IMPORTANT NOTICE (FOR ELECTRONIC DELIVERY)

THIS OFFERING CIRCULAR IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER: (1) QIBs (AS DEFINED BELOW) UNDER RULE 144A; OR (2) OUTSIDE THE UNITED STATES, CANADA AND SWEDEN

IMPORTANT: You must read the following before continuing. The following applies to the attached Offering Circular relating to CLX Communications AB (publ) (the "Company"). You are advised to read this carefully before reading, accessing or making any other use of the Offering Circular. Recipients of this electronic transmission who intend to subscribe for or purchase the Offer Shares are reminded that any subscription or purchase may only be made on the basis of the information contained in this Offering Circular and the pricing statement to be published. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access. You acknowledge that this electronic transmission and the delivery of the attached Offering Circular is intended for you only and you agree you will not forward this electronic transmission or the attached Offering Circular to any other person.

THE OFFER SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES, OR UNDER THE APPLICABLE SECURITIES LAWS OF AUSTRALIA, CANADA OR JAPAN. SUBJECT TO CERTAIN EXCEPTIONS, THE OFFER SHARES MAY NOT BE OFFERED OR SOLD WITHIN AUSTRALIA, CANADA, JAPAN OR THE UNITED STATES.

CARNEGIE INVESTMENT BANK AB (PUBL) AND HANDELSBANKEN CAPITAL MARKETS, A PART OF SVENSKA HANDELSBANKEN AB (PUBL) (TOGETHER, THE "JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS") MAY ARRANGE FOR THE SALE OF OFFER SHARES (I) IN THE UNITED STATES TO PERSONS WHO ARE "QUALIFIED INSTITUTIONAL BUYERS" ("QIBS") AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT IN RELIANCE ON RULE 144A OR ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT, AND (II) OUTSIDE THE UNITED STATES PURSUANT TO, AND IN COMPLIANCE WITH, REGULATION S UNDER THE SECURITIES ACT AND APPLICABLE SECURITIES REGULATIONS IN EACH JURISDICTION IN WHICH THE OFFER SHARES ARE OFFERED. THE OFFER SHARES ARE NOT TRANSFERABLE EXCEPT IN COMPLIANCE WITH THE RESTRICTIONS DESCRIBED IN THE OFFERING CIRCULAR.

THE ATTACHED OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE OFFER SHARES DESCRIBED THEREIN.

Confirmation of your Representation: In order to be eligible to view the Offering Circular or make an investment decision with respect to the Offer Shares: (i) you have understood and agree to the terms set out herein; (ii) you consent to delivery of such Offering Circular by electronic transmission; and (iii) you are (a) a QIB who would be acquiring Offer Shares for your own account or for the account of another QIB or (b) you and any customers you represent are outside the United States, Canada and Sweden, the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, Canada or Sweden and if you are a resident in a Member State of the European Economic Area (the "EEA") other than Sweden, you are a qualified investor.

In any Member State of the EEA other than Sweden that has implemented the Prospectus Directive, this Offering Circular is only addressed to, and is only directed at, investors in that EEA Member State who fulfil the criteria for exemption from the obligation to publish a prospectus, including qualified investors, within the meaning of the Prospectus Directive as implemented in each such EEA Member State. The Offer Shares have not been, and will not be, offered to the public in any Member State of the EEA that has implemented the Prospectus Directive, excluding Sweden. For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offer and the Offer Shares so as to enable an investor to decide to purchase Offer Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Offers of the Offer Shares pursuant to the Offering are only being made to persons in the United Kingdom who are "qualified investors" or otherwise in circumstances which do not require publication by the Company of a prospectus pursuant to section 85(1) of the UK Financial Services and Markets Act 2000. Any investment or investment activity to which the Offering Circular relates is available only to, and will be engaged in only with: (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order or (iii) other persons to whom such investment or investment activity may lawfully be made available (all such persons being together referred to as "relevant persons"). This Offering Circular is directed only at relevant persons. Any person who is not a relevant person must not act or rely on this Offering Circular or any of their contents. Any investment or investment activity to which this Offering Circular relates is available only to relevant persons and will be engaged in only with relevant persons.

You are reminded that the Offering Circular has been delivered to you on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver or disclose the contents of the Offering Circular to any other person. Nothing in this electronic transmission constitutes an offer of securities for sale in any jurisdiction where it is unlawful to do so.

The Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and, consequently, none of the Company, the Joint Global Coordinators and Joint Bookrunners nor any of their respective affiliates accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

CLX Communications AB (publ)
(a Swedish public limited liability company)

Offering of up to 14,406,194 common shares

This Offering Circular relates to the initial public offering (the "**Offering**") of 12,545,711 existing common shares (the "**Firm Shares**") of CLX Communications AB (publ) (the "**Company**"), each with a quota value of SEK 0.10, by the selling shareholders, including Cantaloupe AB, an entity owned by the six founders of the Company (including the chief executive officer and certain senior executives and current and former board members of the Company), Kjell Arvidsson AB, an entity owned by one of the founders of the Company who is currently a senior executive and board member of the Company, and Seitse Intressenter AB, an entity owned by Neqst 1 AB, which is partially indirectly owned by certain current board members of the Company (collectively, the "**Principal Selling Shareholders**"), and certain employees of the Company that have previously received shares under an incentive program (together with the Principal Selling Shareholders, the "**Selling Shareholders**"). For additional information on the Selling Shareholders, see "*Share capital and ownership shareholdersstructure—Ownership structure prior to and directly following the Offering*." The Company will not receive any proceeds from the sale of the Offer Shares (as defined below).

The Principal Selling Shareholders have granted the Joint Global Coordinators and Joint Bookrunners (as defined herein) an option (the "**Over-allotment Option**"), exercisable in whole or in part for 30 calendar days following the date on which the shares commence trading on Nasdaq Stockholm, to purchase up to 1,860,483 additional existing common shares (the "**Option Shares**") at the offer price, to cover any potential over-allotment in connection with the Offering. See "*Summary of the Offering*." The Firm Shares and, if any are sold pursuant to the Over-allotment Option, the Option Shares, shall be referred to as the "**Offer Shares**" and the term "**shares**" shall refer to all outstanding shares of the Company at any given time.

Alecta pension insurance, mutual, Swedbank Robur Fonder AB, the First Swedish National Pension Fund, the Fourth Swedish National Pension Fund, Zenit Asset Management AB, Grenspecialisten Förvaltning AB, LMK Forward AB and RAM One AB (the "**Cornerstone Investors**") have agreed to acquire Offer Shares in the Offering. Alecta pension insurance, mutual, Swedbank Robur Fonder AB, The First Swedish National Pension Fund and The Fourth Swedish National Pension Fund have each agreed to acquire a number of Offer Shares in the Offering for a total amount of SEK 100 million, equivalent to approximately 5.5 percent of the Company's shares (assuming an offer price in the Offering at the midpoint of the offer price range), respectively. Zenit Asset Management AB has agreed to acquire a number of Offer Shares in the Offering for a total amount of SEK 75 million, equivalent to approximately 4.1 percent of the Company's shares (assuming an offer price in the Offering at the midpoint of the offer price range), and RAM One, LMK Forward and Grenspecialisten Förvaltning AB have each agreed to acquire a number of Offer Shares in the Offering for a total amount of SEK 50 million, equivalent to approximately 2.7 percent of the Company's shares (assuming an offer price in the Offering at the midpoint of the offer price range), respectively.

Each Cornerstone Investor's commitment is subject to, among other things: (i) listing of the Offer Shares such that the first day of trading in the Company's shares occurs no later than 31 October 2015; (ii) such Cornerstone Investor being allocated in full the Offer Shares relating to its commitment; (iii) the Company achieving a free float (defined as the percentage of the Company's shares not owned by the Selling Shareholders) of at least 35 percent following the Offering; and (iv) the final price of the Offer Shares not exceeding SEK 59 per Offer Share.

This Offering consists of: (i) an offer to the public in the Kingdom of Sweden; and (ii) private placements to institutional investors in various jurisdictions, including a private placement in the United States to persons who are "qualified institutional buyers" or "**QIBs**" as defined in, and in reliance on, Rule 144A ("**Rule 144A**") or another available exemption from the registration requirements under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). All offers and sales outside the United States will be made in compliance with Regulation S ("**Regulation S**") under the Securities Act.

Prior to the Offering, there has been no public market for the shares. Application has been made for the shares to be admitted to trading and listing on Nasdaq Stockholm under the trading symbol "CLX". The first day of trading in, and the listing of, the shares is expected to be 8 October 2015.

Investing in the Offer Shares involves risks. See Risk Factors beginning on page 15 for a discussion of certain risks prospective investors should consider before investing in the Offer Shares.

The offer price is expected to be set within the range set forth below. The offer price will be announced publicly on or about 8 October 2015.

Offer Price Range: SEK 54 to SEK 59 per Offer Share

This Offering Circular does not constitute an offer to sell, or the solicitation of an offer to purchase, any of the Offer Shares in any jurisdiction from any person to whom it would be unlawful to make such an offer in such a jurisdiction.

The Offer Shares have not been and will not be registered under the Securities Act or any securities laws of any state within the United States, and may be offered and sold in the United States only to QIBs in reliance on Rule 144A or pursuant to another available exemption from, or a transaction not subject to, the registration requirements under the Securities Act, and offered and sold outside the United States only in compliance with Regulation S under the Securities Act. Prospective investors are hereby notified that sellers of the Company's shares may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. For a description of certain restrictions on offers or sales, and on resale or transfer of the Company's shares, see "*Selling and transfer restrictions*."

The Joint Bookrunners expect to deliver the Offer Shares on or about 12 October 2015 through the facilities of Euroclear Sweden AB ("**Euroclear Sweden**"), against payment for the Offer Shares in immediately available funds. The shares will be eligible for clearing through Euroclear Sweden.

Joint Global Coordinators and Joint Bookrunners

Carnegie Handelsbanken Capital Markets

25 September 2015

This Offering Circular is confidential and is being furnished by the Company and the Principal Selling Shareholders in connection with an offering exempt from registration under the Securities Act, solely for the purpose of enabling prospective investors to consider the purchase of the Offer Shares described herein. The information contained in this Offering Circular has been provided by the Company and other sources identified herein. No representation or warranty, express or implied, is made by the Joint Global Coordinators and Joint Bookrunners (as defined below) as to the accuracy or completeness of such information, and nothing contained in this Offering Circular is, or shall be relied upon as, a promise or representation by the Joint Global Coordinators and Joint Bookrunners. The Joint Global Coordinators and Joint Bookrunners assume no responsibility for its accuracy, completeness or verification and accordingly disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise that they might otherwise be found to have in respect of this document or any such statement. Any reproduction or distribution of this Offering Circular, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Offer Shares hereby is prohibited. Investors agree with the Company, the Principal Selling Shareholders and the Joint Global Coordinators and Joint Bookrunners that each of the investors or the Company, the Principal Selling Shareholders and the Joint Global Coordinators and Joint Bookrunners (and each employee, representative, or other agent of the investors or the Company, the Principal Selling Shareholders and the Joint Global Coordinators and Joint Bookrunners) may disclose to any and all persons, without limitation of any kind, the U.S. federal tax treatment and U.S. federal tax structure of the transactions contemplated by this Offering Circular. Each offeree of the Offer Shares, by accepting delivery of this Offering Circular, agrees to the foregoing.

No representation or warranty, express or implied, is made by Carnegie Investment Bank AB ("**Carnegie**") or Handelsbanken Capital Markets, a part of Svenska Handelsbanken AB (publ) ("**Handelsbanken**" and, together with Carnegie, the "**Joint Global Coordinators and Joint Bookrunners**"), acting as Joint Global Coordinators and Joint Bookrunners, as to the accuracy or completeness of any information contained in this Offering Circular. In making an investment decision, investors must rely on their own assessment of the Company and the terms of this Offering, including the merits and risks involved. No person is or has been authorised to give any information or make any representation in connection with the offer or sale of the Offer Shares other than those contained in this Offering Circular and, if given or made, such information or representation must not be relied upon as having been authorised by the Company, the Principal Selling Shareholders or the Joint Global Coordinators and Joint Bookrunners and none of them accept any liability with respect to any such information or representation.

Neither the delivery of this Offering Circular nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Offering Circular or that the information contained herein is correct as of any time subsequent to its date. In the event of any changes to the information in this Offering Circular that may affect the valuation of the Offer Shares during the period from the date of announcement to the first day of trading, such changes will be announced in accordance with the provisions of Chapter 2, Section 34 of the Swedish Financial Instruments Trading Act (1991:980) (Sw. *lagen (1991:980) om handel med finansiella instrument*) (the "**Trading Act**"), which, among other things, governs the publication of prospectus supplements.

