contributions	175.0
Other reserves	1.5
Retained earnings	93.9
Non-controlling interests	5.1
<b>Total equity</b>	<b>90.9</b>

\*Primarily collateral in shares in subsidiaries, floating charges (liens on assets) and guarantee commitments from subsidiaries.

## Credit facilities

CLX has entered into two credit facilities, one long term facility of originally SEK 80 million and one overdraft facility of SEK 100 million (the "Credit Facilities").

The termination date of the long term facility is 2 July 2018, but it can be extended with three months after mutual agreement between CLX and the lender. As of 31 March 2016 SEK, 59.9 million was outstanding under the long term facility.

The overdraft facility terminates on 31 December 2016, but may be extended with 12 months after mutual agreement between CLX and the lender. As of 31 March 2016 the overdraft facility was not utilised.

The lender has the right to demand prepayment in full of the Credit Facilities if CLX does not repay a loan amount on its due date or in case of other events of default in relation to other provisions of the Credit Facilities. The Credit Facilities include customary provisions and undertakings, such as an obligation to prepay the Credit Facilities in full should a change of the controlling ownership of CLX occur and an undertaking not to exceed a maximum ratio for net debt to EBITDA and to maintain a minimum solvency ratio. As per the date of this Prospectus the Company is not in breach with any provision of the Credit Facilities.

## Net indebtedness

CLX's net indebtedness as of 31 March 2016 is presented in the table below.<sup>1)</sup>

SEK million	31 March 2016
(A) Cash	–
(B) Cash equivalents	48.5
(C) Readily realisable securities	–
<b>(D) Liquidity (A)+(B)+(C)</b>	<b>48.5</b>
(E) Current financial liabilities	–
(F) Current bank debt	26.8
(G) Current portion of non-current liabilities	–
(H) Other current liabilities	–
<b>(I) Current liabilities (F)+(G)+(H)</b>	<b>26.8</b>
<b>(J) Net current debt (I)-(E)-(D)</b>	<b>21.7</b>
(K) Non-current bank debt	33.1
(L) Issued bonds	–
(M) Other non-current liabilities	–
<b>(N) Non-current liabilities (K)+(J)+(M)</b>	<b>33.1</b>
<b>(O) Net debt (J)+(N)</b>	<b>11.4</b>

1) The table for net indebtedness only includes interest-bearing debts.

CLX has in connection with the acquisition of Mblox entered into a new facility agreement (the "Facility Agreement") in the following currencies and amounts; EUR 21.5 million, GBP 5.1 million and USD 24.6 million to be used to refinance the existing long term facility of originally SEK 80 million and to partly finance the acquisition of Mblox. The Facility Agreement has a tenor of three years and terminates on 11 May 2019, with an option to extend the tenor with a maximum of two years subject to the lenders' approval. The Facility Agreement will be repaid in quarterly instalments (with the exemption of the first year, which is free from instalments) of 5.44 percent of the original loan amount. The Facility Agreement includes customary provisions, representations and undertakings, such as an obligation to prepay the facilities should the Company's share be delisted or should a change of the controlling ownership of the Company occur, an undertaking not to pledge any of the Company's assets, restrictions on the acquisition of businesses and disposal of assets and an undertaking to not to exceed a maximum ratio for net debt to EBITDA, and to maintain a minimum ratio for debt service coverage and a minimum solvency ratio. A condition for drawdown under the Facility Agreement is that CLX has received the full amount under the Rights Issue and that the conditions in relation to the completion of the acquisition of Mblox will be satisfied. If CLX and its subsidiaries do not comply

with their undertakings under the Facility Agreement, the lenders have the right to refuse drawdown or, if a drawdown has been made, to demand immediate repayment of the full loan amount and the right to enforce all securities.

The pledged assets for all CLX's obligations under the Facility Agreement are; (i) all shares in the Company's subsidiaries CLX Networks and Symsoft, (ii) a floating charge of SEK 20 million in the business of CLX Networks and (iii) a floating charge of SEK 25 million in the business of Symsoft.

### Working capital statement

In this context, "working capital" means the Company's access to financing to ensure its capacity to meet its payment obligations during the next twelve months. In CLX's judgement, existing working capital is not sufficient to meet relevant needs during the next twelve months, due to the need to finance the acquisition of Mblox. CLX intends to finance the acquisition of Mblox by way of a Rights Issue of approximately SEK 624 million and bank financing of approximately SEK 400 million, which will cover the Company's working capital requirement during the next twelve months. The acquisition of Mblox is expected to be completed in the beginning of July 2016.

Certain shareholders of CLX and external investors have entered into subscription and guarantee commitments amounting to 100 percent of the Rights Issue. However, the subscription and guarantee commitments are unsecured. The bank financing consists of a new loan agreement with Danske Bank and Handelsbanken and is subject to customary terms, conditions and undertakings for a loan of this type.

If the Rights Issue, even though there are subscription and guarantee commitments amounting to 100 percent of the Rights Issue, cannot be carried out, or if the bank loan is not funded by Danske Bank and Handelsbanken, there would be a maximum shortfall in sufficient working capital of SEK 1,024 million to meet the needs mentioned above. Should this occur, CLX may be required to seek alternative financing for the amount not received. Examples of alternative financing include additional share capital, other bank financing and the sale of certain assets. In the Company's assessment, its opportunities to obtain such alternative financing are good. If the Company would not be able to obtain such alternative financing and thus lack sufficient financing to carry out the acquisition of Mblox, CLX would be at risk of legal sanctions due to breach of contract.

### Capital expenditures

The Company's capital expenditures consist of expenses associated intangible assets, such as the Company's investments or improvements to communications platform and the related software, and with tangible assets, such as hardware, computers and servers. The Company finances its capital expenditures through cash flows from operations, and capitalises certain expenses associated with improvements to, and the development of, its communications platform and software. The Company has invested heavily in its systems, platform and services.

During the periods under review, the Company has pivoted to focus on its service based model and recurring revenue streams and treated most of its investments as cost directly. The Company's capital expenditure as a percentage of revenue has

increased. The Company's capital expenditures increased in the nine months that ended 31 March 2016 as compared to the nine months that ended 31 March 2015. The capital expenditures mainly regard the capitalisation of own work in connection with the development of new services within IoT as well as licenses. The Company's capital expenditures increased in the twelve months that ended 30 June 2015 as compared to the twelve months that ended 30 June 2014, due primarily to investments relating to the Company's managed services, which required the Company to purchase more equipment and servers, as well as continued investment in the communications platform and general system updates and upgrades to manage capacity and increasing traffic volume. The Company's capital expenditures also increased due to the acquisition of Caleo Technologies in 2015.

The Company's capital expenditures increased in the twelve months that ended 30 June 2014 as compared to the twelve months that ended 30 June 2013, due primarily to the Company's investments in the communications platform, the acquisition of Voltari's messaging business and general system updates and upgrades to manage capacity and increasing traffic volume. The Company's capital expenditures also increased due to investments related to the Company's modernising and upgrading its equipment.

The Company believes that the capital expenditures relating to intangible assets during the financial year that ended 30 June 2015, in terms of capital expenditures as a percentage of revenue, were normalised levels for a year without any extraordinary investments, but that capital expenditures relating to tangible assets during the financial year that ended 30 June 2015, in terms of capital expenditures as a percentage of revenue, were slightly higher due to the acquisition and investment in servers and the upgrade and modernisations of the Company's systems and computers in order to prepare for the next phase of growth. For example, the Company modernised its hosting centers and invested in new servers in the United States and Turkey. In addition, the Company has decided to invest in a new network operations center in Poland, which will help to benefit its PaaS offering and prepare the Company for its expected IoT offering.

### On-going and future investments

The majority of the Company's present and expected future capital expenditure requirements will be linked to the development and improvement of its software and services, particularly in respect of the IoT market opportunity. The development costs are expected to be financed internally by cash flow from operations. As a result of the Company's investment in the development of software and services for IoT market, the Company believes its capital expenditures will increase as a percentage of revenue in the twelve months that end 30 June 2016.

Furthermore, the Company believes that there eventually will be a need to integrate the two platforms currently used by Mblox and CLX. After the closing date of the transaction, the Company plans to conduct a joint evaluation on how, to what extent and when such integration preferably should take place. Following such evaluation, the Company intends to resolve on this matter.

## Non-current assets

As of 31 March 2016, the reported value of the Company's non-current assets amounted to SEK 87.4 million, and mainly consisted of intangible assets with book value of SEK 75.9 million. The Company's intangible assets mainly included goodwill with a book value of SEK 56.7 million and also capitalised product development expenses with a book value of SEK 14.8 million and licenses with a book value of SEK 4.4 million. The value of the Company's other non-current assets amounted to SEK 11.5 million, and included equipment with a book value of SEK 5.1 million, derivatives with a book value of SEK 0.6 million, long-term receivable with a book value of SEK 5.8 million and deferred income tax assets with a book value of SEK 0 million.

## Pledged assets

The Company's pledged assets as of 31 March 2016 were as follows.

Pledged assets (SEK million)	As of 31 March 2016
Corporate mortgages	45.0
Restricted funds and guarantees	3.7
Shares in Symsoft and CLX Networks	249.4
<b>Total</b>	<b>298.1</b>

## Off balance sheet arrangements

The Company is not a party to any off balance sheet arrangements that have, or are reasonably likely to have a current or future material effect on the Company's financial condition, changes in financial condition, revenue or expenses, results of operations, liquidity, capital expenditure or capital resources.

## Financial risk management

The Group is exposed, through its operations, to different types of financial risks such as market risk, liquidity risk and credit risk. Market risks comprise mainly of interest rate risk and currency risk. The Company's board of directors is ultimately responsible for the exposure, management and monitoring of the Group's financial risks. The framework for the exposure, management and monitoring of the financial risks is set by the board of directors in the finance policy which is revised annually. The board of directors has delegated the daily risk management to the Company's CFO. The board of directors can decide on temporary deviations from the established finance policy.

### Market risks

#### Currency risk

Currency risk refers to the risk that fair values or future cash flows fluctuate due to changes in foreign exchange rates. Exposure to currency risk arises mainly from cash flows in foreign currencies, so called transaction exposure, as well as from the translation of foreign subsidiaries' income statements and balance sheets into the Group's presentation currency, the Swedish krona, so called translation exposure.

### Transaction exposure

Transaction exposure is the risk that the income statement is negatively impacted by fluctuations in exchange rates of the cash flows denominated in foreign currencies. The Group's outflow consists mainly of EUR, USD, GBP and SEK and the Group's inflows consists mainly of EUR, USD and GBP. The Group is to a limited extent influenced by changes in these foreign exchange rates. The Group's policy is to hedge 50 percent of the forecasted cash flows of EUR and GBP over the coming 12 months. According to the Group's financial policy, the exposure shall be reduced through the use of derivatives.

### Translation exposure

Translation exposure is the risk that the value of the Group's net investment in foreign operations in foreign currency is adversely impacted by changes in foreign exchange rates. The Group consolidates net assets in SEK at the reporting date.

### Interest rate risk

Interest rate risk is the risk that fair values or future cash flows fluctuate as a result of changes in interest rates. The Group is mainly exposed to interest rate risk through its borrowings. Please see section "Capitalisation, indebtedness and other financial information" under the heading "Credit facilities" for more information about the Group's credit facilities. The Group is also impacted by changes in market interest rates as a result of the derivatives hedging the transaction exposure (see above). The fair value of the forward contracts are immediately impacted by changes in interest rates which then directly impacts the income statement.

According to the Group's finance policy the interest risk is not hedged.