The distribution of this Offering Circular and the offer and sale of the Offer Shares to which it relates may be restricted by law in certain jurisdictions. No action has been or will be taken in any jurisdiction other than the Kingdom of Sweden that would permit a public offering of the Offer Shares, or the possession, circulation or distribution of this Offering Circular or any other material relating to the Company or the Offer Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Offering Circular comes are required by the Company, the Principal Selling Shareholders and the Joint Global Coordinators and Joint Bookrunners to inform themselves about and to observe any such restrictions. This Offering Circular does not constitute an offer of, or an invitation to purchase, any of the Offer Shares in any jurisdiction in which such offer or invitation would be unlawful. None of the Company, the Principal Selling Shareholders nor the Joint Global Coordinators and Joint Bookrunners accepts any legal responsibility for any violation by any person, whether or not a prospective investor, of any such restrictions. For a further description with regard to restrictions on offers and sales of the Offer Shares and the distribution of this Offering Circular, see "*Selling and transfer restrictions*." Investors agree to the foregoing by accepting delivery of this Offering Circular.

IN CONNECTION WITH THE OFFERING, CARNEGIE, AS THE STABILIZING MANAGER, OR ITS AGENTS, ON BEHALF OF THE JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS, MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AF-

FECT THE PRICE OF THE SHARES FOR UP TO 30 DAYS FROM THE FIRST DAY OF TRADING IN AND LISTING OF THE OFFER SHARES ON NASDAQ STOCKHOLM. SPECIFICALLY, THE STABILIZING MANAGER MAY EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE SHARES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. THE STABILIZING MANAGER AND ITS AGENTS ARE NOT REQUIRED TO ENGAGE IN ANY OF THESE ACTIVITIES AND, AS SUCH, THERE IS NO ASSURANCE THAT THESE ACTIVITIES WILL BE UNDERTAKEN; IF UNDERTAKEN, THE STABILIZING MANAGER OR ITS AGENTS MAY END ANY OF THESE ACTIVITIES AT ANY TIME AND THEY MUST BE BROUGHT TO AN END AT THE END OF THE 30-DAY PERIOD MENTIONED ABOVE. STABILIZATION ACTIVITIES, IF UNDERTAKEN, MAY BE DISCONTINUED AT ANY TIME WITHOUT PRIOR NOTICE. IN NO EVENT WILL TRANSACTIONS BE EFFECTED AT LEVELS ABOVE THE PRICE SET IN THE OFFERING. WITHIN ONE WEEK OF THE END OF THE STABILIZATION PERIOD, THE STABILISATION MANAGER WILL MAKE PUBLIC WHETHER OR NOT STABILISATION WAS UNDERTAKEN, THE DATE STABILIZATION STARTED, THE DATE STABILIZATION LAST OCCURRED AND THE PRICE RANGE WITHIN WHICH STABILIZATION WAS CARRIED OUT, FOR EACH OF THE DATES STABILIZATION TRANSACTIONS WERE CARRIED OUT. SEE "*LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION—STABILIZATION*."

The Joint Global Coordinators and Joint Bookrunners are acting for the Company and the Principal Selling Shareholders and no one else in relation to the Offering. The Joint Global Coordinators and Joint Bookrunners will not be responsible to anyone other than the Company and the Principal Selling Shareholders for providing the protections afforded to their respective clients nor for providing advice in relation to the Offering.

Any offer or sale of Offer Shares in connection with the Offering in the United States will be made by one or more broker dealers registered as such under the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**").

Investors hereby acknowledge that: (i) they have not relied on the Joint Global Coordinators and Joint Bookrunners or any person affiliated with the Joint Global Coordinators and Joint Bookrunners in connection with any investigation of the accuracy of any information contained in this Offering Circular or their investment decision; and (ii) they have relied only on the information contained in this document, and that no person has been authorised to give any information or to make any representation concerning the Company, its subsidiaries, the Offer Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company, the Principal Selling Shareholders or the Joint Global Coordinators and Joint Bookrunners.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The shares have not been recommended by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Offering Circular. Any representation to the contrary is a criminal offense in the United States.

The Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. Accordingly, the Offer Shares are being: (i) offered and sold in the United States only to QIBs in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A or another available exemption from the registration requirements of the Securities Act; and (ii) offered and sold outside the United States in compliance with Regulation S under the Securities Act. For certain restrictions on the sale and transfer of the Offer Shares, see "*Selling and transfer restrictions*."

In the United States, this Offering Circular is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider purchasing the particular securities described herein. The information contained in this Offering Circular has been provided by the Company and other sources identified herein. Distribution of this Offering Circular to any person other than the offeree specified by the Joint Global Coordinators and Joint Bookrunners or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorised, and any disclosure of its contents, without the Company's prior written consent, is prohibited. Any reproduction or distribution of this Offering Circular in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. This Offering Circular is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for, or otherwise acquire, the Offer Shares.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ("RSA") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

In any Member State of the European Economic Area ("**EEA**") other than Sweden that has implemented the Prospectus Directive, this Offering Circular is only addressed to, and is only directed at, investors in that EEA Member State who fulfil the criteria for exemption from the obligation to publish a prospectus, including qualified investors, within the meaning of the Prospectus Directive as implemented in each such EEA Member State.

This Offering Circular has been prepared on the basis that all offers of Offer Shares, other than the offer contemplated in Sweden, will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the EEA, from the requirement to produce a prospectus for offers of Offer Shares. Accordingly any person making or intending to make any offer within the EEA of Offer Shares which is the subject of the placement contemplated in this Offering Circular should only do so in circumstances in which no obligation arises for the Company, the Principal Selling Shareholders or any of the Joint Global Coordinators and Joint Bookrunners to produce a prospectus for such offer. Neither the Company, the Principal Selling Shareholders nor the Joint Global Coordinators and Joint Bookrunners have authorised, nor do they authorise, the making of any offer of Offer Shares through any financial intermediary, other than offers made by the Joint Global Coordinators and Joint Bookrunners which constitute the final placement of Offer Shares contemplated in this Offering Circular.

The Offer Shares have not been, and will not be, offered to the public in any Member State of the EEA that has implemented the Prospectus Directive, excluding Sweden (each, a "**Relevant Member State**"). Notwithstanding the foregoing, an offering of the Offer Shares may be made in a Relevant Member State:

- to any legal entity that is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Joint Bookrunners for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Offer Shares shall result in a requirement for the publication by the Company, the Principal Selling Shareholders or any of the Joint Global Coordinators and Joint Bookrunners of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the Offer Shares so as to enable an investor to decide to purchase

Offer Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

Any offer or sale of the Offer Shares pursuant to the Offering are only being made to persons in the United Kingdom who are "qualified investors" as defined in section 86(7) of the UK Financial Services and Markets Act 2000 ("FSMA") or otherwise in circumstances which do not require publication by the Company of a prospectus pursuant to section 85(1) of the FSMA.

Any investment or investment activity to which this Offering Circular relates is available only to, and will be engaged in only with persons who: (i) are investment professionals falling within Article 19(5); or (ii) fall within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc."), of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), or other persons to whom such investment or investment activity may lawfully be made available (together, "relevant persons"). This Offering Circular is directed only at relevant persons. Any person who is not a relevant person should not take any action on the basis of this Offering Circular and should not act or rely on it.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a company limited by shares organised under the laws of Sweden and the majority of its assets are located outside the United States. In addition, none of the Company's officers and other executives are residents or citizens of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Company or such persons, or to enforce against them or the Company judgments of courts of the United States, whether predicated upon the civil liability provisions of the federal or state securities laws of the United States or otherwise. The United States and Sweden do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. As a result, a final judgment for payment of damages based on civil liability rendered by a federal or state court in the United States, whether or not predicated solely upon federal securities laws of the United States, may not be enforceable, either in whole or in part, in Sweden. If the party in whose favour such final judgment is rendered brings a new suit in a competent court in Sweden, such party may submit to the Swedish court the final judgment that has been rendered in the United States. Such judgment will only be regarded by a Swedish court as evidence of the outcome of the dispute to which such judgment relates, and a Swedish court may choose to re-hear the dispute *ab initio*. In addition, awards of punitive damages in actions brought in the United States or elsewhere are under all circumstances unenforceable in Sweden.

ADDITIONAL INFORMATION

The Company has agreed that it will, during any period in which it is neither subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, nor exempt from such reporting requirements pursuant to Rule 12g3-2(b) thereunder, furnish, upon request, to any holder or beneficial owner of the shares, or any prospective investor designated by any such holder or beneficial owner, information required to be provided by Rule 144A(d)(4) under the Securities Act. The Company is not currently subject to the periodic reporting and other information requirements of the Exchange Act.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains various forward-looking statements that reflect 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 other than statements as to historical facts or present facts or circumstances. The words "believe," "expect," "anticipate," "intend," "may," "plan," "estimate," "will," "should," "could," "aim" or "might," or, in each case, their negative, or similar expressions, identify certain of these forward-looking statements. 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 Offering Circular, including, without limitation, in the sections entitled "*Summary*," "*Risk factors*," "*Share capital and ownership* *structure*," "*Operating and financial review*," "*Industry overview*," and "*Business overview*." For further information, see "*Important information to investors—Forward-looking statements*."

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial Information

The Company's audited consolidated financial statements, which are included in this Offering Circular, as of and for the financial years ended 30 June 2015, 2014 and 2013 have been prepared in accordance with IFRS as adopted by the European Union ("**IFRS**") and have been audited by the Company's independent auditor, Deloitte AB ("**Deloitte**").

In 2012, the Company resolved to extend its financial year to 30 June 2013. Accordingly, the audited consolidated financial statements for the financial year ended 30 June 2013 reflect the operations of the business for the seventeen month period from 1 February 2012 to 30 June 2013. All references in this Offering Circular to the Company's audited consolidated financial statements for the year ended 30 June 2013 must be read in this context. As a result, the audited consolidated financial statements for the financial year ended 30 June 2013 are not directly comparable to the audited consolidated financial statements for the financial years ended 30 June 2015 and 2014, and a period to period comparison may not be meaningful. The Company prepared selected audited consolidated financial information for the twelve months ended 30 June 2013 to facilitate the comparison of the Company's results in such period with its operations for the financial year ended 30 June 2014. This selected audited consolidated financial information for the twelve months ended 30 June 2013 is included in this Offering Circular as supplementary information to the audited consolidated financial statements for the seventeen month financial year ended 30 June 2013. See note 5 to the audited consolidated financial statements included elsewhere in this Offering Circular.

For additional information on the presentation of financial information in this Offering Circular, see "*Important information to investors—Forward-looking statements*," "*Selected consolidated historical financial and other information*" and "*Operating and financial review*."

Non-IFRS Financial Measures

In this Offering Circular, the Company presents certain non-IFRS financial measures and ratios. For additional information on the non-IFRS financial measures and ratios included in this Offering Circular, see "*Selected consolidated historical financial information—Key information and data*" and "*—Non-IFRS financial measures*."

Adjustments

Certain financial and other information that is presented in this Offering Circular has been rounded off in order to make the information more accessible to the reader. Consequently, in certain columns and presentations the numbers do not exactly correspond to the stated total amount.

Currency

In this Offering Circular, all references to: (i) "**SEK**" are to the lawful currency of the Kingdom of Sweden; (ii) "**EUR**" are to euro, the single currency of the member states (the "**Member States**") of the European Union participating in the European Monetary Union having adopted the euro as its lawful currency; (iii) "**GBP**" are to Great Britain Pounds, the lawful currency of the United Kingdom; and (iv) "**USD**" are to United States Dollars, the lawful currency of the United States.

Trademarks

The Company owns or has certain trademarks that it uses in connection with the operation of its business. The Company asserts, to the fullest extent under applicable law, its rights to the Company's trademarks. See "*Legal considerations and supplementary information—Intellectual property*."

Each trademark, trade name or service mark of any other company appearing in this Offering Circular belongs to its holder. Solely for convenience, the trademarks, trade names and copyrights referred to in this Offering Circular are listed without the ™, ® and © symbols.

No Incorporation by Reference

Any references in this Offering Circular to documents or other information available on a website are for convenience only, and none of the documents or other information available on such websites is incorporated by reference herein.

EXCHANGE RATE INFORMATION AND REGULATION

Fluctuations in the exchange rate between the SEK and the USD and EUR will affect the USD and EUR amounts received by owners of Offer Shares in the Company on conversion of dividends, if any, paid in SEK on the Offer Shares.

Investors with a reference currency other than the SEK may become subject to certain foreign exchange risks when investing in the Offer Shares. The Company's equity capital is denominated in SEK, and any returns will primarily be distributed in SEK. The Offer Shares will be denominated and traded in SEK on Nasdaq Stockholm. Investors whose reference currency is a currency other than the SEK may be adversely affected by any reduction in the value of the SEK relative to the respective investor's reference currency. In addition, such investors could incur additional transaction costs in converting SEK into another currency. Investors whose reference currency is a currency other than the SEK are therefore urged to consult their financial advisors with a view to determining whether they should enter into hedging transactions to offset these currency risks.

The following table sets forth, for the periods indicated, certain information regarding the noon buying rate in New York for cable transfers for SEK, expressed in SEK per USD. The noon buying rates are certified by the Federal Reserve Bank of New York for customs purposes and for cable transfers payable in foreign currencies. The average rate for a year means the average of the noon buying rates on the last day of each month during a year. The average rate for a month, or for any shorter period, means the average of the daily noon buying rates during that month, or a shorter period, as the case may be. The rates below may differ from the actual rates used in the preparation of the Company's consolidated financial statements and other financial information appearing in this Offering Circular. The inclusion of the exchange rate information below is not meant to suggest that the SEK amounts actually represent such USD amounts or that such amounts could have been converted into USD at the rates indicated or at any other rate.

	Exchange Rate SEK per USD			
Year:	**High**	**Low**	**Period end**	**Average**
2011	7.0054	5.9968	6.8737	6.4878
2012	7.2655	6.5018	6.5074	6.7721
2013	6.8171	6.2880	6.4254	6.5124
2014	7.8245	6.3394	7.8245	6.8576
Month:				
January 2015	8.2732	7.8847	8.2732	8.1131
February 2015	8.4193	8.2265	8.3555	8.3537
March 2015	8.7505	8.2612	8.6268	8.5363
April 2015	8.8180	8.3052	8.3778	8.6612
May 2015	8.5245	8.2085	8.5245	8.3350
June 2015	8.5884	8.1076	8.2937	8.2653
July 2015	8.6402	8.3493	8.5925	8.5325
August 2015	8.7679	8.2769	8.4745	8.5515
September 2015 (through 18 September)	8.4688	8.2099	8.2099	8.3442

On 18 September 2015, the noon buying rate as certified by the Federal Reserve Bank of New York for customs purposes, SEK per USD, was SEK 8.2099 per $1.00.

The following table sets forth, for the periods indicated, certain information concerning the European Central Bank (the "**ECB**") daily reference rate published by the ECB (the "**ECB Daily Reference Rate**") for EUR, expressed in SEK per EUR. The average rate for a year means the average of the daily mid-rates on the last day of each month during a year. The average rate for a month, or for any shorter period, means the average of the daily mid-rates during that month, or a shorter period, as the case may be. The period end rate represents the mid-rate on the last business day of each applicable period. These exchange rates are provided only for the convenience of the reader. No representation is made that amounts in SEK have been, could have been, or could be converted into EUR, or vice versa, at the mid-rate or at any other rate.

	Exchange Rate SEK per USD			
Year:	**High**	**Low**	**Period end**	**Average**
2011	9.3127	8.7090	8.9120	9.0298
2012	9.1356	8.2077	8.5820	8.7041
2013	9.0604	8.2931	8.8591	8.6515
2014	9.6234	8.7661	9.3930	9.0985
Month:				
January 2015	9.5410	9.2895	9.3612	9.4167
February 2015	9.6298	9.3672	9.3693	9.4901
March 2015	9.3436	9.1141	9.2901	9.2449
April 2015	9.3816	9.2541	9.3261	9.3254
May 2015	9.4273	9.1860	9.3272	9.3037
June 2015	9.3890	9.1780	9.2150	9.2722
July 2015	9.4766	9.2460	9.4622	9.3860
August 2015	9.6557	9.4282	9.5032	9.5155
September 2015 (through 24 September)	9.4968	9.3248	9.4292	9.3852

On 24 September 2015, the ECB Daily Reference Rate for SEK per EUR, was SEK 9.4229 per EUR 1.00.

Figures reported in the Offering Circular are presented in Swedish Krona ("SEK") unless otherwise specified. The Company's audited accounts are denominated in SEK.

Exchange Control Regulations in Sweden

There are currently no foreign exchange control restrictions in Sweden, other than in certain national crisis situations, that would restrict the payment of dividends to a shareholder outside Sweden, and there are currently no restrictions that would affect the right of shareholders who are not residents of Sweden to dispose of their shares and receive the proceeds from a disposal outside Sweden. There is no maximum transferable amount either to or from Sweden, although transferring banks are required to report to the Swedish tax authorities any payments to or from Sweden exceeding SEK 150,000, or the foreign currency equivalent thereof. Such information may also be forwarded to authorities in the countries where the holders of the shares are resident.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion describes certain U.S. federal income tax consequences to U.S. Holders (as defined below) under present law of an investment in Offer Shares. This summary applies only to U.S. Holders that acquire Offer Shares in exchange for cash in the Offering, hold Offer Shares as capital assets within the meaning of Section 1221 of the Code (as defined below) and have the U.S. dollar as their functional currency.

This discussion is based on the tax laws of the United States as in effect on the date of this Offering Circular, including the Internal Revenue Code of 1986, as amended (the "**Code**"), and on U.S. Treasury regulations in effect or, in some cases, proposed, as of the date of this Offering Circular, as well as judicial and administrative interpretations thereof available on or before such date. All of the foregoing authorities are subject to change, and any such change could apply retroactively and could affect the U.S. federal income tax consequences described below. The statements in this Offering Circular are not binding on the U.S. Internal Revenue Service (the "**IRS**") or any court, and thus we can provide no assurance that the U.S. federal income tax consequences discussed below will not be challenged by the IRS or will be sustained by a court if challenged by the IRS. Furthermore, this summary does not address any estate or gift tax consequences, any state, local or non-U.S. tax consequences, the potential application of the "Medicare contribution tax" on net investment income or any other tax consequences other than U.S. federal income tax consequences.

The following discussion does not describe all the tax consequences that may be relevant to any particular investor or to persons in special tax situations such as:

- banks and certain other financial institutions;
- regulated investment companies;
- real estate investment trusts;
- insurance companies;
- broker-dealers;
- traders that elect to mark to market;
- tax-exempt entities;
- persons liable for alternative minimum tax;
- U.S. expatriates;
- persons holding Offer Shares as part of a straddle, hedging, constructive sale, conversion or integrated transaction;
- persons that actually or constructively own 10 percent or more of the Company's voting stock;
- persons that are resident or ordinarily resident in or have a permanent establishment in a jurisdiction outside the United States;
- persons who acquired Offer Shares pursuant to the exercise of any employee share option or otherwise as compensation; or
- persons holding Offer Shares through partnerships or other pass-through entities.

PROSPECTIVE PURCHASERS ARE URGED TO CONSULT THEIR TAX ADVISORS ABOUT THE APPLICATION OF THE U.S. FEDERAL TAX RULES TO THEIR PARTICULAR CIRCUMSTANCES AS WELL AS THE STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OFFER SHARES.

As used herein, the term "**U.S. Holder**" means a beneficial owner of Offer Shares that for U.S. federal income tax purposes, is or is treated as:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized under the laws of the United States, any state therein or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust that (1) is subject to the supervision of a court within the United States and the control of one or more U.S. persons or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

The tax treatment of a partner in an entity treated as a partnership for U.S. federal income tax purposes that holds Offer Shares generally will depend on such partner's status and the activities of the partnership. A U.S. Holder that is a partner in such partnership should consult its tax advisor.

Dividends and Other Distributions on Offer Shares

Subject to the passive foreign investment company rules discussed below, the gross amount of distributions made by the Company with respect to Offer Shares (including the amount of any non-U.S. taxes withheld therefrom, if any) generally will be includible, as dividend income, in a U.S. Holder's gross income in the year received, to the extent such distributions are paid out of the Company's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Because the Company does not maintain calculations of its earnings and profits under U.S. federal income tax principles, a U.S. Holder should expect to treat all cash distributions as dividends for U.S. federal income tax purposes. Such dividends will not be eligible for the dividends-received deduction allowed to corporations with respect to dividends received from other U.S. corporations. Dividends received by non-corporate U.S. Holders may be "qualified dividend income," which is taxed at the lower applicable capital gains rate, provided that (1) the Company is eligible for the benefits of the tax treaty between the United States and Sweden (the "**Treaty**"), (2) the Company is not a passive foreign investment company (as discussed below) for either the taxable year in which the dividend was paid or the preceding taxable year, (3) the U.S. Holder satisfies certain holding period requirements and (4) the U.S. Holder is not under an obligation to make related payments with respect to positions in substantially similar or related property. U.S. Holders should consult their own tax advisors regarding the availability of the lower rate for dividends paid with respect to Offer Shares.

The amount of any distribution paid in foreign currency will be equal to the U.S. dollar value of such currency, translated at the spot rate of exchange on the date such distribution is received, regardless of whether the payment is in fact converted into U.S. dollars at that time. Any further gain or loss on a subsequent conversion or other disposition of the currency for a different U.S. dollar amount will be U.S. source ordinary income or loss. The amount of any distribution of property other than cash will be the fair market value of such property on the date of distribution.

Dividends on the Offer Shares generally will constitute foreign source income for foreign tax credit limitation purposes. Subject to certain conditions and limitations, Swedish taxes withheld by the Company may be eligible for credit against a U.S. Holder's federal income tax liability. If a refund of the tax withheld is available under the laws of Sweden or under the Treaty, the amount of tax withheld that is refundable will not be eligible for such credit against a U.S. Holder's U.S. federal income tax liability (and will not be eligible for the deduction against U.S. federal taxable income). If the dividends constitute qualified dividend income as discussed above, the amount of the dividend taken into account for purposes of calculating the foreign tax credit limitation will in general be limited to the gross amount of the dividend, multiplied by the reduced rate applicable to the qualified dividend income, divided by the highest rate of tax normally applicable to dividends. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For this purpose, dividends distributed by the Company with respect to Offer Shares will generally constitute "passive category income" but could, in the case of certain U.S. Holders, constitute "general category income." The rules relating to the determination of the U.S. foreign tax credit are complex, and U.S. Holders should consult their tax advisors regarding the availability of a foreign tax credit in their particular circumstances and the possibility of claiming an itemized deduction (in lieu of the foreign tax credit) for foreign taxes paid.

Sale or Other Taxable Disposition of Offer Shares

Subject to the passive foreign investment company rules discussed below, upon a sale or other taxable disposition of Offer Shares, a U.S. Holder will recognize capital gain or loss in an amount equal to the difference between the amount realized and the U.S. Holder's adjusted tax basis in such Offer Shares. Any such gain or loss generally will be treated as longterm capital gain or loss if the U.S. Holder's holding period in the Offer Shares exceeds one year. Non-corporate U.S. Holders (including individuals) generally will be subject to U.S. federal income tax on long-term capital gain at preferential rates. The deductibility of capital losses is subject to significant limitations. Gain or loss, if any, realized by a U.S. Holder on the sale or other disposition of Offer Shares generally will be treated as U.S. source gain or loss for U.S. foreign tax credit limitation purposes.

If the consideration received upon the sale or other disposition of Offer Shares is paid in foreign currency, the amount realized will be the U.S. dollar value of the payment received, translated at the spot rate of exchange on the date of the sale or other disposition. A U.S. Holder may realize additional gain or loss upon the subsequent sale or disposition of such currency, which will generally be treated as U.S. source ordinary income or loss. If the Offer Shares are treated as traded on an established securities market and the relevant holder is either a cash basis taxpayer or an accrual basis taxpayer who has made a special election (which must be applied consistently from year to year and cannot be changed without the consent of the Internal Revenue Service), such holder will determine the U.S. dollar value of the amount realized in foreign currency by translating the amount received at the spot rate of exchange on the settlement date of the sale. If a U.S. Holder is an accrual basis taxpayer that is not eligible to or does not elect to determine the amount realized using the spot rate on the settlement date, it will recognize foreign currency gain or loss to the extent of any difference between the U.S. dollar amount realized on the date of sale or disposition and the U.S. dollar value of the currency received translated at the spot rate on the settlement date.

A U.S. Holder's initial tax basis in Offer Shares generally will equal the cost of such Offer Shares. If a U.S. Holder used foreign currency to purchase the Offer Shares, the cost of the Offer Shares will be the U.S. dollar value of the foreign currency purchase price on the date of purchase, translated at the spot rate of exchange on that date. If the Offer Shares are treated as traded on an established securities market and the relevant U.S. Holder is either a cash basis taxpayer or an accrual basis taxpayer who has made the special election described above, the U.S. Holder will determine the U.S. dollar value of the cost of such Offer Shares by translating the amount paid at the spot rate of exchange on the settlement date of the purchase.