## Trends

Growth in the Enterprise division is driven largely by increased national traffic in Europe, which substantially explains why the gross margin remains lower than in the previous year. The Company began establishment in the German market during the first quarter 2016. Some of the Company's large customers have for some time been strengthening their purchasing functions, which resulted in more intense pressure on prices for these accounts.

Order intake in the Operator division remains good. The Operator division continues to invest in its Platform-as-a-Service (PaaS) offering in order to address the demand of existing and new types of customer groups that want to launch or improve communications services. The level of activity for Platform-as-a-Service remains high, and several successful tests have been conducted together with existing and potential customers.

**Significant events after 31 March 2016**

On 13 May 2016, CLX announced that the Company has signed a binding agreement to acquire Mblox for USD 117 million (SEK 954 million<sup>1)</sup>) on a cash and debt-free basis. On 31 December 2015, Mblox employed 188 individuals and had sales in 2015 of USD 140 million with EBITDA of USD 6.9 million. The acquisition is expected to be completed in early July 2016. Through this acquisition CLX strengthens its position as one of the global leaders in cloud communication for enterprises. The acquisition is being financed through a combination of new bank loans and a rights issue. For additional information, please refer to the separate press release.

On 13 May 2016, CLX announced that the Company convenes an extraordinary general meeting to adopt a change of financial year from 1 July–30 June to calendar year. This means that the current financial year from 1 July 2015 – 30 June 2016 would be extended by six months to encompass the period 1 July 2015 – 31 December 2016. In this case the next annual general meeting would be held in the spring of 2017.

Furthermore, the Company's new data center in the United States has been commissioned, and migration of traffic from one of the Company's existing data centers in Europe has begun. The new data center will enable the company to win local traffic in the United States from major United States customers that do not agree to their data leaving the US.

In addition to the above, there have not been any significant changes in CLX's financial position or market position after 31 March 2016.

1) Based on the exchange rate as at 12 May 2016 of 8.1545 SEK per USD.

# Board of directors, senior executives and auditor

## Board of directors

The board of directors consists of six ordinary members, including the chairman, with no deputy members, elected until the next annual general meeting. The table below shows the members of the board of directors, when they were first elected and whether they are considered to be independent in relation to the Company and/or the major shareholders.

Name	Position	Member since	Independent in relation to the Company	Independent in relation to the major shareholders
Erik Fröberg	Chairman of the board	2012	Yes	No
Kjell Arvidsson	Board member	2012	No	No
Charlotta Falvin	Board member	2015	Yes	Yes
Jonas Fredriksson	Board member	2012	Yes	No
Helena Nordman-Knutson	Board member	2015	Yes	Yes
Johan Stuart	Board member	2015	Yes	Yes

### Erik Fröberg, born in 1957

Chairman of the board since 2015 and board member since 2012. Board assignments within the Group since 2010.

**Education:** MSc in Engineering Physics, Stockholm Royal Institute of Technology.

**Other assignments:** CEO and board member of Neqst Partner AB (including subsidiaries), Neqst Partner 2 AB (including subsidiaries), Neqst Partner 3 AB (including subsidiaries) and Solgarda AB (including subsidiary) and chairman of the board of Digital Route AB, HD Resources Sweden AB, Varnish Software AB and XLENT AB (including subsidiaries). Board member of Cybernetics International AB (including subsidiaries), Onside TV-Production AB (including group companies), Redpill Linpro AB (including subsidiaries) and Sundaskären AB.

**Previous assignments during the past five years:** Board member of Apptus Technologies AB, Netcompany A/S, System Verification Sweden Holding AB (including subsidiaries) Carmen-ta Sverige AB (including subsidiaries) and Cantaloupe AB.

**Shareholding in CLX:** Owns 175,000 shares in CLX via endowment assurance. In addition Erik Fröberg owns, via a wholly-owned company, 38.53 percent of the shares and 38.71 percent of the votes in Neqst Partner AB, which owns 41.87 percent of the shares and 75.91 percent of the votes in Neqst 1 AB, which, via wholly-owned subsidiary Neqst D1 AB, owns 20.16 percent of the shares and votes in CLX. Erik Fröberg also owns, indirectly via a wholly-owned company, 0.21 percent of the shares and 0.09 percent of the votes in Neqst 1 AB.

### Kjell Arvidsson, born in 1961

Board member since 2012. Board assignments within the Group since 2008.

**Education:** Business Administration, IHM Business School and studies in Business Economics and Political Economics, Uppsala University and Stockholm University.

**Other assignments:** Board member of Cantaloupe AB, Coach & Capital Nordic 1 AB, Coach and Capital Nordic 1 Sharing AB, Gardio AB (publ) and Kjell Arvidsson AB.

**Previous assignments during the past five years:** –

**Shareholding in CLX:** Owns no shares directly in CLX but owns, via a wholly-owned company 9.26 percent of the shares and votes in CLX and also 0.37 percent of the shares in Cantaloupe AB, which owns 23.02 percent of the shares and votes in CLX. In addition, related parties to Kjell Arvidsson own shares in CLX.

### Charlotta Falvin, born in 1966

Board member since 2015.

**Education:** MSc in Business and Economics, Lund University.

**Other assignments:** CEO and board member of Fasiro AB. Chairman of the board of IDEON AB and board member of Bure Equity AB, Net Insight AB and Invisio Communications AB.

**Previous assignments during the past five years:** CEO of TAT the Astonishing Tribe AB. Chairman of the board of Barista FTC AB, MultiQ International AB and Teknopol AB. Board member of Anoto Group AB, Axis AB and Doro AB.

**Shareholding in CLX:** Owns no shares in CLX.

**Jonas Fredriksson, born in 1965**

Board member since 2012. Board assignments within the Group since 2011.

**Education:** BSc in System Analysis and Computer Science, Karlstad University.

**Other assignments:** Chairman of the board of Cybernetics International AB och Redpill Linpro AB (including subsidiary) and board member of Neqst Partner AB (including subsidiaries), Neqst Partner 2 AB (including subsidiaries), Neqst Partner 3 AB (including subsidiaries), Carmenta Sverige AB (including subsidiaries), Digital Route AB, HD Resources Sweden AB, System Verification Sweden Holding AB (including subsidiary), Varnish Software AB, XLENT AB (including subsidiaries), and Kersgården AB. Deputy board member of Onside TV-Production AB (including group companies).

**Previous assignments during the past five years:** Chairman of the board of Cybernetics International AB. Board member of Addnode Group AB (publ) and Enghouse Interactive - Vision AB.

**Shareholding in CLX:** Owns no shares directly in CLX but owns, via a wholly-owned company, 28.17 percent of the shares and 28.42 percent of the votes in Neqst Partner AB, which owns 41.87 percent of the shares and 75.91 percent of the votes in Neqst 1 AB, which, via wholly-owned subsidiary Neqst D1 AB, owns 20.16 percent of the shares and votes in CLX.

**Helena Nordman-Knutson, born in 1964**

Board member since 2015.

**Education:** Master of Business Administration degree, majoring in international marketing, Swedish School of Economics, Helsinki, Finland and Master of Political Sciences degree, majoring in international politics, University of Helsinki, Finland.

**Other assignments:** Board member of Rejlers AB (publ) and Sensys Traffic AB.

**Previous assignments during the past five years:** Board member of Transmode AB.

**Shareholding in CLX:** Owns 500 shares in CLX.

**Johan Stuart, born in 1957**

Board member since 2015.

**Education:** BSc, Stockholm School of Economics.

**Other assignments:** Board member of Best Practice Scandinavia AB, E. Öhman J:or Wealth Management AB and HD1 Holding AB (including subsidiaries). Deputy board member of Affibody AB (including group companies).

**Previous assignments during the past five years:** Board member in E. Öhman J:or Capital AB.

**Shareholding in CLX:** Owns 7,000 shares in CLX via endowment assurance.

**Senior executives****Johan Hedberg, born in 1973**

CEO

**Employed since:** 2008

**Education:** MSc in Engineering, Stockholm Royal Institute of Technology.

Has over 15 years of experience in the industry, including experience from Ericsson and Mblox. Co-founder of Contraveller (start up in the wireless communications industry) which was sold to Mblox in 2001.

**Other assignments:** CEO and board member of Cantaloupe AB and board member of J.W.A. Consulting AB.

**Previous assignments during the past five years:** –

**Shareholding in CLX:** Owns no shares directly in CLX but owns 19.92 percent of the shares in Cantaloupe AB, which owns 23.02 percent of the shares and votes in CLX.

**Kjell Arvidsson, born in 1961**

VP Corporate and Business Development

**Employed since:** 2012

Has over 25 years of experience in the industry, including experience from Ericsson TeliaSonera. Co-founder of Ericsson IPX AB, a leading A2P SMS aggregator.

See above under “Board of directors”.

**Odd Bolin, born in 1963**

CFO

**Employed since:** 2015

**Education:** MSc in Engineering Physics and PhD in plasma physics, Stockholm Royal Institute of Technology.

Has several years of experience as CFO from G5 Entertainment and Cybercom.

**Other assignments:** CEO and board member of HOB Management AB and board member of Omegapoint Group AB.

**Previous assignments during the past five years:** CEO and board member of Cybercom Sweden AB (including other positions within the Cybercom group). Deputy CEO of G5 Entertainment AB (publ), chairman of the board of Lotsen Kommunikation AB and board member of Wiresoft China Holding AB.

**Shareholding in CLX:** Owns 3,700 shares in CLX (including related parties).

### **Robert Gerstmann, born in 1975**

Managing Director, Enterprise division

**Employed since:** 2008

**Education:** MSc in Engineering Industrial Economics from Linköping Institute of Technology.

Robert has over 15 years of experience in the industry, including experience from Mblox and Netgiro/Digital River.

**Other assignments:** Board member of Cantaloupe AB, Robert Gerstmann AB, and Mobile Ecosystem Forum's board for Europe, the Middle East and Africa.

**Previous assignments during the past five years:** –

**Shareholding in CLX:** Owns no shares directly in CLX but owns via a wholly-owned company 0.28 percent of the shares and votes in CLX and also 19.92 percent of the shares in Cantaloupe AB, which owns 23.02 percent of the shares and votes in CLX. In addition, related parties to Robert Gerstmann own shares in CLX.

### **Johan Rosendahl, born in 1966**

Managing Director, Operator division

**Employed since:** 2015

**Education:** MSc in Business and Economics majoring in international economics, Linköping University.

Has over 20 years of experience in the industry, including experience from Netsize Internet Payment Exchange.

**Other assignments:** Deputy board member of AB Business Insights – Bo Rosendahl and holder of the individual firm Multiplier.

**Previous assignments during the past five years:** CEO of Netsize Internet Payment Exchange (former Ericsson Internet Payment Exchange) and board member of Nira Control AB.

**Shareholding in CLX:** Owns 1,700 shares in CLX.

### **Auditor**

Deloitte AB has been the Company's auditor since 2012 and was, at the annual general meeting in 2015, re-elected until the end of the annual general meeting 2016. On 13 May 2016, CLX announced that the Company convenes an extraordinary general meeting on 13 June 2016 to resolve on a change of the Company's financial year from 1 July–30 June to calendar year as well as a corresponding amendment of the Company's articles of association. Provided that the general meeting resolve on a change of the Company's financial year and thereto related amendment of the articles of association, it is also proposed that the general meeting resolve on an extension of the auditors' mandate period up until the next annual general meeting, which, as a result of the extended financial year, will take place during 2017. See section "Legal considerations and supplementary information" under the heading "Change of the financial year".