Passive Foreign Investment Company Rules

The Company would be classified as a passive foreign investment company (a "**PFIC**") for any taxable year if either: (a) at least 75 percent of its gross income is "passive income" for purposes of the PFIC rules or (b) at least 50 percent of the value of its assets (determined on the basis of a quarterly average) is attributable to assets that produce or are held for the production of passive income. For this purpose, the Company will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25 percent or more (by value) of the stock.

Under the PFIC rules, if the Company were considered a PFIC at any time that a U.S. Holder holds the Offer Shares, the Company would continue to be treated as a PFIC with respect to such investment unless (i) the Company ceases to be a PFIC and (ii) the U.S. Holder has made a "deemed sale" election under the PFIC rules.

Based on the anticipated market price of the Offer Shares in the Offering and the current and anticipated composition of the income, assets and operations of the Company and its subsidiaries, the Company does not expect to be treated as a PFIC for the current taxable year or in the foreseeable future. This is a factual determination, however, that depends, among other things, on the composition of the income and assets, and the market value of the shares and assets, of the Company and its subsidiaries from time to time, and thus the determination can only be made annually after the close of each taxable year. Therefore there can be no assurance that the Company will not be classified as a PFIC for the current taxable year or for any future taxable year.

If the Company is considered a PFIC at any time that a U.S. Holder holds Offer Shares, any gain recognized by the U.S. Holder on a sale or other disposition of the Offer Shares, as well as the amount of any "excess distribution" (defined below) received by the U.S. Holder, would be allocated ratably over the U.S. Holder's holding period for the Offer Shares. The amounts allocated to the taxable year of the sale or other disposition (or the taxable year of receipt, in the case of an excess distribution) and to any year before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge would be imposed. For the purposes of these rules, an excess distribution is the amount by which any distribution received by a U.S. Holder on Offer Shares exceeds 125 percent of the average of the annual distributions on the Offer Shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment) of the Offer Shares.

If the Company is treated as a PFIC with respect to a U.S. Holder for any taxable year, the U.S. Holder will be deemed to own shares in any of our subsidiaries that are also PFICs. However, an election for mark-to-market treatment would likely not be available with respect to any such subsidiaries. If the Company is considered a PFIC, a U.S. Holder will also be subject to annual information reporting requirements. U.S. Holders should consult their tax advisors about the potential application of the PFIC rules to an investment in Offer Shares.

Information Reporting and Backup Withholding

Dividend payments with respect to Offer Shares and proceeds from the sale, exchange or redemption of Offer Shares may be subject to information reporting to the IRS and U.S. backup withholding. A U.S. Holder may be eligible for an exemption from backup withholding if the U.S. Holder furnishes a correct taxpayer identification number and makes any other required certification or is otherwise exempt from backup withholding. U.S. Holders who are required to establish their exempt status may be required to provide such certification on IRS Form W9. U.S. Holders should consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. Holder's U.S. federal income tax liability, and such U.S. Holder may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing an appropriate claim for refund with the IRS and furnishing any required information.

Additional Information Reporting Requirements

Certain U.S. Holders who are individuals may be required to file IRS Form 8938 or otherwise report information relating to an interest in Offer Shares, subject to certain exceptions (including an exception for Offer Shares held in accounts maintained by certain U.S. financial institutions).

In addition, a U.S. Holder (including a U.S. tax-exempt entity) that transfers cash in exchange for equity of a newly created non-U.S. corporation may be required to file Form 926 (or a similar form) if (i) such person owned, directly or by attribution, immediately after the transfer at least 10 percent by vote or value of the corporation or (ii) if the transferred cash, when aggregated with all transfers made by such person (or any related person) within the preceding 12 month period, exceeds U.S. $100,000.

Penalties can apply if U.S. Holders fail to satisfy such reporting requirements. U.S. Holders should consult their tax advisors regarding the applicability of these requirements to their acquisition and ownership of Offer Shares.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE IMPORTANT TO YOU. EACH PROSPECTIVE PURCHASER SHOULD CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE OFFER SHARES UNDER THE INVESTOR'S OWN CIRCUMSTANCES.

THE SWEDISH SECURITIES MARKET NASDAQ STOCKHOLM

The following is a description of Nasdaq Stockholm, including a brief summary of certain provisions of the Nasdaq Stockholm rules. The summary is not intended to provide a comprehensive description of all such rules and should not be considered exhaustive. Moreover, the rules and procedures summarised below may be amended or reinterpreted.

Nasdaq Stockholm

Nasdaq Stockholm ("**Nasdaq Stockholm**") is the principal market on which shares, bonds, derivatives and other securities are traded in Sweden. Nasdaq Stockholm is a part of the NASDAQ OMX Group, Inc. ("**NASDAQ OMX**"). NASDAQ OMX offers trading across multiple asset classes and its technology supports the operations of over 70 exchanges in 50 countries. NASDAQ OMX also owns and maintains the exchanges in Helsinki, Copenhagen, Riga, Reykjavik, Tallinn and Vilnius. Each country has its own official list and country-specific listing requirements. NASDAQ OMX's Nordic List was launched in 2006 and it consists of shares listed on the exchanges in Stockholm, Helsinki and Copenhagen. Companies on the Nordic List are divided into three segments: Large Cap, Mid Cap and Small Cap. Companies with a market capitalisation in excess of €1 billion are included in the Large Cap segment. Companies with a market capitalisation between €150 million and 1 billion are included in the Mid Cap segment, while companies with a market capitalisation below €150 million are included in the Small Cap segment. The segments are normally revised at year-end and the segments are re-set, effective on January 1, based on weighted average market capitalization for November the year before. Companies with a market capitalisation of more than 50% of the minimum or maximum threshold of a segment will be transferred into a new segment with immediate effect. Companies with a market capitalisation of less than 50% of the minimum or maximum segment threshold will have a transitional period until the next forthcoming review (or at least 12 months), and thus be subject to one more review before transferring into a new segment. Furthermore, companies are sorted by their industry sector according to the ICB Company Classification Standard (prior to February 1, 2012, the Global Industry Classification Standard (GICS) was applied). Companies belonging to the same industry sector are placed in the same industry sector segment in alphabetical order.

Trading in Securities on Nasdaq Stockholm

Trading in and clearing of securities on Nasdaq Stockholm takes place in SEK, with prices quoted in minimum increments based on the price level of the security. Within the price range SEK 50 to SEK 99.95 the minimum increment amounts to SEK 0.05. All price information is produced and published only in SEK.

Trading on Nasdaq Stockholm is conducted on behalf of customers by duly authorised Swedish and foreign banks and other securities brokers, as well as the Swedish Central Bank. While banks and brokers are permitted to act as principals in trading both on and off Nasdaq Stockholm, they generally engage in transactions as agents. Settlement of trades take place through an electronic account based security system administered by Euroclear Sweden. See "—*Securities Registration*."

Nasdaq Stockholm uses the trading platform INET. In INET, bids and offers are entered in the relevant order book and automatically matched to trades when price, volume and other order conditions are met. INET continuously broadcasts all trading information. The information is displayed in real time in the form of order books, market summaries, concluded trades, index information and different kinds of reports. The round lot for all shares traded on Nasdaq Stockholm is one share. A two-day settlement schedule currently applies to share trading.

Nasdaq Stockholm has three principal trading periods: pre-trading, trading and post-trading. For shares, pre-trading begins at 8:00 CET and ends at 8:45 CET. Opening call begins at 8:45 CET and ends at 9:00 CET. Continuous trading begins sequentially after the opening call ends at 9:00 CET when the first share is assigned its opening price and it then becomes subject to continuous trading. Continuous trading takes place from 9:00 CET to 17:25 CET when the closing call is initiated. The closing call ends at approximately 17:30 CET when the closing prices are determined. Post-trading, during which contract transactions for shares can be registered as dealings after trading hours mainly within the price limits based on the trading day, takes place from 17:30 CET to 18:00 CET.

In addition to official trading on Nasdaq Stockholm through automatic order matching in INET, shares may also be traded off Nasdaq Stockholm, i.e., outside INET, during, as well as after, the official trading hours (through "manual trading"). Manual trades during trading hours must normally be entered into at a price within the volume weighted average spread reported in INET at the time of the trade or, as regards manual trades during the closing call, at the time prior to the closing call auction. Outside the trading hours, manual trades must normally be affected at a price within the volume weighted average spread reported in INET at the close of trading hours. However, in the absence of a spread and in situations where there is a change in the market conditions during the closing call or after the close of trading hours, as the case may be, manual trades must take place at a price that takes into account the market situation at the time of the trade. Manual trades which qualify as large scale (€50,000 – €500,000, depending on the average daily turnover in the relevant share) may be effected without regard to any spread. Trading on Nasdaq Stockholm tends to involve a higher percentage of retail clients while trading off Nasdaq Stockholm, whether directly or through intermediaries, often involves larger Swedish institutions, banks arbitraging between the Swedish market and foreign markets, and foreign buyers and sellers purchasing shares from, or selling shares to, Swedish institutions.

All manual trades must normally be reported in INET within three minutes from the time of the trade, although trades outside the official trading hours must be reported during the pre-trading session on the following exchange day and not later than 15 minutes prior to the opening of the trading hours.

Securities Market Regulations

The Nordic List is regulated under EU directives, primarily Directive 2004/39/EC on Markets in Financial Instruments ("**MiFID**"), which has been implemented through the Swedish Securities Market Act of 2007 (Sw. *lagen (2007:528) om värdepappersmarknaden*) (the "**Securities Market Act**"). NASDAQ OMX Stockholm Aktiebolag is authorised pursuant to the Securities Market Act to operate a regulated market under the supervision of the SFSA. The SFSA is a governmental agency responsible for, among other things, supervising and monitoring the Swedish securities market and market participants. The SFSA also issues regulations that supplement Swedish securities market laws. Furthermore, pursuant to the Swedish Securities Market Act, Nasdaq Stockholm is required to have rules of its own, governing the trading on Nasdaq Stockholm. The Rule Book for Issuers of Nasdaq Stockholm, based on European standards and EU directives such as MiFID and Directive 2004/109/EC (the "**Transparency Directive**"), sets forth listing requirements and disclosure rules for companies listed on Nasdaq Stockholm. The objective of the regulatory system governing trading on and off Nasdaq Stockholm is to achieve transparency and equality of treatment among market participants. Nasdaq Stockholm records information as to the banks and brokers involved, the issuer, the number of shares, the price and the time of each transaction. Each bank or broker is required to maintain records indicating trades carried out as agent or as principal. All trading information reported in INET is publicly available. Nasdaq Stockholm also maintains a market supervision unit ("**Trading Surveillance**") that monitors trading on a "real time" basis, as described below.

Trading Surveillance monitors trading data for indications of unusual market activity and trading behaviour, and continuously examines information disseminated by listed companies, such as earnings reports, acquisition and other investment plans and changes in ownership structure on a daily basis. When Trading Surveillance becomes aware of non-public price sensitive information, it monitors trading in the shares concerned to identify unusual trading activity indicating that persons may be trading on that information.

The Swedish Market Abuse Penal Act of 2005 (Sw. *lagen (2005:377) om straff för marknadsmissbruk vid handel med finansiella instrument*) (the "**Market Abuse Act**"), implementing in part Directive (2003/6/EC) (the "**Market Abuse Directive**"), provides sanctions for insider trading and unlawful disclosure of insider information. The Market Abuse Act also contains provisions prohibiting market manipulation, making illegal any actions (in connection with trading on the securities market or otherwise) intended to unduly affect the market price or other conditions of trade in financial instruments, or otherwise mislead buyers or sellers of such instruments (such as through spreading false or misleading information). Market manipulation may also constitute fraud under Swedish law. The SFSA and the Trading Surveillance enforce compliance with the Market Abuse Act and other insider trading rules. Criminal offences are enforced in court by the Swedish National Economic Crimes Bureau (Sw. *Ekobrottsmyndigheten*). Moreover, the SFSA may cause the operating licence of a bank or broker to be revoked if the bank or broker has engaged in improper conduct, including market manipulation.

Securities Registration

The Swedish book-entry securities system is centralised at Euroclear Sweden, a central securities depository and clearing organisation authorised under the Swedish Financial Instruments Accounts Act (Sw. *lagen (1998:1479) om kontoföring av finansiella instrument*) and the Swedish Securities Markets Act. Among other things, Euroclear Sweden maintains the register of shareholders in Swedish companies listed on Nasdaq Stockholm. Shares administered by Euroclear Sweden are registered in book-entry form on securities accounts (VP accounts) and no share certificates are issued. Title to shares is ensured exclusively through registration with Euroclear Sweden. All transactions and other changes to accounts are entered in the system of Euroclear Sweden through banks or other securities institutions that have been approved as account operators by Euroclear Sweden. The register maintained by Euroclear also contains information on other interests in respect of shares, such as those of a pledgee.