Erik Olin (born 1973) is the auditor in charge. Erik Olin is an authorised public accountant and a member of FAR (the Swedish trade organisation for accounting consultants, auditors and advisors). Deloitte AB's office address is Rehnsgatan 11, SE-113 79 Stockholm, Sweden. Deloitte AB has been auditor throughout the entire period covered by the historic financial information in the Prospectus.

### **Additional information regarding the board of directors and senior executives**

There are no family ties between any of the members of the board of directors and/or the senior executives.

During the past five years, none of the members of the board of directors or senior executives have been (i) convicted in any fraudulent offence, (ii) involved in any bankruptcy, liquidation or bankruptcy administration, (iii) subject of sanctions or accused by authorities or bodies acting for particular professional groups under public law, or (iv) subject to injunctions against carrying on business.

There are no conflicts of interest or potential conflicts of interest between the obligations of members of the board of directors and senior executives of the Company and their private interests and/or other undertakings. As set out above, certain board members and senior executives have financial interests in the Company through shareholdings. For information regarding certain transactions with related parties, between CLX and board members or senior executives, see section "Legal considerations and supplementary information" under the heading "Related party transactions".

None of the above members of the board of directors or senior executives have entered into any agreement with the Company or any of its subsidiaries regarding benefits after the termination of such assignment, other than what is otherwise disclosed in this Prospectus.

The board members and senior executives can be reached through the Company's address: Box 1206, SE-164 28 Kista, Sweden.

# Corporate governance

CLX is a Swedish public limited liability company. Corporate governance in CLX is based on Swedish law, primarily the Swedish Companies Act, the Company's articles of association, internal rules, instructions and policies, Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code (the "Code"). The Code applies to all Swedish companies with shares listed on a regulated market in Sweden. The Code provides for the possibility for the Company to deviate from the rules, provided that any such deviation and the chosen alternative solution are described and the reasons therefore are explained in the corporate governance report (the so-called "comply or explain principle"). CLX has applied the Code from the date of the listing on Nasdaq Stockholm. Any deviation from the Code will be reported in the Company's corporate governance report, which will be prepared for the first time for the financial year 2015/2016. However, in the first corporate governance report, the Company is not required to explain non-compliance with such rules that have not been relevant during the financial year covered by the corporate governance report. Currently, CLX does not expect to report any deviations from the Code in the corporate governance report.

## Shareholders' meeting

According to the Swedish Companies Act, the shareholders' meeting is the Company's ultimate decision-making body. At the shareholders' meeting, the shareholders exercise their voting rights on key issues, such as adoption of income statement and balance sheets, appropriation of the Company's results, discharge of liability of members of the board of directors and the CEO, election of members of the board of directors and auditors and remuneration to the board of directors and the auditors.

The annual general meeting must be held within six months from the end of the financial year. In addition to the annual general meeting, extraordinary general meetings may be convened. According to the articles of association, shareholders' meetings are convened by publication of the convening notice in the Swedish National Gazette (*Sw. Post- och Inrikes Tidningar*) and on the Company's website. At the time of the notice convening the meeting, information regarding the notice shall be published in Svenska Dagbladet.

## Right to participate in shareholders' meetings

Shareholders who wish to participate in a shareholders' meeting must be included in the shareholders' register maintained by Euroclear on the day falling five workdays prior to the meeting, and notify the Company of their participation no later than on the date stipulated in the notice convening the meeting. Shareholders may attend the shareholders' meeting in person or by proxy and may be accompanied by a maximum of two assistants. It is normally possible for a shareholder to register for the shareholders' meeting in several different ways as indicated in

the notice of the meeting. Shareholders may vote for all shares owned or represented by the shareholder.

## Shareholder initiatives

Shareholders who wish to have a matter brought before the shareholders' meeting must submit a written request to the board of directors. Such request must normally be received by the board of directors no later than seven weeks prior to the shareholders' meeting.

## Nomination committee

Under the Code, the Company shall have a nomination committee, the purpose of which is to make proposals in respect of the chairman at shareholders' meetings, board member candidates, including the chairman, fees and other remuneration of each board member as well as remuneration for committee work, election of and remuneration to the external auditor and proposal for nomination committee, or principles for the appointment of the nomination committee, for the following annual general meeting.

At the annual general meeting held on 7 September 2015, it was resolved that the nomination committee shall be composed of representatives of the four largest shareholders listed in the shareholders' register maintained by Euroclear as of 31 March 2016, together with the chairman of the board of directors. The nomination committee should therefore be composed of five members altogether. If any of these shareholders choose to abstain from the right to appoint a representative, the right is passed to the shareholder who, in addition to these shareholders, has the largest shareholding. If earlier than two months prior to the annual general meeting, one or more of the shareholders having appointed representatives to the nomination committee is/are no longer among the four largest shareholders, representatives appointed by these shareholders shall resign and the shareholders who then are among the four largest shareholders may appoint their representatives. Should a member resign from the nomination committee before its work is completed and the nomination committee considers it necessary to replace him or her, such substitute member is to represent the same shareholder or, if the shareholder is no longer one of the four largest shareholders, the largest shareholder in turn. Changes to the composition of the nomination committee must be announced immediately.

The composition of the nomination committee for the annual general meetings shall normally be announced no later than six months prior to that meeting. Remuneration shall not be paid to the members of the nomination committee. The Company shall, however, pay any necessary expenses that the nomination committee may incur in its work. The term of office for the nomination committee ends when the composition of the following nomination committee has been announced.

## Board of directors

The board of directors is the second-highest decision making body after the shareholders' meeting. According to the Swedish Companies Act, the board of directors is responsible for the organisation of a company and the management of the company's affairs, which means that the board of directors is responsible for, among other things, setting targets and strategies, securing routines and systems for evaluation of set targets, continuously assessing the financial position and profits as well as evaluating the operating management. The board of directors is also responsible for ensuring that annual reports and interim reports are prepared in a timely manner. Moreover, the board of directors appoints the CEO.

Members of the board of directors are normally appointed by the annual general meeting for the period until the end of the next annual general meeting. According to the Company's articles of association, the members of the board of directors elected by the shareholders' meeting shall be no fewer than three and no more than ten members with no more than five deputy members.

According to the Code, the chairman of the board of directors is to be elected by the shareholders' meeting and has a special responsibility for leading the work of the board of directors and for ensuring that the work of the board of directors is efficiently organised.

The board of directors applies written rules of procedure, which are revised annually and adopted by the constituent board meeting every year. Among other things, the rules of procedure govern the practice of the board of directors, functions and the division of work between the members of the board of directors and the CEO. At the constituent board meeting, the board of directors also adopts instructions for the CEO, including instructions for financial reporting.

The board of directors meets according to an annual predetermined schedule. In addition to these meetings, additional board meetings can be convened to handle issues which cannot be postponed until the next ordinary board meeting. In between the board meetings, the chairman of the board of directors and the CEO continuously discuss the management of the Company.

Currently, the Company's board of directors consists of six ordinary members, who are presented in section "*Board of directors, senior executives and auditor*" under the heading "*Board of directors*".

## Audit committee

The board of directors has decided not to establish a specific audit committee but to let the board of directors in its entirety fulfil the tasks of such a committee, *i.e.*, monitor the Company's financial reporting, monitor the efficiency of the Company's internal controls, internal auditing and risk management, keep itself informed regarding audit of the annual report and the consolidated accounts, review and monitor the impartiality and independence of the auditor and, in conjunction therewith, pay special attention to whether the auditor provides the Company with services other than auditing services, and assist in conjunction with preparation of proposals to the shareholders' meeting resolution regarding election of auditor.

## Remuneration committee

The board of directors has decided not to establish a specific remuneration committee but to let the board of directors in its entirety fulfil the tasks such committee would have according to the Code, *i.e.* prepare matters concerning remuneration principles, remuneration and other employment terms for the CEO and other senior executives, follow and evaluate existing and completed programs regarding non-fixed remunerations for the CEO and other senior executives, and follow and evaluate the application of the guidelines for remuneration to senior executives which the annual general meeting may resolve upon as well as remuneration structures and remuneration levels in the Company.

## The CEO and other senior executives

The CEO is subordinated to the board of directors and is responsible for the everyday management and operations of the Company. The division of work between the board of directors and the CEO is set out in the rules of procedure for the board of directors and in the CEO's instructions. The CEO is also responsible for the preparation of reports and compiling information for the board meetings and for presenting such materials at the board meetings.

According to the instructions for the financial reporting, the CEO is responsible for the financial reporting in the Company and consequently must ensure that the board of directors receives adequate information for the board of directors to be able to evaluate the Company's financial position.

The CEO must continuously keep the board of directors informed of developments in the Company's operations, the development of sales, the Company's result and financial position, liquidity and credit status, important business events and all other events, circumstances or conditions which can be assumed to be of significance to the Company's shareholders.

The CEO and senior executives are presented in detail in section "*Board of directors, senior executives and auditors*" under the heading "*Senior executives*".

## Remuneration to the members of the board of directors, CEO and senior executives

### Remuneration to the members of the board of directors

Fees and other remuneration to the members of the board of directors, including the chairman, are resolved by the annual general meeting. At the annual general meeting held on 7 September 2015, it was resolved that the fee to the chairman of the board of directors should be SEK 150,000 and that the fee to the members of the board of directors that are not employed by the Company should be SEK 150,000, respectively. The remunerations stated above concern remuneration for a period of one year. Members of the board of directors are not entitled to any benefits following termination of their assignments as members of the board of directors.

On 13 May 2016, CLX announced that the Company convenes an extraordinary general meeting on 13 June 2016 to resolve on a change of the Company's financial year from 1 July–30 June to calendar year as well as an amendment of the Company's articles of association, correspondingly. Provided that the

general meeting resolve on a change of the Company's financial year and thereto related amendment of the articles of association, it is also proposed that the general meeting resolve on an extension of the board members' and the auditors' mandate period up until the next annual general meeting, which, as a result of the extended financial year, will take place during 2017. As a result of the extension of the board members' mandate period, it is also proposed that the general meeting resolve on an adjustment of the fees for the board members who are not employees of the Company, accordingly. See section "Legal considerations and supplementary information" under the heading "Change of the financial year".

### Guidelines for remuneration to the senior executives

The annual general meeting held on 7 September 2015 resolved on the following guidelines for remuneration to the senior executives of CLX.

The guidelines shall apply to the remuneration and other terms of employment for the CEO and other senior executives of CLX. The Company currently has five senior executives, including the CEO.

The guidelines shall be applied for employment agreements entered into after the annual general meeting and for changes made to existing employment agreements thereafter.

If there are justifiable reasons, the board of directors may deviate from the below remuneration guidelines for senior executives.

### Remuneration

The remuneration to the CEO and other senior executives is to reflect CLX's need to recruit and motivate qualified employees through a compensation package that is on a fair and competitive level.

The remuneration is to consist of the following components:

- fixed base salary;
- short-term variable pay;
- long-term variable pay;
- pension benefits; and
- other benefits and severance pay.

### Base salary and variable compensation

The fixed base salary shall reflect the position, qualifications, experience and individual performance and shall be based on market terms.

Variable pay shall be measured against pre-defined financial performance targets. Non-financial targets may also be used in order to strengthen the focus on delivering on the Group's strategic plans. The targets shall be specific, clear, measurable and time bound and be determined by the board of directors.

Variable pay may not exceed 30 percent of the fixed base salary for the CEO and 30 percent of the fixed base salary for other senior executives.

Long-term variable pay may include share-related incentive programs, see below.

### Pensions

The pension contributions for the CEO and other senior executives shall reflect usual market terms, as compared what is generally applicable to comparable senior executives in other companies, and shall normally be based on defined contribution pension plans.

### Other compensation

Other benefits shall primarily consist of health insurance and preventive health care. Other benefits may also include commonly accepted benefits in conjunction with employment or the move abroad of a senior executive.

### Share-related incentive programs

Each year, the board of directors will evaluate whether a long-term share-related incentive program shall be proposed to the general meeting. The purpose of offering a share-related incentive program is to align the interests of the senior executives with those of the Company's shareholders. Individual, long-term ownership among key individuals can be expected to stimulate increased interest in the business and its profitability and increase motivation and affinity with the Company.

### Termination of employment

If the Company terminates the CEO's employment, a notice period of no more than six months shall apply, and if the CEO terminates the employment, a notice period of six months shall apply.

Between the Company and the other senior executives, a notice period of 3–6 months shall apply both for the Company and the employed.

### Remuneration for the financial year 2014/2015

For the financial year 2014/2015, board remuneration of SEK 12,500 has been paid to each of the board members Erik Fröberg, Charlotta Falvin, Helena Nordman-Knutson, Johan Stuart and Jonas Fredriksson, respectively. For a description of the fees to be paid to the board of directors during the financial year 2015/2016, see the heading "Remuneration to the members of the board of directors" above.

The table below presents an overview of remuneration to the CEO and other senior executives for the financial year 2014/2015.

Name	Salary	Variable salary	Other benefits	Pension	Total
<b>SEK thousand</b>					
Johan Hedberg, CEO	569	0	20	93	682
Other senior executives <sup>1)</sup>	3,409	0	107	681	4,197
<b>Total</b>	<b>3,978</b>	<b>0</b>	<b>127</b>	<b>774</b>	<b>4,879</b>

1) During the financial year 2014/2015, the senior executives have in addition to the CEO consisted of seven persons.

### **Current employment agreements for the CEO and other senior executives**

Decisions as to the current remuneration levels and other conditions for employment for the CEO and the other senior executives have been resolved by the board of directors.

Agreements concerning pensions shall, wherever possible, be based on defined contributions pension plans and be in accordance with the levels, practice and collective bargaining agreements applicable in the country where the relevant member of the senior executives is employed.

The CEO's employment agreement provides a notice period of six months if the Company is the terminating party, and six months if the CEO is the terminating party. The remaining senior executives have employment agreements that provide notice periods of six months if the Company is the terminating party, and 3–6 months if the employee is the terminating party. The CEO and other members of the senior executives are not entitled to any additional remuneration following the termination of their employments.

### **Auditing**

The auditor shall review the Company's annual reports and accounting, as well as the management of the board of directors and the CEO. Following each financial year, the auditor shall submit an audit report and a consolidated audit report to the annual general meeting.

Pursuant to the Company's articles of association, the Company shall have one or two auditors with no more than two deputy auditors, or one registered public accounting firm. The Company's auditor is Deloitte AB, with Erik Olin as auditor in charge. The Company's auditor is presented in more detail in the section "*Board of directors, senior executives and auditors*" under the heading "*Auditors*".

During the financial year that ended 30 June 2015, the total remuneration paid to the Company's auditor amounted to SEK 1,496 thousand.

# Share capital and ownership structure

## General information

The Company's articles of association provide that the share capital shall be no less than SEK 2,500,000 and no more than SEK 10,000,000, divided into no less than 25,000,000 and no more than 100,000,000 shares. The company has only one class of shares. As at the date of this Prospectus, there are a total of 32,432,430 registered shares in the Company, each with a quota value of SEK 0.10.

The shares in the Company have been issued in accordance with Swedish law and are denominated in SEK. The shares have been fully paid and are freely transferrable. The offered shares are not subject to a mandatory offering, compulsory redemption or sell-out obligation. No public takeover-offer has been made for the offered shares during the current or preceding financial year.

On 12 May 2016, the board of directors in CLX resolved, subject to the general meeting's subsequent approval, to increase the Company's share capital by way of a new issue of shares with preferential rights for existing shareholders. On 7 June 2016, the extraordinary general meeting approved the board of directors resolution.

By way of the Rights Issue, the Company's share capital is increased with SEK 1,621,621.50 from SEK 3,243,243 to SEK 4,864,864.50 and the number of shares will increase with 16,216,215 shares to 48,648,645 shares, which corresponds to an increase of 50 percent. Shareholders who choose not to participate in the Rights Issue will have their ownership diluted by approximately 33 percent, but may fully or partly financially compensate for the dilution by selling their subscription rights.

## Certain rights associated with the shares

The offered shares are all shares of the same class. The rights associated with shares issued by the Company, including those pursuant to the articles of association, can only be amended in accordance with the procedures set out in the Swedish Companies Act.

## Voting rights

At shareholders' meetings, each share carries one vote and each shareholder is entitled to vote for the full number of shares such shareholder holds in the Company.

## Preferential rights to new shares etc.

If the Company issues new shares, warrants or convertibles in a cash issue or a set-off issue, shareholders shall, as a general rule, have preferential rights to subscribe for such securities in proportion to the number of shares held prior to the issue. Nothing in the Company's articles of association restricts its possibility, pursuant to the provision of the Swedish Companies Act, to issue new shares, warrants or convertibles with deviation from the shareholders' preferential rights.

## Central securities depository registration

The Company's shares are registered in a CSD register in accordance with the Swedish Act on Central Securities Depositories and the Accounting of Financial Instruments (*Sw. lagen (1998:1479) om värdepapperscentraler and kontoföring av finansiella instrument*). This register is managed by Euroclear, P.O. Box 191, SE-101 23 Stockholm, Sweden. No share certificates have been issued for the Company's shares. The ISIN-code of the shares is SE0007439112.

## Authorisations

The annual general meeting, held on 7 September 2015, resolved to authorise the board of directors, for the period until the next annual meeting, to resolve upon an increase of the Company's share capital, on one or several occasions, by an issue of new shares. The board of directors is authorised to increase the Company's share capital with no more than 10 percent of the registered share capital at the time the board of directors first utilises the authorisation. The board of directors shall be authorised to adopt resolutions on an issue of shares with deviation from the shareholders' preferential rights and/or an issue in kind or an issue by way of set-off or otherwise. The reason for the authorisation to resolve on an issue with deviation from the shareholder's preferential rights is to enable the Company to issue shares for the financing of acquisitions of companies, or parts of companies.

## Share capital development

The table below shows historic changes in the Company's share capital since its foundation in 2012.

Time	Event	Change of number of shares	Change in the share capital	Total number of shares	Total share capital	The share's quota value
2012-02-01	Formation	–	–	1,000,000	50,000	0.05
2015-06-26	Issue of preference shares	81,081	4,054.05	1,081,081	54,054.05	0.05
2015-08-31	Bonus issue	–	3,189,188.95	1,081,081	3,243,243	3.00
2015-08-31	Split 30:1	31,351,349	–	32,432,430	3,243,243	0.10
	Conversion of preference shares to common shares	–	–	32,432,430	3,243,243	0.10
2015-10-08						
2016-06-07	The Rights Issue	16,216,215	1,621,621.50	48,648,645	4,864,864.50	0.10

## Ownership structure

Based on information obtained from Euroclear, the table below sets forth the ten largest shareholders of the Company as of 31 May 2016, including subsequent changes known to the Company. As of the date of this Prospectus no private persons or legal entities own five percent or more than five percent of all shares and votes in the Company, except as stated below. As of 31 May 2016 the number of shareholders amounted to 1,176. The Company held no treasury shares as of 31 May 2016.

Shareholder	Number of shares	Percentage of votes/capital
Cantaloupe AB <sup>1)</sup>	7,465,706 <sup>4)</sup>	23.02 %
Neqst D1 AB <sup>2)</sup>	6,538,801 <sup>5)</sup>	20.16 %
Kjell Arvidsson AB <sup>3)</sup>	3,001,800 <sup>6)</sup>	9.26 %
Swedbank Robur Fonder	2,352,029	7.25 %
Första AP-fonden	2,294,915	7.08 %
Fjärde AP-fonden	1,780,324	5.49 %
Alecta pensionsförsäkring	1,644,915	5.07 %
Handelsbanken Fonder	1,400,000	4.32 %
RAM ONE	757,313	2.34 %
Länsförsäkringar Fonder	345,000	1.06 %
Other shareholders	4,851,627	14.96 %
<b>Total</b>	<b>32,432,430</b>	<b>100.00 %</b>

- 1) Cantaloupe AB is owned by the six founders of CLX: (i) Johan Hedberg, the CEO of CLX; (ii) Robert Gerstmann, senior executive of CLX; (iii) Björn Zethraeus, responsible for Business Development in CLX and former board member of CLX; (iv) Kristian Männik, the CMO of CLX and former board member of CLX; (v) Henrik Sandell, Head of operations of CLX and former board member of CLX; and (vi) Kjell Arvidsson, (via Kjell Arvidsson AB), board member and senior executive of CLX. See heading "Beneficial shareholdings".
- 2) Neqst D1 AB is wholly-owned by Neqst 1 AB. Neqst 1 AB is partially indirectly owned by the board members of CLX Erik Fröberg and Jonas Fredriksson. See heading "Beneficial shareholdings".
- 3) Kjell Arvidsson AB is owned by Kjell Arvidsson, one of the six founders of CLX as well as a board member and senior executive of CLX.
- 4) The shareholding of Cantaloupe AB after the reallocation on 7 June 2016 among the Principal Shareholders prior to the Rights Issue.
- 5) The shareholding of Neqst D1 AB after the reallocation on 7 June 2016 among the Principal Shareholders prior to the Rights Issue.
- 6) The shareholding of Kjell Arvidsson AB after the reallocation on 7 June 2016 among the Principal Shareholders prior to the Rights Issue.

## Beneficial shareholdings

Together, the Principal Shareholders hold approximately 53 percent of the shares in CLX. As of the date of this Prospectus, 100 percent of Cantaloupe AB's shares were directly held by the six founders of CLX. 19.92 percent of the shares are owned by Johan Hedberg, who is the CEO of CLX. 19.92 percent of the shares are owned by Robert Gerstmann, who is a senior executive of CLX. 19.92 percent of the shares are owned by Björn Zethraeus, who is responsible for Business Development in CLX and a former board member of CLX. 19.92 percent of the shares are owned by Kristian Männik, who is the CMO of CLX and a former board member of CLX. 19.93 percent of the shares are owned by Henrik Sandell, who is the Head of operations of CLX and a former board member of CLX. 0.37 percent of the shares are owned by Kjell Arvidsson (via Kjell Arvidsson AB), board member and senior executive of CLX.

As of the date of this Prospectus, 100 percent of Neqst D1 AB's shares and votes were owned by Neqst 1 AB. 41.87 percent of Neqst 1 AB's shares and 75.91 percent of the votes were owned by Neqst Partner AB, of which the board members of CLX Erik Fröberg and Jonas Fredriksson, indirectly, via wholly-owned companies, own 38.53 percent of the shares and 38.71 percent of the votes and 28.17 percent of the shares and 28.42 percent

of the votes, respectively. Erik Fröberg also owns, indirectly via a wholly-owned company, 0.21 percent of the shares and 0.09 percent of the votes in Neqst 1 AB. Erik Fröberg is the CEO and serves, together with Jonas Fredriksson, as a board member and managing partner of Neqst Partner AB and its subsidiaries.

Based on the above shareholdings in Cantaloupe AB and Neqst D1 AB, the table below provides an overview of the total beneficial shareholding in CLX held indirectly by the shareholders of Cantaloupe AB and Neqst D1 AB, including the six founders of CLX as well as current and former senior executives and board members, as of the date of this Prospectus.