Shares may be registered on VP accounts, and consequently entered in the register of shareholders, either in the name of the beneficial owner (owner registered shares) or in the name of a nominee authorised by Euroclear Sweden (nominee registered shares), in which case a note thereof is made in the securities system. The relationship between the nominee and the beneficial owner is governed by agreement. In order to exercise certain rights, such as participation at a general meeting, shareholders whose shares are registered in the name of a nominee must temporarily re-register the shares in their own names. Nominees are also required to report the holdings of underlying beneficial owners to Euroclear Sweden on a regular basis.

The rights attaching to shares that are eligible for dividends, rights issues or bonus issues accrue to those holders whose names are recorded in the register of shareholders as of a particular record date, and the dividends are normally distributed to bank accounts as specified by the holders registered with Euroclear Sweden. The relevant record date must be specified in the resolution declaring a dividend or capital increase, or any similar matter in which shareholders have preferential rights. Where the registered holder is a nominee, the nominee receives, for the account of the beneficial owner, dividends and other financial rights attaching to the shares, such as subscription rights in conjunction with rights offerings, as well as new shares subscribed through the exercise of subscription rights. Dividends are remitted in a single payment to the nominee who is responsible for the distribution of such dividends to the beneficial owner. A similar procedure is applied for subscription rights and newly issued shares.

Transactions and Ownership Disclosure Requirements

Under the Swedish Financial Instruments Trading Act, which implements the Transparency Directive in part, a shareholder is required to notify both the company in which it holds shares and the SFSA, when its holding (including options for shares) reaches, exceeds or falls below 5, 10, 15, 20, 25, 30, 50, 66 2/3 or 90% of the total number of votes and/or shares in a company. The notice is to be made in writing or electronically on the SFSA's website on the trading day immediately following the day of the applicable transaction. The SFSA will announce the contents of the notification no later than 12:00 a.m. CET on the trading day following receipt of the notification. When calculating a shareholder's percentage of ownership, a company's treasury shares are to be included in the denominator, while warrants and convertibles are to be excluded. For the purposes of calculating a person's or entity's shareholding, not only the shares and financial instruments directly held by the shareholder are included, but also those held by related parties. The Trading Act contains a list of related parties whose shareholding must be aggregated for the purposes of the disclosure requirements. Related parties include, but are not limited to, subsidiaries and, in certain circumstances, proxies, parties to shareholders' agreements as well as spouses/co-habitants.

Under the Regulation (EU) 236/2012 on short selling and certain aspects of credit default swaps, a person who has a net short position in a share is required to notify the SFSA when the position either reaches or falls below the following thresholds: 0.2% of the issued share capital of the company concerned and each 0.1% above that. Furthermore, there is also a requirement of public disclosure when the position reaches or falls below the following thresholds: 0.5% of the issued share capital of the company concerned and each 0.1% above that. The public disclosure is made by the SFSA via announcement on its website. Further, an investor who wishes to take an uncovered, or "naked," short position in a particular share will be required either: (a) to have borrowed sufficient shares to settle the short trade; (b) to have entered into a binding agreement to borrow the shares; or (c) to have an arrangement with a third party under which that third party has confirmed that the shares have been located and has taken measures *vis-à-vis* third parties necessary to have a reasonable expectation that settlement can be effected when it is due.

In addition, pursuant to the Swedish Act on Reporting Obligations for Certain Holdings of Financial Instruments (Sw. *lagen (2000:1087) om anmälningsskyldighet för vissa innehav av finansiella instrument*), among others, individuals who own, directly or indirectly, shares representing 10% or more of the share capital or the voting rights in a publicly traded company must report, in writing or electronically, such ownership and any changes therein to the SFSA, which keeps a public register based on the information contained in such reports.

Mandatory Bids

Pursuant to the Swedish Act on Public Takeovers on the Securities Market (Sw. *lagen (2006:451) om offentliga uppköpserbjudanden på aktiemarknaden*) (the "**Takeover Act**"), any Swedish or foreign legal entity or natural person who holds less than 30% of the total voting rights in a company listed on a regulated market in Sweden, must make a public offer for the acquisition of all the remaining shares issued by the target company (a mandatory bid) should such legal entity or natural person alone, or together with a related party, reach 30% or more of the total voting rights in the company. This applies where the increased holding is the result of a purchase, subscription, conversion, or any other form of acquisition of shares in the target company (other than a public offer) or the result of the establishment of a related party relationship. In this context, a related party can be an entity within the same corporate group as the buyer, a spouse or co-habitant, as well as any person or entity that cooperates with the buyer to obtain control over the company or with whom an agreement has been reached regarding the coordinated exercise of voting rights with the object of achieving a long-term controlling influence on the company's management.

The public offer shall be made within four weeks after the acquisition that triggered the mandatory bid requirement unless the acquirer (or the related party) reduces its level of voting share ownership within such time to below 30%. The offer is normally also made to holders of other securities issued by the target company, if the price of such securities could be substantially affected as a result of a de-listing of the target company's shares, such as, for example, warrants and convertibles. Under the Takeover Act, offerors have a duty to undertake to comply with the takeover rules adopted by Nasdaq Stockholm (the "**Takeover Rules**"). By making this undertaking, the offeror agrees to comply not only with the Takeover Rules, but also to comply with statements and rulings by the Swedish Securities Council (Sw. *Aktiemarknadsnämnden*) on points of interpretation of the Takeover Act as well as to be subject to any sanctions that may be imposed by Nasdaq Stockholm. Exemptions from the mandatory bid requirement may under certain circumstances, for example in conjunction with rights offerings and underwriting guarantees, be granted by the Swedish Securities Council. The Swedish Securities Council may also grant exemptions from the provisions of the Takeover Rules.

TRANSFER RESTRICTIONS

The Offer Shares have not been, and will not be, registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. For information on the applicable selling and transfer restrictions, see "*Selling and transfer restrictions*."

CLX

Invitation to acquire shares in CLX Communications AB (publ)

Joint Global Coordinators and Joint Bookrunners:

Carnegie

Handelsbanken Capital Markets

IMPORTANT INFORMATION TO INVESTORS

This offering circular (the "**Offering Circular**") has been prepared in connection with the offering to the public in Sweden, to institutional investors in Sweden and abroad and the listing on Nasdaq Stockholm (the "**Offering**") of the shares in CLX Communications AB (publ), a Swedish public limited liability company. In this Offering Circular "**CLX**", the "**Company**" or the "**Group**" refers to CLX Communications AB (publ), the group in which CLX is the parent company or a subsidiary of the Group, as the context may indicate. The "**Principal Selling Shareholders**" refer to (i) Cantaloupe AB, a company owned by the six founders of CLX (including senior executives and certain current and former board members of CLX); (ii) Kjell Arvidsson AB, a company owned by Kjell Arvidsson, one of the six founders of CLX and who is currently a senior executive and board member of CLX; and (iii) Seitse Intressenter AB, a company wholly-owned by Neqst 1 AB. 41.87 percent of the shares and 75.91 percent of the votes of Neqst 1 AB are owned by Neqst Partner AB, of which Erik Fröberg and Jonas Fredriksson, who are current board members of CLX, own, indirectly through wholly-owned companies, 38.53 percent of the shares (38.71 percent of the votes) and 28.17 percent of the shares (28.42 percent of the votes), respectively. For a description of ownership structure, see heading "*Ownership structure prior to and directly following the Offering*" in section "*Share capital and ownership structure*". The "**Joint Global Coordinators and Joint Bookrunners**" refer to Carnegie Investment Bank AB (publ) ("**Carnegie**") and Handelsbanken Capital Markets, a part of Svenska Handelsbanken AB (publ) ("**Handelsbanken**"). See section "*Definitions and glossary*" for the definitions of these and other terms in the Offering Circular.

The figures included in the Offering Circular have, in certain cases, been rounded off and, consequently, the tables included in the Offering Circular do not necessarily add up. All financial amounts are in Swedish kronor ("**SEK**"), unless indicated otherwise. Except as expressly stated herein, no financial information in the Offering Circular has been audited or reviewed by the Company's auditors. Financial information relating to the Company in the Offering Circular that is not part of the information audited or reviewed by the Company's auditor as outlined herein originates from the Company's internal accounting and reporting systems.

Structure of the Offering

The Offering consists of: (i) a public offering to institutional and retail investors in Sweden; (ii) a private placement in the United States to qualified institutional buyers ("**QIBs**") as defined in and in reliance on Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended, (the "**Securities Act**"), or pursuant to another available exemption from the registration requirements under the Securities Act; and (iii) a private placement to institutional investors in the rest of the world. All offers and sales outside the United States will be made in compliance with Regulation S ("**Regulation S**") under the Securities Act. Prospective purchasers that are QIBs are hereby notified that the sellers of the shares in the Offering may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The Offering is neither directed to the general public in any country other than Sweden nor directed to such persons whose participation requires additional offering circulars, registrations or measures other than those prescribed by Swedish law. No measures have been or will be taken in any other jurisdiction than Sweden, that would allow any offer of the shares to the public, or allow holding and distribution of the Offering Circular or any other documents pertaining to the Company or shares in such jurisdiction. Applications to acquire shares that violate such rules may be deemed invalid. Persons into whose possession the Offering Circular comes are required by the Company and the Joint Global Coordinators and Joint Bookrunners to inform themselves about and to observe such restrictions. Neither the Company nor either of the Joint Global Coordinators and Joint Bookrunners or the Principal Selling Shareholders accept any legal responsibility for any violation by any person, whether or not a prospective investor, of any such restrictions.

The shares in the Offering have not been recommended by any U.S. federal or state securities commission or regulatory authority. Further, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Offering Circular. Any representation to the contrary is a criminal offence in the United States. The shares in the Offering have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States.

In the United States, the Offering Circular is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider purchasing the particular securities described herein. The information contained in the Offering Circular has been provided by the Company and other sources identified herein. Distribution of the Offering Circular to any person other than the offeree specified by the Joint Global Coordinators and Joint Bookrunners or their representatives and those persons, if any, retained to advise such offeree with respect thereto, is prohibited, and any disclosure of its contents, without the Company's prior written consent, is prohibited. Any reproduction or distribution of the Offering Circular in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. The Offering Circular 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 Offering.

A Swedish prospectus (the "**Prospectus**") has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) in accordance with Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (1991:980) (Sw. *lagen (1991:980) om handel med finansiella instrument*). The Offering Circular is a translation into English of the Prospectus approved and registered by the Swedish Financial Supervisory Authority. In the event of discrepancies between the Offering Circular and the Prospectus, the Prospectus shall prevail. The Offering and the Offering Circular 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 Offering or the Offering Circular.

Stabilization

In connection with the Offering, Carnegie, as the stabilizing manager (the "**Stabilizing Manager**"), or its agents, on behalf of the Joint Global Coordinators and Joint Bookrunners, may engage in transactions that stabilize, maintain or otherwise affect the price of the shares for up to 30 days from the first day of trading of the shares on Nasdaq Stockholm. Specifically, the Stabilizing Manager may effect transactions with a view to supporting the market price of the shares a level higher than that which might otherwise prevail. The Stabilizing Manager and its agents are not required to engage in any of these activities and, as such, there is no assurance that these activities will be undertaken; if undertaken, the Stabilizing Manager or its agents may end any of these activities at any time and they must be brought to an end at the end of the 30-day period mentioned above. Stabilization activities, if undertaken, may be discontinued at any time without prior notice. In no event will transactions be effected at levels above the price set in the Offering. Within one week of the end of the stabilization period, the Stabilization Manager will make public whether or not stabilization was undertaken, the date stabilization started, the date stabilization last occurred and the price range within which stabilization was carried out, for each of the dates stabilization transactions were carried out.

Forward-looking statements

This Offering Circular contains various forward-looking statements that reflect 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 other than statements as to historical facts or present facts or circumstances. The words "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim", or "might," or, in each case, their negative, or similar expressions, identify certain of these forward-looking statements. 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 Offering Circular, including, without limitation, in the sections entitled "*Summary*", "*Risk factors*", "*Share capital and ownership structure*", "*Operating and financial review*", "*Industry overview*" and "*Business overview*" and include, among other things, 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, the Internet of Things; 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 materialize 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 "*Risk factors*".

These forward-looking statements speak only as of the date of this Offering Circular. 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.

Industry and Market Data

Information provided in this Offering Circular on the market environment, market developments, growth rates, market trends and on the competitive situation in the markets and regions in which CLX operates is based on data, statistical information and reports by third parties and/or prepared by CLX based on its own information and information in such third-party reports. In particular, CLX has sourced information on the historical and future growth, size and value of the enterprise cloud communications market and its market segments, including Application-to-Person messaging, voice applications and the Internet of Things market segments from International Data Corporation ("**IDC**"), Ericsson Mobility Report and GSMA. In addition, CLX has sourced information from publicly available reports of the enterprise cloud communications market.