Shareholders in Cantaloupe AB <sup>1)</sup>	Number of shares in CLX	Percentage of votes/capital in CLX
Johan Hedberg	1,487,417	4.59 %
Robert Gerstmann <sup>2)</sup>	1,487,417	4.59 %
Björn Zethraeus	1,487,417	4.59 %
Kristian Männik	1,487,417	4.59 %
Henrik Sandell	1,488,166	4.59 %
Kjell Arvidsson <sup>3)</sup>	27,872	0.09 %
<b>Total</b>	<b>7,465,706</b>	<b>23.02 %</b>

Shareholders in Neqst 1 AB which holds 100 percent of the shares in Neqst D1 AB <sup>1)</sup>	Number of shares in CLX	Percentage of votes/capital in CLX
Erik Fröberg <sup>4)</sup>	1,068,604	3.29 %
Jonas Fredriksson <sup>5)</sup>	771,237	2.38 %
Other, direct or indirect, shareholders in Neqst 1 AB <sup>6)</sup>	4,698,960	14.49 %
<b>Total</b>	<b>6,538,801</b>	<b>20.16 %</b>

- 1) The owners described in the table hold no shares directly in CLX, but hold shares in Cantaloupe AB or Neqst 1 AB, as applicable, unless indicated otherwise.
- 2) After the reallocation on 7 June 2016 among the Principal Shareholders prior to the Rights Issue, Robert Gerstmann also indirectly holds 92,029 shares in CLX through Robert Gerstmann AB. In total, Robert Gerstmann directly or indirectly holds 1,579,466 shares in CLX, representing an interest of 4.87 percent in CLX.
- 3) Kjell Arvidsson also indirectly holds 3,001,800 shares in CLX through Kjell Arvidsson AB. In total, Kjell Arvidsson directly or indirectly holds 3,029,672 shares in CLX, representing an interest of 9.34 percent in CLX.
- 4) Erik Fröberg holds indirectly, via a wholly-owned company, shares in Neqst D1 AB through Neqst Partner AB and Neqst 1 AB.
- 5) Jonas Fredriksson holds indirectly, via a wholly-owned company, shares in Neqst D1 AB through Neqst Partner AB and Neqst 1 AB.
- 6) Excluding shareholdings of Erik Fröberg and Jonas Fredriksson, Neqst 1 AB is directly and indirectly owned by external investors, none of whom hold more than five percent of the shares in CLX.

## Reallocation of shareholdings among the Principal Shareholders

On 7 June 2016, Neqst D1 AB and Robert Gerstmann (through a company) acquired 1,119,864 and 92,029 shares in CLX, respectively, from Cantaloupe AB and Kjell Arvidsson AB as part of a reallocation of shareholdings among the Principal Shareholders prior to the Rights Issue. In connection with the reallocation, Joint Global Coordinators and Joint Bookrunners waived the Principal Owners' undertakings to not sell their respective holdings of shares in CLX, which were entered into in connection with the Company's initial public offering of shares on Nasdaq Stockholm.

After the reallocation, the Principal Shareholders together still hold approximately 53 percent of the shares in CLX. The purpose of the reallocation of shareholdings was to ensure that all Principal Shareholders have the possibility to fulfil their respective subscription commitments as well as to allow for all of the Principal Shareholders to participate in the Rights Issue.

## Movements in the price of the share

The CLX share is listed on Nasdaq Stockholm since 8 October 2015. The share is listed on Nasdaq Stockholm Mid Cap list. In the chart below, the CLX-share price and trading volume on Nasdaq Stockholm since the listing until 7 June 2016 is shown.



## Warrants, convertible notes and share related incentive programs

As of the date of this Prospectus, the Company has no outstanding share related incentive programs for board members, senior executives or other employees. Further, the Company has not issued any warrants, convertibles or any other equity related securities.

## Shareholders' agreements

As far as CLX's board of directors is aware, no shareholder agreements exist between the Company's shareholders with the objective of creating a joint influence over the Company. Furthermore, the Company's board of directors is not aware of any other agreements or similar that may lead to that the control of the Company is altered.

## Dividends and dividend policy

### General

Shareholders will be entitled to receive future dividends provided that dividends have been declared. All shares carry equal rights to dividends and to the Company's assets and potential surplus in the event of liquidation. In the financial years that ended 30 June 2015, 2014 and 2013 no dividend was paid.

### Dividend policy

CLX's objective is to distribute at least 30 percent of the net profit. CLX's financial position, cash flow, acquisition opportunities and future prospects will be taken into consideration by the board of directors when proposing dividends to be paid by CLX.

### Legal requirements

The declaration of dividends or other capital distributions by Swedish companies is decided by the shareholders' meetings. Dividends or other capital distributions may only be declared to the extent that there is unrestricted equity (*Sw. fritt eget kapital*) available, meaning that there must be full coverage for the company's restricted equity (*Sw. bundet eget kapital*) after the distribution. Restricted equity includes, among other things, the company's share capital and its statutory reserve. Furthermore, in addition to the requirement regarding full coverage for the

company's restricted equity, dividends or other capital distributions may only be declared to the extent that such declaration is prudent, taking into consideration: (a) the demands with respect to the size of the equity which are imposed by the nature, scope and risks associated with the operations of the company and, if applicable, the group; and (b) the need to strengthen the balance sheet, liquidity and financial position of the company and, if applicable, the group. The shareholders' meeting may, as a general rule, not declare dividends in an amount higher than the board of directors has proposed or approved.

Under the Swedish Companies Act, minority shareholders that together represent at least 10 percent of all outstanding shares of the company have the right to request a payment of dividend (to all shareholders) from the company's profits. Following such a request, the annual general meeting is required to resolve to distribute 50 percent of the remaining profit for the relevant year as reported on the statement of financial position adopted at the annual general meeting, after deductions made for: (a) losses carried forward that exceed unrestricted reserves (*Sw. fria fonder*); (b) amounts which, by law or the articles of association, must be transferred to restricted equity; and (c) amounts which, pursuant to the articles of association, are to be used for any purpose other than distribution to the shareholders. However, the general meeting is not obliged to declare dividends in excess of five percent of the Company's shareholders' equity. Moreover, the general meeting may not declare dividends to the extent that there will not be full coverage of the company's restricted equity or in violation of the prudence rule described above.

### Other information

Dividends will normally be paid to shareholders in cash on a per share basis through Euroclear, but may also be paid in kind. On the record date established by the shareholders' meeting, all shareholders recorded as owners of shares in the register of shareholders maintained by Euroclear will be entitled to receive dividends. Shareholders who do not have an account for receipt of dividend in SEK should consult their respective banks regarding dividend payment currency.

If a shareholder cannot be paid through Euroclear, such shareholder still retains its claim to the dividend amount, and the claim remains against the Company subject to a statutory limitation of ten years. Should the claim become barred by the statute of limitations, the dividend amount is forfeited to the Company.

Neither the Swedish Companies Act nor the Company's articles of association contain any restrictions regarding dividend rights of shareholders resident outside Sweden. Subject to any restrictions imposed by banks or clearing systems in the relevant jurisdiction, payments to such shareholders are made in the same manner as for shareholders resident in Sweden. However, payments to shareholders not resident in Sweden for tax purposes are normally subject to Swedish withholding tax, see section "*Certain tax issues in Sweden*".

# Articles of association

## Current wording

Articles of association for CLX Communications AB (publ), corporate registration number 556882-8908, adopted by the extraordinary shareholder's meeting on 31 August 2015.

### 1 Company name

The company's name is CLX Communications AB (publ). The company is a public company.

### 2 Registered office

The board of directors shall have its registered office in the municipality of Stockholm, county of Stockholm.

### 3 Business

The company shall, directly or through wholly or partly owned enterprises, carry out business within services and solutions for mobile communications, and to own and manage securities and real properties and other activities compatible therewith.

### 4 Share capital

The share capital shall be no less than SEK 2,500,000 and no more than SEK 10,000,000.

### 5 Number of shares

The number of shares shall be no less than 25,000,000 and no more than 100,000,000.

### 6 Board of directors and auditor

The board of directors consists of 3–10 directors with no more than 5 deputy directors.

The company shall have 1–2 auditors with no more than 2 deputy auditors or a registered accounting firm.

### 7 Notice to attend a shareholders' meeting

Notice to attend a shareholders' meeting shall be published in the Official Swedish Gazette, and on the company's website. At the time of the notice, an announcement with information that the notice has been issued shall be published in Svenska Dagbladet.

Shareholders intending to participate in shareholders' meetings must first be recorded in the print-out of the complete share register as of five days prior to such meeting, and secondly, notify the company no later than the day stated in the notice to attend the meeting. This day may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve, and may not fall earlier than the fifth weekday prior to such meeting.

### 8 Annual general meeting

The annual general meeting is held annually within six months of the end of the financial year.

The following matters shall be addressed at the annual general meeting:

1. Election of a chairman at the meeting;
2. Preparation and approval of the voting list;
3. Approval of the agenda;
4. Election of one or two persons to verify the minutes;
5. Determination of whether the meeting was duly convened;
6. Presentation of the annual accounts and the auditor's report and, if applicable, the consolidated annual accounts and the auditor's report for the group;
7. Resolutions on
  - (a) the adoption of the income statement and balance sheet and, if applicable, the consolidated income statement and consolidated balance sheet;
  - (b) allocation of the company's profit or loss in accordance with the adopted balance sheet;
  - (c) discharge from liability of the board members and the CEO;
8. Determination of the number of members and deputy members of the board of directors and the number of auditors and deputy auditors;
9. Determination of fees for the board of directors and the auditors;
10. Election of the board of directors, the chairman of the board of directors, auditors and, if applicable, deputy directors and auditors;
11. Any other matter on which the meeting is required to decide pursuant to the Swedish Companies Act (2005:551) or the company's articles of association.

### 9 Financial year

The company's financial year shall be 0701–0630.

### 10 Central securities depository

The company's shares shall be registered in a central securities depository (CSD) register pursuant to the Swedish Financial Instruments Act (1998:1479).

## New wording

The articles of association for CLX Communications AB (publ), corporate registration number 556882-8908, proposed to the extraordinary general meeting on 13 June 2016.

### 1 Company name

The company's name is CLX Communications AB (publ). The company is a public company.

### 2 Registered office

The board of directors shall have its registered office in the municipality of Stockholm, county of Stockholm.

### 3 Business

The company shall, directly or through wholly or partly owned enterprises, carry out business within services and solutions for mobile communications, and to own and manage securities and real properties and other activities compatible therewith.

### 4 Share capital

The share capital shall be no less than SEK 2,500,000 and no more than SEK 10,000,000.

### 5 Number of shares

The number of shares shall be no less than 25,000,000 and no more than 100,000,000.

### 6 Board of directors and auditor

The board of directors consists of 3–10 directors with no more than 5 deputy directors.

The company shall have 1–2 auditors with no more than 2 deputy auditors or a registered accounting firm.

### 7 Notice to attend a shareholders' meeting

Notice to attend a shareholders' meeting shall be published in the Official Swedish Gazette, and on the company's website. At the time of the notice, an announcement with information that the notice has been issued shall be published in Svenska Dagbladet.

Shareholders intending to participate in shareholders' meetings must first be recorded in the print-out of the complete share register as of five days prior to such meeting, and secondly, notify the company no later than the day stated in the notice to attend the meeting. This day may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve, and may not fall earlier than the fifth weekday prior to such meeting.

### 8 Annual general meeting

The annual general meeting is held annually within six months of the end of the financial year.

The following matters shall be addressed at the annual general meeting:

1. Election of a chairman at the meeting;
2. Preparation and approval of the voting list;
3. Approval of the agenda;
4. Election of one or two persons to verify the minutes;
5. Determination of whether the meeting was duly convened;
6. Presentation of the annual accounts and the auditor's report and, if applicable, the consolidated annual accounts and the auditor's report for the group;
7. Resolutions on
  - (a) the adoption of the income statement and balance sheet and, if applicable, the consolidated income statement and consolidated balance sheet;
  - (b) allocation of the company's profit or loss in accordance with the adopted balance sheet;
  - (c) discharge from liability of the board members and the CEO;
8. Determination of the number of members and deputy members of the board of directors and the number of auditors and deputy auditors;
9. Determination of fees for the board of directors and the auditors;
10. Election of the board of directors, the chairman of the board of directors, auditors and, if applicable, deputy directors and auditors;
11. Any other matter on which the meeting is required to decide pursuant to the Swedish Companies Act (2005:551) or the company's articles of association.

### 9 Financial year

The company's financial year shall be 0101–1231.

### 10 Central securities depository

The company's shares shall be registered in a central securities depository (CSD) register pursuant to the Swedish Financial Instruments Act (1998:1479).

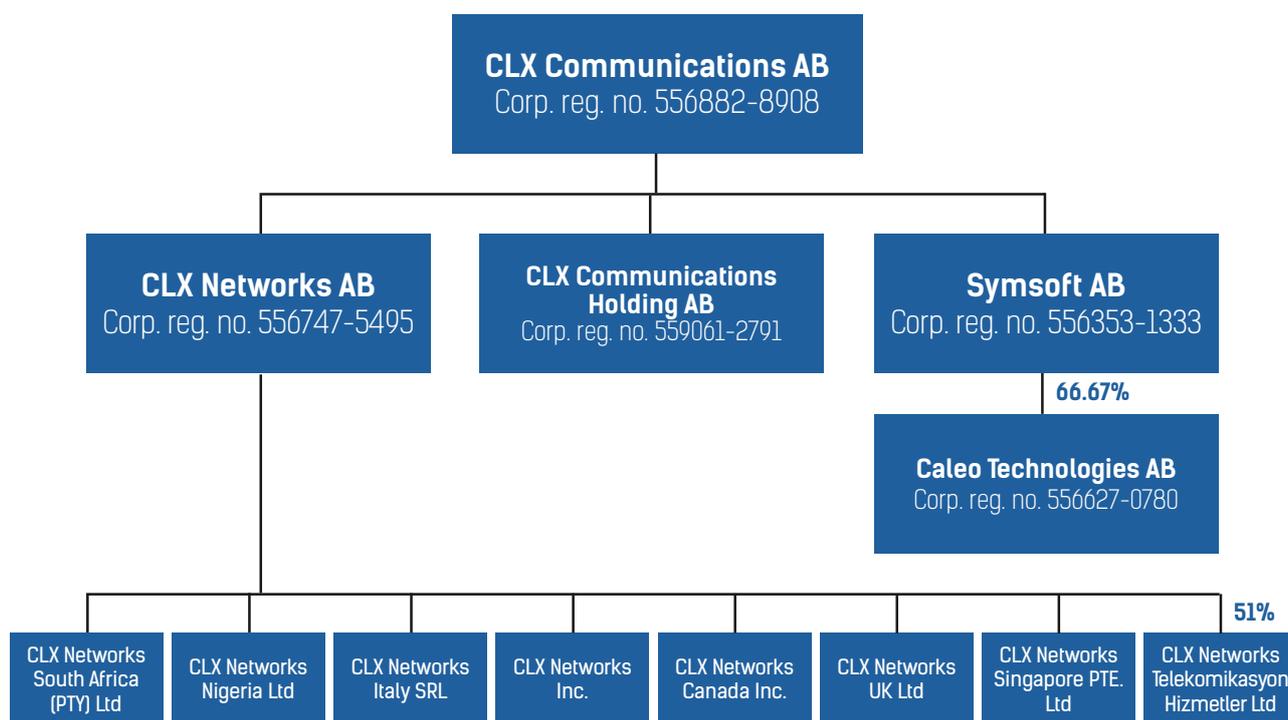
# Legal considerations and supplementary information

## General information of CLX

The Company's business is conducted in accordance with the Swedish Companies Act. The parent company CLX Communications AB (publ) (corporate registration number 556882-8908) is a Swedish public limited liability company which was founded on 31 January 2012 and was registered with the Swedish

Companies Registration Office on 1 February 2012. The Company's registered office is located in Stockholm, Sweden.

As at 31 May 2016, the Company is the parent company of twelve (direct and indirect) wholly or partly, owned subsidiaries in accordance with the legal group structure below.



## Material agreements

### Customer agreements

Within the Enterprise division, CLX has entered into a large number of customer agreements regarding communications services. The customer agreements are normally framework agreements, mostly based on CLX Network's templates, including standard warranty undertakings to which are attached service addendums regulating terms and conditions for specific services. CLX's customer agreements with its enterprise customers are typically twelve-month contracts with automatic twelve-months renewal provisions. While the contracts generally do not provide for minimum traffic volume commitments from customers, traffic volumes are typically repetitive over the course of the contracted term.

Within the Operator division, Symsoft has entered into a number of agreements with mobile operators and communication service providers where CLX's communications platform is

offered as a software and service solution. These agreements are mainly structured as agreements on sales of goods or equipment, including standard warranty undertakings. CLX's customer agreements with its operator customers have varied terms, but are often two year contracts, with automatic renewal.

None of the customer agreements represent a substantial part of the Group's revenues and CLX does not consider the Group to be dependent on any individual customer agreement.

### Supply agreements

To secure global connectivity to enable the provision of services under the customer agreements within the Enterprise division, CLX has also entered into a large number of agreements with mobile operators around the world. Under these agreements, CLX purchases network capacity (SMS and voice minute, and, following CLX's launch of mobile connectivity services for IoT, also megabyte of data) from mobile operators to enable the

provision of such services to CLX's enterprise customers. The agreements are not based on any standards or templates but nevertheless follow similar structure, including specification of technical requirements for connectivity between the parties, obligations not to send spam or to include offensive, illegal, or similar content in the communication, including standard warranty undertakings. CLX's supply agreements with mobile operators are typically 3–12 month contracts with automatic 3–12 month renewal provisions. CLX does not consider the Group to be dependent on any individual mobile operator to perform its operations since CLX has entered into multiple mobile operators agreements to reach any destination.

The software, based on which the Company's services are provided, are mainly internally developed and to a limited extent licensed from standard third-party, namely Oracle under which license agreement the Company may distribute Oracle database management products to its end users. The license agreement with Oracle is a 36 month contract with possibility to extend subject to Oracle's approval.

## Acquisitions and sales

### Mblox

On May 13, 2016 CLX announced that the Company has entered into an agreement to acquire the American corporation Mblox. The purchase price amounted to USD 117 million (SEK 954 million<sup>1)</sup>) on a cash and debt free basis and is partly financed by new loans of approximately SEK 400 million and partly by the net proceeds from the forthcoming Rights Issue of approximately SEK 624 million.

The acquisition of Mblox is executed by way of a reverse triangular merger, where Mblox, as acquiring company, is merged into a newly formed United States subsidiary of CLX. Thus, following the merger, Mblox will constitute an indirect wholly owned American subsidiary in the CLX Group.

The acquisition is not subject to approval from the Competition Authority (Sw. *Konkurrensverket*), the execution of the Rights Issue or obtaining bank loans. The acquisition is however conditional upon certain conditions, customary in the United States market, for a transaction of this size and type.

The merger agreement includes certain representations and warranties by Mblox regarding, *e.g.*, Mblox financial statements, material agreements, tangible and intangible assets, employees and disputes. The representations and warranties of Mblox are issued as at the signing date as well as at the date on which certain conditions precedent in the merger agreement have been met. This date may accrue prior to the date on which CLX completes its acquisition of Mblox. The agreement also contains a minor number of representations and warranties by CLX. These include, *e.g.*, funding of the acquisition, sufficient funds by the time of payment of the purchase price and ensuring voting commitments from shareholders in CLX.

The merger agreement is governed by the laws of Delaware (US) and any dispute arising in connection with the merger agreement shall be finally settled by arbitration in New York (USA) except as otherwise provided in the merger agreement.

Closing of the transaction is expected to take place in early July 2016.

In addition, see section "*Description of Mblox*" for a presentation of Mblox as well as section "*Risk Factors*" under the heading "*Risks relating to CLX, its business and the industry*".

### Voltari

To strengthen CLX's presence in the United States and in Canada, CLX's subsidiaries (CLX Networks Inc. in the United States and CLX Networks Canada Inc. in Canada) entered, on 28 April 2014, into an asset purchase agreement with Voltari whereby CLX purchased Voltari's messaging business in North America. The purchase price amounted to USD 296,503. The acquisition included direct operator connections in both United States and Canada, employees, customer agreements and intellectual property rights.

### Caleo Technologies

To further strengthen CLX's solution portfolio for mobile operators and communications service providers, CLX's subsidiary Symsoft acquired a majority stake of the outstanding shares and votes of Caleo Technologies in January 2015, a company specialising in billing, customer care and invoicing solutions for mobile operators and other communications service providers. Symsoft purchased the shares in Caleo Technologies for SEK 4,669 thousand paid on the purchase date with an agreement for contingent consideration of an additional SEK 4,669 thousand to be paid on 8 July 2016 under certain circumstances. The Company's management believes that it is probable that the consideration will be paid out.

In connection with the acquisition of shares in Caleo Technologies, Symsoft entered into an option agreement with the other shareholders of Caleo Technologies. Pursuant to this option agreement, Symsoft received an irrevocable right to, provided that someone acquires more than 50 percent of the shares in Symsoft or the Company, purchase all outstanding shares of the shareholders of Caleo Technologies, and an irrevocable right/obligation to, during certain time periods, acquire a minor part of the outstanding shares in Caleo Technologies.

Since Caleo Technologies is not wholly-owned by Symsoft, but instead owned by Symsoft together with several other shareholders, all shareholders have entered into a customary shareholders' agreement regarding Caleo Technologies. The shareholders' agreement contains, for instance, provisions regarding majority requirements for certain corporate decisions and regulations for transfers of shares.

1) Based on the exchange rate as at 12 May 2016, amounting to 8.1545 SEK per USD.

### Credit facilities

CLX has entered into two loan agreements, a SEK 80 million loan facility and a SEK 100 million multicurrency overdraft facility. Furthermore, in connection with the acquisition, the Company has entered into a new loan agreement with the following distribution of loan amounts and currencies; EUR 21.5 million, GBP 5.1 million and USD 24.6 million, which will be used partly to refinance existing long-term loan of originally SEK 80 million, partly to partially finance the acquisition of Mblox. For more information on the Company's credit facilities, see section "Capitalisation, indebtedness and other financial information" under the heading "Credit Facilities".

### Real property

The Company does not own any real property.

### Intellectual property

The Company develops all its core products in-house with employed personnel meaning that the results of research and development, consisting of software protected by copyright and related know-how protected as trade secrets, belong to the Company, both under law and according to applicable employment contracts.

The Company has no patent protection for the technical solutions implemented in its services and solutions but possesses certain trademark rights for SYMSOFT in Sweden and Europe, and for NOBILL in Sweden. The Company has also applied for trademark protection within Sweden for CLX. Currently, CLX does not possess any other trademark rights.

The Company has a strategy for and regularly monitors third-party intellectual property rights that may affect its business (freedom to operate). CLX is aware of certain patents in the technical area of the Company's products and has taken due precautions to avoid infringement.