Industry publications and 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. Neither CLX nor the Joint Global Coordinators and Joint Bookrunners have verified and can give no assurances as to the accuracy of such information, market data or other information contained in this Offering Circular that was extracted or derived from these publications or reports. Such statistics are 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 products and transactions should be included in the relevant market. As far as CLX is aware and is able to ascertain from information published by these third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Offering Circular also contains 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 CLX based on third-party sources and CLX's own internal estimates, including the reports from IDC. In many cases, there is no publicly-available information on such market data, for example from industry associations, public authorities or other organizations and institutions. CLX believes that the estimates of market data and information derived therefrom are helpful in order to give investors a better understanding of the industry in which CLX operates as well as CLX's position within the industry. Although CLX believes that its internal market observations are reliable, its estimates are not reviewed or verified by any external sources. While CLX is not aware of any misstatements regarding the industry or similar data presented herein, such data involves risks and uncertainties and is subject to change based on various factors, including those discussed under the heading "*Risk factors*" in this Offering Circular.

Important information about the possibility to sell allotted shares

Note that notifications about allotment to the public in Sweden will be made through distribution of contract notes, which is expected to occur on or around 8 October 2015. After payments for the allocated shares have been processed by Joint Global Coordinators and Joint Bookrunners, duly paid shares will be transferred to the securities depository account or the securities account specified by the acquirer. The time required to transfer payments and transfer duly paid shares to the acquirers of shares in CLX means that these acquirers will not have shares available in the specified securities depository account or the securities account until 12 October 2015, at the earliest. Trading in CLX's shares on Nasdaq Stockholm is expected to commence on or around 8 October 2015. Please note that the circumstance that shares may not be available in an acquirer's securities account or securities depository account until 12 October 2015 at the earliest, can mean that the acquirer may not be able to sell these shares on the stock exchange as from the time trading in the shares commences, but first when the shares are available in the securities account or the securities depository account.

Contents

Summary of the Offering

The Offering

The Offering comprises 12,545,711 existing common shares. No shares or securities are being issued by CLX in connection with the Offering. The Principal Selling Shareholders have undertaken, at the request of the Joint Global Coordinators and Joint Bookrunners, to sell up to 1,860,483 additional existing common shares to cover any possible over-allotment in connection with the Offering (the "**Over-allotment Option**").

Offering price

The Offering price is expected to be determined within the range of SEK 54–59 per common share. The Offering price will be determined through a book-building procedure and, consequently, based on demand and the overall market conditions. The price will be set by the Principal Selling Shareholders in consultation with the Joint Global Coordinators and Joint Bookrunners. The Offering price is expected to be announced by way of a press release on or around 8 October 2015.

Indicative timetable

Application period for the public offering in Sweden	29 September – 6 October 2015
Application period for the institutional offering	29 September – 7 October 2015
Announcement of the Offering price	8 October 2015
First day of trading in CLX' shares on Nasdaq Stockholm	8 October 2015
Settlement date	12 October 2015

Miscellaneous

Short name (ticker) Nasdaq Stockholm:	CLX
ISIN code	SE0007439112

Financial calendar

Interim report for the period 1 July – 30 September 2015, Q1	20 November 2015
Interim report for the period 1 July – 31 December 2015, Q2	17 February 2016
Interim report for the period 1 July 2015 – 31 March 2016, Q3	19 May 2016
Year-end report for the period 1 July 2015 – 30 June 2016	23 August 2016
Interim report for the period 1 July – 30 September 2016, Q1	15 November 2016

CLX

Summary

The summary is drawn up in accordance with information requirements in the form of "paragraphs" which should include certain information. The paragraphs are numbered in sections A–E (A.1–E.7). This summary contains all specific paragraphs which are required in a summary for the relevant type of securities and issuer. As certain paragraphs are not required, there may be gaps in the numbering of the paragraphs. Even if information relating to a specific paragraph is required to be included, it is possible that no relevant information is available. In such cases, the summary contains a brief description of the information required together with the statement "not applicable".

Section A – Introduction and warnings		
A.1	*Introduction and warnings*	This summary should be read as an introduction to the Offering Circular. Any decision to invest in the securities should be based on an assessment of the Offering Circular in its entirety by the investor. Where statements in respect of information contained in the Offering Circular are challenged in a court of law, the plaintiff investor may, in accordance with European Union member states' national legislation, be forced to pay the costs of translating the Offering Circular before legal proceedings are initiated. Under civil law, only those individuals who have produced the summary, including translations thereof, may be enjoined, but only if the summary is misleading, incorrect or inconsistent with the other parts of the Offering Circular or if it does not, together with other parts of the Offering Circular, provide key information to help investors when considering whether to invest in the securities being offered.
A. 2	*Consent for use of the Offering Circular by financial intermediaries*	Not applicable. Financial intermediaries are not entitled to use the Offering Circular for subsequent trading or final placement of securities.

Section B – Information about the issuer		
B.1	*Company and trading name*	The Company's registered corporate name is CLX Communications AB (publ) with corporate registration number 556882-8908.
B. 2	*Issuer's registered office and corporate form*	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. *aktiebolagslagen (2005:551)*).
B.3	*Description of the issuer's operations*	CLX is a leading provider of cloud-based communication services to enterprises and communication 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 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. The enterprise cloud communication services and solutions offered by CLX's Enterprise division include: • Enterprise 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. • Voice application services, which enable enterprises to, via the cloud, connect incoming and outgoing calls to their applications and systems. • Mobile connectivity services for the Internet of Things (IoT), which will enable connected Things to easily connect to the Internet regardless of their location. CLX's mobile connectivity services for IoT is in the advanced stages of development and trial testing with customers is planned to commence in late 2015. The Company expects that commercial launch of its mobile IoT connectivity services will occur in 2016.

B.3, cont'd		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 a "operator in a box" service that is offered primarily to mobile virtual network operators. CLX increasingly also offer its communications platform as a service, whereby CLX internally runs the platform and software. CLX's two business divisions are supported by centralized group functions consisting of the finance department, the human resources department, and the corporate development department, including the marketing department. CLX is headquartered in Stockholm, Sweden, and operates on a global basis through 13 local sales offices and 50 sales representatives in 16 countries worldwide.
B.4a	*Trends*	The enterprise cloud communications market is primarily driven by three key market drivers: (i) a growing number of smartphones and increasing mobile data traffic; (ii) a transition of business critical services to the cloud; and (iii) the development of existing and new use cases within the enterprise cloud communications market. In addition to the above mentioned market drivers, CLX's Enterprise division is affected by a number of important market trends, including: • 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. • 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. • As enterprises move business critical systems and tools to the cloud, security is becoming increasingly important for enterprises. • The surge in connected Things and the corresponding increase in mobile data traffic are expected to lead to new market opportunities for enterprise cloud communications providers. CLX's Operator division is also affected by a number of important market trends, including: • The increasing competition in the telecommunications markets has increased mobile operators' focus on operational efficiency. A typical measure for mobile operators to streamline operations has been to reduce the number of suppliers of software services, which has benefited suppliers with a broad product portfolio and the possibility to offer a broad and cost-efficient offering. • Mobile virtual network operators and other new market entrants provide an attractive and growing market opportunity for software service providers, such as CLX's Operator division. • Controlling fraud is of increasing importance for mobile operators and CLX has experienced an increase in demand for security software developed to protect networks against such fraud. • Mobile operators are increasingly focusing on core operations and operational efficiency, which has driven mobile operators to proactively try to enhance their productivity. Mobile operators are increasingly engaging their service providers and suppliers to accomplish this goal. These developments have enabled software service providers to broaden their offering and shift to a service-based offering, which can imply more stable revenue streams for service providers.
B.5	*Description of the Group and the issuer's position within the Group*	The Group comprises the parent company CLX Communications AB (publ) and 11 directly and indirectly owned subsidiaries.

B.6	*Major shareholders*	The table below sets forth the Company's ownership structure and holdings by the Company's shareholders at the date of this Offering Circular and directly after completion of the Offering (both with full exercise of the Over-allotment Option and without).

Shareholders	Shares held prior to the Offering		Shares held after the Offering (assuming the Over-allotment Option is not exercised)		Shares held after the Offering (assuming the Over-allotment Option is exercised in full)	
	Number	%	Number	%	Number	%
Cantaloupe AB[1]	16,286,730[2]	50.22 %	9,181,747[2]	28.31 %	8,115,999[2]	25.02 %
Seitse Intressenter AB[3]	11,132,850[4]	34.33 %	6,164,230	19.01 %	5,418,937	16.71 %
Kjell Arvidsson AB[5]	4,130,850[6]	12.74 %	3,801,242	11.72 %	3,751,800	11.57 %
Other shareholders[7]	882,000	2.72 %	739,500	2.28 %	739,500	2.28 %
New shareholders	0	0 %	12,545,711	38.68 %	14,406,194	44.42 %
Total	**32,432,430**	**100.0** %	32,432,430	100.00 %	32,432,430	100.00 %

1) Cantaloupe AB is owned by the six founders of CLX: (i) Johan Hedberg, who is currently the CEO of CLX; (ii) Robert Gerstmann, who is currently a senior executive of CLX; (iii) Björn Zethraeus, who is currently responsible for Business Development in CLX and is a former board member of CLX; (iv) Kristian Männik, who is currently the CMO of CLX and is a former board member of CLX; (v) Henrik Sandell, who is currently the Head of Operations of CLX and is a former board member of CLX; and (vi) Kjell Arvidsson, who is a Principal Selling Shareholder (via Kjell Arvidsson AB) in CLX, board member and senior executive of CLX.
2) 1,255,650 of which are preference shares which will be converted into common shares in connection with the listing on Nasdaq Stockholm. Further, Cantaloupe AB has entered into an undertaking to, outside the Offering, sell 188,400 shares in the Company to certain board members and senior executives of CLX.
3) Seitse Intressenter AB is wholly-owned by Neqst 1 AB. Neqst 1 AB is partially indirectly owned by Erik Fröberg and Jonas Fredriksson, who are current board members of CLX.
4) 858,300 of which are preference shares which will be converted into common shares in connection with the listing on Nasdaq Stockholm.
5) Kjell Arvidsson AB is owned by Kjell Arvidsson, one of the six founders of CLX, and who is currently a board member and senior executive of CLX.
6) 318,480 of which are preference shares which will be converted into common shares in connection with the listing on Nasdaq Stockholm.
7) The other shareholders are employees of CLX that have received shares under a previous incentive program. There are five other selling shareholders, none of whom hold more than one percent of the shares in CLX.

Upon completion of the Offering, assuming the Over-allotment Option is exercised in full, the Principal Selling Shareholders, i.e. Cantaloupe AB[1], Seitse Intressenter AB[2] and Kjell Arvidsson AB[3] will own approximately 53.3 percent of the shares in CLX; Cantaloupe AB will own 25.02 percent of the shares in CLX, Seitse Intressenter AB will own 16.71 percent of the shares in CLX and Kjell Arvidsson AB will own 11.57 percent of the shares in CLX. Accordingly, the Principal Selling Shareholders 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. The Principal Selling Shareholders may thereby be able to exercise control over the Company. However, such control is limited by virtue of the provisions of the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*).

As of the date of this Offering Circular, 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 currently the CEO of CLX. 19.92 percent of the shares are owned by Robert Gerstmann, who is currently a senior executive of CLX. 19.92 percent of the shares are owned by Björn Zethraeus, who is currently responsible for Business Development in CLX and is a former board member of CLX. 19.92 percent of the shares are owned by Kristian Männik, who is currently the CMO of CLX and is a former board member of CLX. 19.93 percent of the shares are owned by Henrik Sandell, who is currently the Head of Operations of CLX and is a former board member of CLX. 0.37 percent of the shares are owned by Kjell Arvidsson, who is a Principal Selling Shareholder (via Kjell Arvidsson AB) in CLX, board member and senior executive of CLX.

As of the date of this Offering Circular, 100 percent of Seitse Intressenter AB's shares 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 Erik Fröberg and Jonas Fredriksson, who are current board members of CLX, 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, together with Jonas Fredriksson, serves on the board of directors and as managing partner of Neqst Partner AB and its subsidiaries.

Based on the above shareholdings in Cantaloupe AB and Seitse Intressenter AB, the table below provides an overview of the total beneficial shareholding in CLX held indirectly by the shareholders of Cantaloupe AB and Seitse Intressenter AB, including the six founders of CLX and current and former members of management and board members, as of the date of this Offering Circular and directly after completion of the Offering (both with full exercise of the Over-allotment Option and without).

1) With address c/o Symsoft AB, P.O Box 1219, SE-164 28 Kista, Sweden.
2) With address c/o Neqst, Birger Jarlsgatan 9, SE-111 45 Stockholm, Sweden.
3) With address Ringvägen 127 B 5tr., SE-116 61 Stockholm, Sweden.

B. 6, cont'd

Shareholders[1)]	Total beneficial shareholding prior to the Offering Number of shares in CLX	%	Total beneficial shareholding after the Offering (assuming the Over-allotment Option is not exercised) Number of shares in CLX	%	Total beneficial shareholding after the Offering (assuming the Over-allotment Option is exercised in full) Number of shares in CLX	%
Shareholders in Cantaloupe AB						
Johan Hedberg	3,245,014	10.005 %	1,829,397	5.64 %	1,617,055	4.99 %
Robert Gerstmann	3,245,014	10.005 %	1,829,397	5.64 %	1,617,055	4.99 %
Björn Zethraeus	3,245,014	10.005 %	1,829,397	5.64 %	1,617,055	4.99 %
Kristian Männik	3,245,014	10.005 %	1,829,397	5.64 %	1,617,055	4.99 %
Henrik Sandell	3,245,984	10.01 %	1,829,944	5.64 %	1,617,538	4.99 %
Kjell Arvidsson[2)]	60,690	0.19 %	34,214	0.11 %	30,243	0.09 %
Total	**16,286,730[3)]**	**50.22 %**	**9,181,747[3)]**	**28.31 %**	**8,115,999[3)]**	**25.02 %**
Shareholders in Neqst 1 AB which owns 100 percent of the shares in Seitse Intressenter AB						
Erik Fröberg[4)]	1,819,292	5.61 %	1,007,337	3.11 %	885,544	2.73 %
Jonas Fredriksson[5)]	1,313,234	4.05 %	727,134	2.24 %	639,219	1.97 %
Other, direct or indirect, shareholders in Neqst 1 AB[7)]	8,000,324	24.67 %	4,429,759	13.66 %	3,894,174	12.01 %
Total	**11,132,850[6)]**	**34.33 %**	**6,164,230**	**19.01 %**	**5,418,937**	**16.71 %**

1) The parties described in the table hold no shares directly in CLX but hold shares in Cantaloupe AB or Neqst 1 AB, as applicable, unless otherwise indicated.
2) Kjell Arvidsson also indirectly holds 4,130,850 shares in CLX through Kjell Arvidsson AB, a Principal Selling Shareholder. In total, Kjell Arvidsson directly or indirectly holds 4,191,540 shares in CLX prior to the Offering, representing an interest of 12.92 percent in CLX.
3) 1,255,650 of which are preference shares which will be converted into common shares in connection with the listing on Nasdaq Stockholm. Further, Cantaloupe AB has entered into an undertaking to, outside the Offering, sell 188,400 shares in the Company to certain board members and senior executives of CLX.
4) Erik Fröberg holds, via a wholly-owned company, indirectly shares in Seitse Intressenter AB through Neqst Partner AB and Neqst 1 AB. In addition, Erik Fröberg has entered into an undertaking to acquire 175,000 shares in the Company from Cantaloupe AB, to a price not exceeding SEK 59 per share.
5) Jonas Fredriksson holds, via a wholly-owned company, indirectly shares in Seitse Intressenter AB through Neqst Partner AB and Neqst 1 AB.
6) 858,300 of which are preference shares which will be converted into common shares in connection with the listing on Nasdaq Stockholm.
7) 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.

Alecta pension insurance, mutual, Swedbank Robur Fonder AB, The First Swedish National Pension Fund, The Fourth Swedish National Pension Fund, Zenit Asset Management AB, Grenspecialisten Förvaltning AB, LMK Forward AB and RAM One AB ("**Cornerstone Investors**") have undertaken to, directly or indirectly via subsidiaries, together acquire shares in the Offering corresponding to SEK 625 million. Based on full subscription in the Offering and the midpoint of the price range in the Offering (SEK 56.50), the Offering is secured to approximately 76.8 percent. In addition, certain board members and senior executives have undertaken to, outside the Offering, in connection with the Principal Selling Shareholders entering into agreement on placing of shares, acquire, in total 188,400 shares in the Company from Cantaloupe AB, to a price not exceeding SEK 59 per share.

B.7 *Selected historical financial information in summary*

The tables below present selected historical financial information derived from CLX's historical financial statements for the financial years ended 30 June 2015, 2014 and 2013, which have been audited by the Company's auditor and prepared in accordance with International Financial Reporting Standards, as adopted by the European Union ("**IFRS**").

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

B.7, cont'd

Consolidated income statement

SEK thousand	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
Revenue	**844,394**	**605,531**	**478,510**
Other operating income	29,624	13,789	19,230
Work performed by the entity and capitalized	3,304	3,824	5,804
Cost of goods sold and services	–592,519	–372,637	–252,635
Other external costs	–58,307	–40,441	–44,951
Personnel costs	–124,737	–102,278	–121,138
Depreciation/amortization of property, plant and equipment and intangible assets	–4,446	–2,048	–1,181
Other operating expenses	–8,624	–29,509	–20,911
Operating profit	**88,689**	**76,231**	**62,728**
Profit from financial items			
Financial income	890	640	612
Financial expenses	–19,809	–32,801	–38,384
Profit before tax	**69,770**	**44,070**	**24,956**
Income tax expense	–16,835	–10,769	–7,722
Profit for the year	**52,935**	**33,301**	**17,234**

Consolidated balance sheet

SEK thousand	30 June, 2015 Audited	30 June, 2014 Audited	30 June, 2013 Audited
ASSETS			
Non-current assets			
Goodwill	56,799	45,438	44,487
Capitalized development expenditure	9,101	9,042	5,603
Property, plant and equipment	4,698	1,702	1,391
Financial assets	2,600	0	0
Deferred income tax assets	228	4,435	832
Total non-current assets	**73,426**	**60,617**	**52,313**
Current assets			
Inventories	215	43	2,903
Accounts receivables	135,317	74,757	50,701
Current tax receivables	6,191	251	1,763
Derivatives	1,210	0	194
Other receivables	7,195	5,896	2,828
Receivables on ultimate parent company	0	38,000	58,248
Prepaid expenses and accrued income	39,645	73,264	50,698
Cash and cash equivalents	70,974	55,876	60,968
Total current assets	**260,747**	**248,087**	**228,303**
TOTAL ASSETS	**334,173**	**308,704**	**280,616**

B.7, cont'd

SEK thousand	30 June, 2015 Audited	30 June, 2014 Audited	30 June, 2013 Audited
EQUITY AND LIABILITIES			
Equity attributable to owners of the company	36,577	–128,346	–161,699
Non-controlling interests	4,879	0	0
Total equity	**41,456**	**–128,346[1)]**	**–161,699[1)]**
Non-current liabilities			
Liabilities to credit institutions	79,851	0	0
Liabilities to ultimate parent company	971	301,510	339,186
Other non-current liabilities	5,269	0	0
Dervivatives	0	737	183
Deferred income tax liabilities	8,162	6,548	6,015
	94,253	**308,795**	**345,384**
Current liabilities			
Advances from customers	9,624	3,633	4,934
Account payables	90,455	46,692	27,226
Current tax liabilities	2,707	8,702	9,776
Derivatives	415	4,250	1,315
Other current liabilities	3,862	3,637	5,078
Accrued expenses and prepaid income	91,401	61 341	48 602
	198,464	**128,255**	**96,931**
TOTAL EQUITY AND LIABILITIES	**334,173**	**308,704**	**280,616**

1) In connection with the conversion of the Group's financial statements to IFRS, the Company's acquisitions of Symsoft and CLX Networks from its ultimate parent company have been accounted as business combination of entities under common control. The difference between the consideration paid for these entities and carrying values recognized by ultimate parent company was reflected in the Group's equity in the amount of SEK 241,904 thousand.

Consolidated cash flow statement in summary

SEK thousand	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-flows from operating activities	94,939	–5,134	46,599
Cash-flows from investing activities	–9,811	13,463	14,422
Cash-flows from financing activities	–70,181	–13,475	0
Cash-flows for the year	**14,947**	**–5,146**	**61,021**
Cash and cash equivalents at the beginning of the year	55,876	60,968	50
Effects of exchange rate changes on the balance of cash held in foreign currencies	151	54	–103
Cash and cash equivalents at the end of the year	70,974	55,876	60,968

Segment information

Segment revenues and results SEK thousand	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	1 July 2012 – 30 June 2013 (12 months) Audited
Total revenue				
Enterprise division[1)]	729,513	486,693	339,533	296,767
Operator division[1)]	166,553	155,108	182,038	150,864
Intra-group	150	0	0	0
Eliminations	–22,197	–22,481	–23,831	–16,544
Total	**874,018**	**619,320**	**497,740**	**431,087**
EBITDA				
Enterprise divison	54,374	54,977	44,194	42,755
Operator division	45,040	23,317	19,720	17,705
Intra-group	–6,279	–15	–5	–5
Eliminations	0	0	0	0
Total	**93,135**	**78,279**	**63,909**	**60,456**

1) Includes revenue and other operating income.

B.7, cont'd		**Key information and data**

SEK million	1 July 2014 – 30 June 2015 (12 months)	1 July 2013 – 30 June 2014 (12 months)	1 Feb. 2012 – 30 June 2013 (17 months)
Revenue[1)]	844	606	479
Gross profit[1)]	252	233	226
Gross margin (%)[1)]	30	38	47
EBITDA[2)]	93	78	64
EBITDA margin (%)[2)]	11	13	13
EBIT[2)]	89	76	63
EBIT margin (%)[2)]	11	13	13
Profit after tax[1)]	53	33	17
Net margin (%)[1)]	6	5	4
Cash-flow from operating activities[1)]	95	–5	47
Free cash flow[2)]	85	8	61
Total assets[1)]	334	309	281
Total equity[1)]	41	–128	–162
Net debt[2)]	10	246	278
Equity ratio (%)[1)]	12	–42	–58
Working capital[1)]	62	120	131
Operating expenses[1)]	–192	–172	–187
Return on working capital (%)[2)]	97	61	48
Capital employed[2)]	122	173	177
Return on capital employed (%)[2)]	61	44	36
Weighted average number of outstanding shares (thousand)[2)]	1,001	1,000	1,000
Earnings per share after dilution[3)] (SEK)[1)]	53.08	33.32	17.23
Equity per share, (SEK)[1)]	33.83	–128.35	–161.70
Average number of employees[2)]	138	126	107

1) Audited.
2) Unaudited.
3) With regard to the 30:1 share split that was conducted in August 2015 the earnings per share prior to dilution and after split were SEK 1.77, based on 30,000,000 common shares, in the financial year ended 30 June 2015, SEK 1.11, based on 30,000,000 common shares, in the financial year ended 30 June 2014 and SEK 0.57, based on 30,000,000 common shares, in the financial year ended 30 June 2013.

Significant events in the Company's financial situation and revenue during the period 1 February 2012 – 30 June 2015

In April 2012, CLX received a shareholder loan from its parent company of total SEK 315,000,000. The loan had an annual interest rate of 10 percent. In January 2015, the parties entered into a new shareholder loan of total SEK 301,540,294, which agreement superseded the previous loan. The new loan had an annual interest rate of 3 percent.

In June 2015, a refinancing has been completed whereby CLX received a SEK 80,000,000 term loan facility and a SEK 100,000,000 multicurrency overdraft facility from Danske Bank, Sverige Filial. The interest under the term loan facility is STIBOR 90 days (with a 0 interest floor) plus a margin of 1.25 percent per annum. In connection with the refinancing, the parent company's claim has been repaid, partly through set-off in an issue of preference shares. The refinancing means a decrease in the charged interest in the Company's loan financing.

Significant events after 30 June 2015

The Company's results throughout July and August 2015 were in line with management expectations. Revenue increased for the period of July and August in 2015, as compared to the corresponding period in 2014. Cost of goods sold and services remained stable for the period of July and August in 2015, and were higher than in the corresponding period in 2014. The Company's gross margin and gross profit development was in line with current trends and management expectations, including in respect of the rate of expected margin compression in the Enterprise division. No major contracts were commenced or lost during the period. Since 30 June 2015, the Company's name has changed from Seitse 1 Holding AB to CLX Communications AB (publ). Moreover, an extraordinary shareholders' meeting of CLX resolved on 31 August 2015 on a bonus issue increasing the share capital of the Company with SEK 3,189,188.95 to SEK 3,243,243 and a share split 30:1 whereby each share in the Company was split into 30, increasing the number of shares in the Company to 32,432,430.