### Insurance

The Group has an insurance policy that covers, inter alia, general and product liability, company insurance, including property damage and legal expenses, directors' and officers' liability, business travel and marine cargo. The Company considers its insurance coverage to be in line with those of other companies in the same business and that such coverage is sufficient for the risks normally associated to the Company's business.

### Permits and licenses

CLX's subsidiary CLX Networks' services are subject to the European Union's legal framework on electronic communications. Therefore, in certain member states, CLX Networks has notified its operations under local electronic communications laws. In other jurisdictions, CLX Networks has applied for and been granted rights to use numbers from the national numbering plans.

### Disputes and litigation

CLX is not, and has not been, party to any legal or arbitration proceedings during the last twelve months which may have, or have had, significant effects on the Company's or the Group's financial position or profitability.

### Interest of advisors

The Joint Global Coordinators and Joint Bookrunners provide financial advice and other services to the Company in connection with the Offering. Joint Global Coordinators and Joint Bookrunners and their respective affiliates may in the future, from time to time, provide services within the context of their day-to-day operations and in connection with other transactions for CLX, for which Joint Global Coordinators and Joint Bookrunners will receive customary fees and commissions in relation to these transactions and services, and may come to have interests that may not be aligned or could potentially conflict with the interests of potential investors, the Company and shareholders. In addition, Handelsbanken is also a lender to CLX.

### Subscription and guarantee commitments

In April and May 2016, the Principal Shareholders in CLX and the major shareholders Första AP-fonden, Fjärde AP-fonden, Alecta Pensionsförsäkring, ömsesidigt, RAM ONE, Rational Asset Management Equity Long/Short and LMK Forward AB have entered into agreements with the Company under which they have committed to vote in favour of the Rights Issue at the extraordinary general meeting and, subject to certain conditions, to subscribe for their pro rata shares in the Rights Issue, corresponding to approximately 75 percent of the Rights Issue, as set out in the table below.

Shareholder	Number of shares	Percentage of votes/capital	Subscription commitments SEK million
Principal Shareholders <sup>1)</sup>	17,098,336	52.7%	327.4
First Swedish National Pension Fund <sup>2)</sup>	2,294,915	7.1%	43.9
Fourth Swedish National Pension Fund <sup>3)</sup>	1,780,324	5.5%	34.1
Alecta Pensionsförsäkring, ömsesidigt <sup>4)</sup>	1,644,915	5.1%	31.5
RAM ONE <sup>5)</sup>	757,313	2.3%	14.5
LMK Forward AB <sup>6)</sup>	616,741	1.9%	11.8
Rational Asset Management Equity Long/Short <sup>7)</sup>	189,328	0.6%	3.6
<b>Total</b>	<b>24,381,872</b>	<b>75.2%</b>	<b>466.9</b>

1) Address: Can be reached by the Company's address.

2) Address: Östra Hamngatan 26, SE-411 09 Göteborg.

3) Address: Regeringsgatan 30, SE-111 53 Stockholm.

4) Address: SE-103 73 Stockholm.

5) Address: Jakobsbergsgatan 13, SE-111 44 Stockholm.

6) Address: Box 2025, SE-220 02 Lund.

7) Address: Jakobsbergsgatan 13, SE-111 44 Stockholm.

In addition, on or about 12 May 2016, RAM ONE, Rational Asset Management Equity Long/Short, LMK Forward AB, Prior & Nilsson Fond- och Kapitalförvaltning AB, Italo Invest AB and AB Grenspecialisten, have entered into guarantee commitments with the Company, under which they have committed to vote in favour of the Rights Issue at the extraordinary general meeting (to the extent they are also shareholders in CLX) and, subject to certain conditions, to subscribe for shares in the Rights Issue in an amount corresponding to approximately 25 percent of the Rights Issue. Thus, there are subscription and guarantee commitments amounting to 100 percent of the Rights Issue. According to the guarantee commitments, CLX shall pay a guarantee fee of 3 percent of the guaranteed amount, corresponding to approximately SEK 4.6 million.

Underwriter	Guarantee commitments SEK million
RAM ONE <sup>1)</sup>	40.0
Rational Asset Management Equity Long/Short <sup>2)</sup>	10.0
LMK Forward AB <sup>3)</sup>	50.0
Prior & Nilsson Fond- och Kapitalförvaltning AB <sup>4)</sup>	34.1
Italo Invest AB <sup>5)</sup>	10.0
AB Grenspecialisten <sup>6)</sup>	10.0
<b>Total</b>	<b>154.1</b>

1) Address: Jakobsbergsgatan 13, SE-111 44 Stockholm.

2) Address: Jakobsbergsgatan 13, SE-111 44 Stockholm.

3) Address: Box 2025, SE-220 02 Lund.

4) Address: Box 7136, SE-103 87 Stockholm.

5) Address: c/o Volati, Engelbrektsplan 1, SE-114 34 Stockholm.

6) Address: Box 4042, SE-203 11 Malmö.

In addition, Swedbank Robur Fonder AB and Handelsbanken Fonder AB, with approximately 10 percent of the capital and votes, have indicated that they are positive to the acquisition of Mblox and that they intend to subscribe for their pro rata shares in the Rights Issue.

### Non-secured commitments

The subscription and guarantee commitments described above are not secured. Consequently, there is a risk that one or several of the underwriters will not be able to fulfil their respective commitments. See section "Risk Factors" under the heading "Risks relating to the share and the Rights Issue".

### Related party transactions

In the course of the Group's normal business, intra-group transactions occur, including purchases and sales regarding services that each Group company provides. All transactions between companies within the Group are conducted at arm's length

based on normal commercial terms and at market prices. For information on remuneration to the board of directors and senior executives see section "Corporate governance".

### Internal re-organisations

On 16 April 2012, the Company acquired CLX Networks AB and Symsoft from its parent company. The acquisitions were made at market value and were financed through shareholders' contribution and promissory notes from the parent company. On the same date, CLX acquired MI Carrier Services AB ("MI Carrier") from the parent company, by which CLX acquired MI Carrier at its nominal value. At the end of 2012, MI Carrier was sold at nominal value to Neqst D1 AB, a wholly-owned company of Neqst 1 AB, and in 2014 transferred from Neqst D1 AB to the six founders of CLX. In addition, on 31 May 2014, CLX Networks acquired CLX Networks Inc. from Symsoft. The acquisition was made at book value.

### License agreement with MI Carrier

The Company has entered into a license agreement with MI Carrier, a company owned by the six founders of CLX. Under the license agreement, the Company is granted an exclusive, perpetual, non-revocable and world-wide right to use telephone numbers to which MI Carrier has been granted licenses. The Company has also been given an irrevocable right to acquire the licenses MI Carrier holds, subject to the authority's approval. The Company compensates MI Carrier for costs that arise in connection with the license with a markup of five percent. During the financial years that ended 30 June 2015, 2014 and 2013, CLX paid SEK 0.2 million, SEK 0.1 million and SEK 0.2 million, respectively, to MI Carrier.

### Shareholder loan

On 16 April 2012, CLX entered into loan agreements with its parent company, whereby the parent company provided shareholder loans to CLX of SEK 315.0 million. The agreement provided for an annual interest of 10 percent. On 1 January 2015, CLX entered into another loan agreement with the parent company superseding the previous loans, whereby the parent company provided a shareholder loan to CLX of SEK 301.5 million. The agreement provided for an annual interest of 3 percent. All amounts owed pursuant to the shareholder loan agreement were repaid in full as of 8 July 2015.

The table below gives an overview of the transactions carried out with respect to the shareholder loan in the financial years that ended 30 June 2015, 2014 and 2013.

Financial year	Outstanding amount 1 July	Loans granted	Amount of amortisation including interest paid	Interest paid	Outstanding amount 30 June
2012/2013	0	SEK 315.0 million	–	SEK 38.1 million	SEK 339.2 million
2013/2014	SEK 339.2 million	–	SEK 70.2 million	SEK 32.6 million	SEK 301.5 million
2014/2015	SEK 301.5 million	–	SEK 319.9 million	SEK 19.3 million	SEK 1.0 million <sup>1)</sup>

1) The remaining amount of SEK 1.0 million, including accrued interest, was repaid on 8 July 2015.

### Other related party transactions

Neqst Partner AB, which indirectly controls Neqst D1 AB, provides consulting services to CLX from time to time. During the financial year that ended 30 June 2015 CLX paid approximately SEK 0.23 million to Neqst Partner AB for the consulting services. During the financial years that ended 30 June 2014 and 2013, no consulting services were provided.

Except for the transactions described above, CLX has not been engaged in any transactions with related parties during the financial years covered by the consolidated financial statements.

### Change of the financial year

On 13 May 2016, CLX announced that the Company convenes an extraordinary general meeting on 13 June 2016 to resolve on a change of the Company's financial year from 1 July–30 June to calendar year as well as a corresponding amendment of the Company's articles of association. The proposed change of the Company's financial year means that the current financial year will be extended until 31 December 2016. The changing of the Company's financial year is proposed due to the fact that the acquired company Mblox has calendar year as its financial year and that CLX wishes to simplify the Company's financial reporting by using the same financial year within the group.

A resolution in accordance with the proposal is valid only if the resolution is supported by shareholders representing at least 2/3 of the votes cast as well as of the shares represented at the general meeting.

Provided that the general meeting resolve on a change of the Company's financial year and thereto related amendment of the articles of association, it is also proposed that the general meeting resolve on an extension of the board members' and the auditors' mandate period up until the next annual general

meeting, which, as a result of the extended financial year, will take place during 2017. As a result of the extension of the board members' mandate period, it is also proposed that the general meeting resolve on an adjustment of the fees for the board members who are not employees of the Company accordingly, *i.e.*, an increase of SEK 75,000 per such board member from SEK 150,000 to SEK 225,000.

### Documents incorporated by reference

Following previously published documents are incorporated by reference and are part of the Prospectus:

CLX financial information including related notes and auditor's report for the financial years that ended 30 June 2013, 2014 and 2015, have been audited by the Company's auditors and prepared in accordance with IFRS. The Company's interim report for the period 1 July 2015–31 March 2016 is unaudited and prepared under IAS 34 Interim Financial Reporting. Mblox's annual reports for the financial years ending 31 December 2013, 2014 and 2015 have been audited by Mblox's auditor and prepared in accordance with US GAAP.

### Documents available for inspection

CLX's (i) articles of association, (ii) CLX's and its subsidiaries' financial information including related notes and auditor's report for the financial years 2013, 2014 and 2015, (iii) CLX's Interim report for the period of 1 July 2015–31 March 2016, as well as Mblox and its subsidiaries' annual reports for the financial years 2013, 2014 and 2015, are available for inspection during office hours on the Company's office at Kista Science Tower, 164 28 Kista. The Company's documents are also available electronically on CLX's website, [www.clxcommunications.com](http://www.clxcommunications.com).

Information	Pages	Document
CLX's financial information including related notes and auditor's report for the financial years ending 30 June 2013, 2014 and 2015.	All pages.	Historical financial information of the financial years 2012/2013, 2013/2014 and 2014/2015 of CLX Communications AB (publ).
CLX's financial information including related notes for the period of 1 July 2015–31 March 2016.	All pages.	Interim report Q3 2015/2016 of CLX Communications AB (publ).
Mblox's financial information including related notes and auditor's report for the financial year 2013.	All pages.	Annual report of Mblox Incorporated for the financial year 2013.
Mblox's financial information including related notes and auditor's report for the financial year 2014.	All pages.	Annual report of Mblox Incorporated for the financial year 2014.
Mblox's financial information including related notes and auditor's report for the financial year 2015.	All pages.	Annual report of Mblox Incorporated for the financial year 2015.

# Certain tax issues in Sweden

The following is a summary of certain Swedish tax rules that may become relevant in relation to the Offer of subscribing for new shares in CLX. The summary is intended for individuals and limited liability companies (Sw. *aktiebolag*) being subject to unlimited taxation in Sweden, unless stated otherwise. The summary is based on current legislation and is only intended to provide general information.

The summary does not cover:

- situations where shares are held as current assets in a business operation,
- situations where shares are held by a limited partnership or a partnership,
- situations where shares are held in an investment savings account (Sw. *investeringssparkonto*),
- the special rules concerning tax-exempt capital gains (including non-deductible capital losses) and dividends that may apply to investors whose shareholding in CLX is deemed business related (for tax purposes),
- the special rules which, in some cases, may apply to shares in companies which are or have been so-called closely-held companies or to shares acquired by means of such shares,
- the special rules that may apply to individuals who make or reverse a so-called investor deduction (Sw. *investeraravdrag*),
- foreign companies conducting business through a permanent establishment in Sweden, or
- foreign companies that have been Swedish companies.

Certain tax rules apply to certain categories of companies. The tax dealing of each individual shareholder depends in part on their particular circumstances. Each shareholder should consult an independent tax advisor regarding the tax consequences that the Offer may have on their part, including the applicability and effect of foreign rules and double taxation treaties. The Company is not responsible for withholding tax.

## Individuals

For private individuals resident in Sweden for tax purposes, capital income such as interest income, dividends and capital gains is taxed in the capital income category. The tax rate in the capital income category is 30 percent.

The capital gain or loss is calculated as the difference between the sales proceeds, less the sales costs and the shares' acquisition cost for tax purposes. For information on the acquisition cost for subscription rights, see the heading "*The use and disposal of subscription rights*" below. The acquisition cost is determined according to the average method. The average method means that all the costs of acquiring all shares of the same type and class as the sold securities are added together

and the average acquisition cost is calculated collectively, with respect to changes to the holding. It should be noted that in this regard BTAs are not considered to be of the same type and series as the existing shares, until the resolution regarding the issue has been registered with the Swedish Companies Registration Office. For listed shares, the acquisition cost may, alternatively, be determined to be 20 percent of the sales proceeds after deduction for the sales costs.

Capital losses on listed shares may be fully offset against taxable gains the same year on shares, as well as on listed securities taxed as shares (however not mutual funds (Sw. *värdepappersfonder*), or hedge funds (Sw. *specialfonder*) containing Swedish receivables only (Sw. *räntefonder*). Capital losses not absorbed by these set-off rules are deductible by 70 percent in the capital income category. Should a net loss arise in the capital income category, a reduction is granted of the tax on income from employment and business operations, as well as national and municipal property tax. This tax reduction is 30 percent of the net loss not exceeding SEK 100,000 and 21 percent of any remaining net loss. A net loss cannot be carried forward to future tax years.

For private individuals resident in Sweden for tax purposes, a preliminary tax of 30 percent is withheld on dividends. The preliminary tax is normally withheld by Euroclear or, in respect of nominee-registered shares, by the nominee.

## Limited liability companies

For limited liability companies all income, including taxable capital gains and dividends, is taxed as income from business at a rate of 22 percent. Capital gains and capital losses are calculated in the same manner as for individuals, as described above.

Deductible capital losses on shares may only be offset against taxable capital gains on shares and other securities taxed as shares. If a capital loss cannot be offset by the company that has suffered the loss, it may be deducted from another legal entity's taxable capital gains on shares and other securities taxed as shares, provided that the companies are entitled to tax consolidation (through so-called group contributions (Sw. *koncernbidrag*)) and both companies request this for a tax year having the same filing date for each company (or if one of the companies' accounting liability ceases, would have had the same filing date). A net capital loss that cannot be utilised during the year of the loss, may be carried forward (by the limited liability company that has suffered the loss) and offset against taxable capital gains on shares and other securities taxed as shares in future years, without any limitation in time. Special rules may apply to certain categories of companies e.g. investment companies.

## **The use and disposal of subscription rights**

### **The use of subscription rights**

If shareholders in CLX use their subscription rights to acquire new shares, it will cause no taxation.

### **Disposal of subscription rights**

Shareholders who do not wish to exercise their right to participate in the Rights Issue have the opportunity to sell their subscription rights. At any sale of subscription rights, taxable capital gain shall be calculated. Subscription rights based on shareholding in CLX are deemed to be acquired for SEK 0. The standard method may not be used to determine the tax basis in this case. Thus, the entire sales profits, after deduction of sales costs, shall be subject to taxation. The acquisition cost for the original shares is not affected. A subscription right which is not used or sold, and thus expires, is deemed to be sold at SEK 0. Since the subscription rights, acquired in the way described above, are deemed to be acquired for SEK 0, no capital gain or capital loss arises.

### **Acquired subscription rights**

For those who purchase or in some other way acquire subscription rights in CLX, the consideration consists of the acquisition cost of the respective subscription rights. The use of the subscription rights to subscribe for new shares does not cause any taxation. The acquisition cost of the subscription rights shall be included in the calculation of the acquisition cost of the shares. On the other hand, if the subscription rights are disposed, it will cause capital gains taxes. The acquisition cost of subscription rights is calculated by using the average method. The standard method may be used for listed subscription rights acquired as set out above. A subscription right which is not used or sold, and thus expires, is deemed disposed at SEK 0.

## **Certain tax issues for shareholders and holders of subscription rights with limited tax liability in Sweden**

For shareholders not resident in Sweden for tax purposes that receive dividends on shares in a Swedish limited liability company, Swedish withholding tax is normally withheld. The same withholding tax applies to certain other payments made by a Swedish limited liability company, such as payments as a result of redemption of shares and repurchase of shares through an offer directed to all shareholders or all holders of shares of a certain class. The tax rate is 30 percent. However, the tax rate is generally reduced through tax treaties for the avoidance of double taxation. In Sweden, withholding tax deductions are normally carried out by Euroclear or, in respect of nominee-registered shares, by the nominee.

Shareholders not resident in Sweden for tax purposes, which are not conducting business through a permanent establishment in Sweden, are normally not liable for capital gains taxation in Sweden upon disposal of shares. Shareholders may, however, be subject to taxation in their country of residence.

According to a special rule, private individuals not resident in Sweden for tax purposes are, however, subject to Swedish capital gains taxation upon disposal of shares, BTAs and subscription rights in CLX, if they have been residents of Sweden or have had an habitual abode in Sweden at any time during the calendar year of disposal or the ten calendar years preceding the year of disposal. In a number of cases though, the application of this rule is limited by tax treaties for the avoidance of double taxation.

# Glossary

The following terms have the meanings assigned to them in the table below (unless the context requires otherwise).

A2P	Application-to-Person, which describes communications from enterprise applications (or systems) to a person's mobile phone.	Handelsbanken	Svenska Handelsbanken AB (publ) or, as appropriate, Handelsbanken Capital Markets (a part of Svenska Handelsbanken AB (publ)).
A2P messages	Mobile text messages, primarily SMS, sent by applications or systems to mobile phones.	IDC	International Data Corporation.
API	Short for Application Programming Interface, an interface between systems, which defines functions and calls between application programs and enables simple connection of applications and systems.	IFRS	International Financial Reporting Standards, as adopted by the European Union.
BTA	Paid subscribed shares.	IoT	Abbreviation for Internet of Things, a collective term for the development that means that machinery, vehicles, goods, appliances and other things are equipped with software. These can perceive their environment, communicate with it, and thus create a situational behavior and help create smart, attractive and helpful environments, products and services.
CAGR	Compound annual growth rate.	IMSI	Short for International Mobile Subscriber Identity, a unique number identifying a mobile subscriber or a device connected to the mobile network.
Cantaloupe AB	Cantaloupe AB, formerly CLX Networks Holding AB. Cantaloupe AB is owned by the six founders of CLX (including senior executives and certain current and former board members of CLX) and is one of the Principal Shareholders in CLX.	Joint Global Coordinators och Joint Bookrunners	Carnegie and Handelsbanken.
Carnegie	Carnegie Investment Bank AB (publ).	Mblox	Mblox Incorporated and/or the Mblox group, as the context may require.
Cloud/cloud-based service	IT services that are provided over the internet.	MNO	Mobile network operators.
CLX, the Company or the Group	CLX Communications AB (publ) corp. reg. no. 556882-8908, the group in which CLX is the parent Company or a subsidiary of the group, as the context may require.	MVNO	Mobile virtual network operators.
CLX Networks	CLX Networks AB, a wholly-owned subsidiary of CLX.	Nasdaq Stockholm	The regulated market operated by Nasdaq Stockholm AB.
Code	The Swedish Corporate Governance Code.	Offer	The offer to subscribe for shares in the Rights Issue in CLX Communications AB (publ) as set out in this Prospectus.
Connectivity	Accession to a large number of mobile networks that are globally interconnected.	OTT	Over-The-Top, which in telecommunications is used as an umbrella term for communications sent over IP-based networks, mainly the internet, instead of using the mobile network operators' own communications channels. OTT communications are often made available through third parties as Skype, Viber, WeChat and WhatsApp.
EUR	Euro.		
Euroclear	Euroclear Sweden AB.		
GBP	British Pound Sterling.		
GSMA	GSMA or GSM Association, short for Groupe Speciale Mobile Association, an association of mobile operators and related companies.		

PaaS	Short for Platform-as-a-Service, a service from CLX through which CLX's communications platform, as well as the necessary infrastructure, is made available to mobile operators, MVNOs and enterprises over the internet with CLX functioning as a service provider that manages, maintains and operates the platform and infrastructure internally on behalf of the mobile operators, MVNOs and enterprises.
P2P	Person-to-Person, which describes the communication between two persons, for instance a text message sent from one person to another person.
Pay-as-you-go	Business model where the customer is billed for actual use rather than fixed fees.
Principal Shareholders	Cantaloupe AB, Neqst D1 AB and Kjell Arvidsson AB, which together hold approximately 53 percent of the shares in CLX.
Prospectus	This document.
Rights Issue	The forthcoming rights issue in CLX Communications AB (publ), with preferential rights for existing shareholders.
Roaming	When there is no reception with the ordinary mobile network and the mobile device connects to another mobile network.
Routing	The process that is performed by a network device (router), which connects different computer networks and manage the traffic directing between these.
Securities Act	The United States Securities Act of 1933, as amended.
SEK	Swedish kronor.
SME	Small- and medium-sized enterprises.
Symsoft	Symsoft AB, a wholly-owned subsidiary to CLX.
USD	United States dollar.

# Addresses

## **The Company**

### **CLX Communications AB (publ)**

Kista Science Tower  
Box 1206  
SE-164 51 Kista  
Phone: +46 8 32 75 10  
www.clxcommunications.com

## **Joint Global Coordinators och Joint Bookrunners**

### **Carnegie Investment Bank AB (publ)**

Regeringsgatan 56  
SE-103 38 Stockholm

### **Handelsbanken Capital Markets**

Blasieholmstorg 11–12  
SE-106 70 Stockholm

## **Legal advisor to the Company**

### **Gernandt & Danielsson Advokatbyrå KB**

Hamngatan 2  
SE-111 47 Stockholm

## **The Company's auditor**

### **Deloitte AB**

Rehngatan 11  
SE-113 79 Stockholm

## **Central securities depository**

### **Euroclear Sweden AB**

Box 7822  
SE-103 97 Stockholm