B.8	*Pro forma accounting*	Not applicable. The Offering Circular does not contain pro forma accounting.
B.9	*Profit/loss forecast*	Not applicable. The Company has not presented any profit/loss forecast.
B.10	*Audit remarks*	Not applicable. There are no remarks in the audit reports.
B.11	*Net working capital*	CLX believes that the existing net working capital is sufficient to meet the Company's needs over the next twelve month period.

Section C – Information about the securities on offer		
C.1	*Securities offered*	Common shares in CLX Communications AB (publ), reg. no. 556882-8908. ISIN code SE0007439112.
C.2	*Denomination*	The shares are denominated in SEK.
C.3	*Total number of shares in the Company*	As of the date of this Offering Circular there are 32,432,430 outstanding shares in the Company, 30,000,000 of which are common shares and 2,432,430 are preference shares, each with a quota value of SEK 0.10. All shares are fully paid. In connection with the listing of CLX's shares on Nasdaq Stockholm, all existing preference shares will be converted into common shares. Conversion is expected to take place on or around 8 October 2015. After such conversion, there will be 32,432,430 shares in the Company, all of which are common shares.
C.4	*Rights associated with the securities*	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.
C.5	*Restrictions in free transferability*	Not applicable. The shares are not subject to any restrictions on transferability.
C.6	*Admission to trading*	Nasdaq Stockholm's listing committee has on 11 September 2015 decided to admit the Company's shares to trading on Nasdaq Stockholm, subject to certain customary conditions, such as that the distribution requirements in respect of the Company's shares being fulfilled no later than on the first day of trading. In case the Company's board of directors ultimately resolves to list the Company's shares, trading in the Company's shares is expected to begin on or around 8 October 2015.
C.7	*Dividend policy*	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.

Section D – Risks		
D.1	*Main risks related to the issuer or the industry*	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: • CLX conducts 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. Global conditions and the negative development of economies worldwide could have a material adverse effect on CLX's business, financial position and results of operations. • CLX relies on its technology systems and infrastructure in providing its services and solutions to its customers. 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, in turn, have a material adverse effect on CLX's business, financial position and results of operations. • If CLX does not accurately predict and manage its technology systems and infrastructure requirements, it could adversely affect CLX's reputation, business and operating margin, which might have a material adverse effect on CLX's business, financial position and results of operations. Further, 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 material adverse effect on CLX's business, financial position and results of operations. • CLX relies on the telecommunications networks of mobile operators to provide connectivity in various regions and countries around the world. 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 working with mobile operators and enterprise customers. If CLX is unable to establish or maintain direct relationships with mobile operators, it could have a material adverse effect on CLX's business, financial position and results of operations. • CLX's business depends upon the capacity, reliability and security of infrastructure owned and managed by third-party service providers, including mobile operators. Interruptions or failures of such networks, and the resulting reduction in transactions and communications processed by CLX's communications platform for delivery via such networks, could have a material adverse effect on CLX's business, financial position and results of operations. Further, industry consolidation and the resulting impact on the telecommunications networks could have a material adverse effect on CLX's business, financial position and results of operations.

D.1, cont'd		• The Company depends on its ability to adapt to the rapidly changing market. 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 material adverse effect on CLX's business, financial position and results of operations. Further, 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 material adverse effect on CLX's business, financial position and results of operations. • 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 realization and development of new use cases by enterprise customers. If enterprises do not perceive or realize the benefits of enterprise cloud communications services and solutions, it could have a material adverse effect on CLX's business, financial position and results of operations. In addition, the mobile connectivity for the IoT market segment is in the early stages of development, and there is a risk that the market will not develop or grow at the pace that is expected or at all, or that the Company will not be able to realize the benefits of the IoT market generally, which could have a material adverse effect on CLX's business, financial position and results of operations. • 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, or the fact that customers renew their agreements on less favorable terms for CLX, may have a material adverse effect on CLX's business, financial position and results of operations. • The Company's growth and revenue is subject to volatility and seasonality and the Company's results of operations vary from quarter to quarter. • 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, which could have a material adverse effect on CLX's business, financial position and results of operations. • 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. These third-party attempts and threats could have a material adverse effect on CLX's business, financial position and results of operations. • Failure or inability to obtain or maintain adequate protection of the Company's intellectual property rights for any reason could have a material adverse effect on CLX's business, financial position and results of operations. CLX also faces a risk of claims that it has infringed the intellectual property rights of third parties, which could be costly and have a negative impact on CLX's operating profits. • If CLX fails to continue to attract and retain key employees and other skilled employees on acceptable terms it could have a material adverse effect on CLX's business, financial position and results of operations. • 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, which could have a material adverse effect on CLX's business, financial position and results of operations. • If the Company is unable to establish, maintain or implement appropriate and effective corporate governance policies, internal controls, routines and procedures, it could have a material adverse effect on CLX's business, financial position and results of operations. • If CLX is unable to realize the anticipated benefits or the expected return on its future 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 material adverse effect on CLX's business, financial position and results of operations. • CLX's consolidated balance sheet includes significant goodwill. If CLX's goodwill would be significantly impaired, it could have a material adverse effect on CLX's business, financial position and results of operations. • If CLX or its subsidiaries cannot fulfill all undertakings and provisions in the credit facilities and the credit facilities are terminated, it could have a material adverse effect on CLX's business, financial position or results of operations. There is also a risk that additional financing will not be available to the Company on commercially viable terms when required, or may not be available at all, which could have a material adverse effect on CLX's business, financial positions and results of operations. • CLX's global operations give rise to significant cash flows in currencies other than the SEK. Exchange rate fluctuations could have a material adverse effect on CLX's business, financial position and results of operations. • 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 organizations such as the EU and UN, may restrict the Company's operations, delay or prevent planned investments or have a material adverse effect on CLX's business.

D.1, cont'd		• CLX is a global company that is exposed to different regulatory risks in the countries and regions in which it operates. 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 material adverse effect on CLX's business, financial position and results of operations. • CLX may become involved in disputes within the framework of its normal business activities, which could have a material adverse effect on CLX's business, financial position and results of operations. • CLX manages its operations through subsidiaries in a number of countries. Should tax authorities of the countries concerned make assessments and take decisions which deviate from CLX's understanding or interpretation of the applicable laws, treaties and other regulations, this could have a material adverse effect on CLX's business, financial position and results of operations. Further, changes to corporate income tax and other fiscal charges and contributions may adversely affect CLX's business, financial position and results of operations. • The financial targets set forth in this Offering Circular are the Company's expectations concerning growth, profitability, capital structure and dividend targets. These objectives are based on a number of assumptions which are inherently subject to significant business, operational, economic and other risks, many of which are outside of the Company's control. Such assumptions may change or may not materialize at all. As a result, the Company's actual results may vary materially from these targets and investors should not place undue reliance on them.
D.3	*Main risks related to the securities*	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 include: • An active, liquid and orderly trading market for CLX's shares may not develop, the price of CLX's shares may be volatile, and potential investors could lose a part or all of their investment. • Following the Offering, the Principal Selling 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. • 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. • Differences in currency exchange rates may have a material adverse effect on the value of shareholdings or dividends paid. • Shareholders in the United States or other countries outside Sweden may not be able to participate in any potential future offerings.

Section E – Information about the Offer		
E.1	*Issue proceeds and issue costs*	No shares or securities are being issued by CLX in connection with the Offering. The Company will not receive any proceeds from sale of shares by the Principal Selling Shareholders. CLX's costs associated with the listing on Nasdaq Stockholm and the Offering are expected to amount to approximately SEK 16.5 million.
E.2a	*Motive and use of proceeds*	CLX's board of directors and the Principal Selling Shareholders believe that this is an appropriate time to enhance CLX's profile and development by listing the Company's shares on Nasdaq Stockholm. The Company's board of directors and senior executives believe that the listing of the Company's shares can further increase awareness of the Company's business and activities strengthen CLX's profile with investors, customers and business partners and increase the ability to attract and retain qualified employees and key management. The Offering will broaden CLX's shareholder base and provide CLX with the opportunity to use the Swedish and international capital markets to diversify its funding sources.
E.3	*Terms and conditions of the Offer*	**The Offering:** The Offering comprises of 12,545,711 existing common shares, corresponding to approximately 38.7 percent of the total number of shares in the Company, and is directed to the general public in Sweden and to institutional investors in Sweden and abroad. The Principal Selling Shareholders have granted an Over-allotment Option to the Joint Global Coordinators and Joint Bookrunners, whereby the Joint Global Coordinators and Joint Bookrunners, at the latest 30 days from the first day of trading of the Company's shares on Nasdaq Stockholm, are entitled to acquire an additional maximum of 1,860,483 existing common shares from the Principal Selling Shareholders, corresponding to 14.8 percent of the total number of shares in the Offering, for a price corresponding to the Offering price, to cover any potential over-allotment in connection with the Offering. **The Offering price:** The Offering price is expected to be determined within the range of SEK 54–59 per share. The Offering price will be determined through a book-building procedure and, consequently, based on demand and the overall market conditions. The price will be set by the Principal Selling Shareholders in consultation with the Joint Global Coordinators and Joint Bookrunners. The Offering price is expected to be announced by way of a press release on or around 8 October 2015. **The application period:** Applications for acquisition of shares by the general public in Sweden should be made during the period 29 September – 6 October 2015. Institutional investors in Sweden and abroad are afforded the opportunity to participate in a book-building process during the period 29 September – 7 October 2015.

E.3, cont'd		**Application:** Applications for acquisitions of shares within the terms of the offer to the general public shall relate to a minimum of 200 shares and a maximum of 10,000 shares in even lots of 50 shares each. Applications can be made to Carnegie, Handelsbanken or Nordnet in accordance with the respective bank's instructions. Applications by institutional investors shall be made in accordance with special instructions. **Application for employees in CLX:** Employees who are resident in Sweden for tax purposes who wish to acquire shares must follow specific instructions issued by the Company. **Allotment:** Decision on allotment of shares is made by the Principal Selling Shareholders after consultation with the Joint Global Coordinators and Joint Bookrunners, whereby the goal will be to achieve a good institutional ownership base and a broad distribution of the shares among the general public, in order to facilitate a regular and liquid trading in CLX's shares on Nasdaq Stockholm. The allotment does not depend on when the application is submitted during the application period. If multiple applications are submitted, only the first registered will be considered. In the event of oversubscription, allotment may take place with a lower number of shares than the application concerns, in which case allotment wholly or partly may take place by random selection. Allotment to the institutions submitting expressions of interest will take place on a fully discretionary basis. The Cornerstone Investors are however guaranteed allotment in accordance with their respective undertakings. **Payment:** Payment in full for allotted shares shall be paid in cash no later than 12 October 2015, in accordance with the instructions on the received contract note. **Registration:** Registration of allotted and paid shares with Euroclear Sweden AB ("**Euroclear**") is, for both institutional investors and the public in Sweden, expected to commence on 12 October 2015, after which Euroclear sends out a notice showing the number of shares registered on the receiver's securities account. Notification to shareholders whose holdings are nominee registered will take place in accordance with the practice of each nominee.
E.4	*Interests and conflict of interests*	The Joint Global Coordinators and Joint Bookrunners provide financial advisory and other services to the Company and the Principal Selling Shareholders in connection with the Offering and the listing. From time to time, the 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 and the Principal Selling Shareholder, for which the 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/or the Principal Selling Shareholders.
E.5	*Selling Shareholders/ Lock-up agreements*	Pursuant to a placing agreement which is expected to be entered into on or around 7 October 2015, and specific lock-up agreements, the Principal Selling Shareholders and other selling shareholders, i.e. certain employees in CLX who wish to sell part of their respective share holdings previously received under an incentive program, members of the board of directors and senior executives with shareholdings will undertake, with certain exemptions, not to sell their respective holdings during a certain time period after trading on Nasdaq Stockholm has commenced (the "**Lock-up period**"). The Lock-up period for Seitse Intressenter AB will apply from the date of the placing agreement and continue to and including the date on which the Company's interim report for the third quarter of the financial year ending 30 June 2016 has been announced, which is expected to be announced on or around 19 May 2016. The Lock-up period for Cantaloupe AB and other selling shareholders, members of the board of directors and senior executives with shareholdings will apply from the date of the placing agreement or the lock-up agreement, respectively, and will continue to and including the date on which the Company's interim report for the first quarter of the financial year ending 30 June 2017 has been announced, which is expected to be announced on or around 15 November 2016. At the end of the respective Lock-up period, the shares in question may be offered for sale, which may affect the market price of the share. The Joint Global Coordinators and Joint Bookrunners may grant exemption from this undertaking. Pursuant to the placing agreement, the Company will agree with the Joint Global Coordinators and Joint Bookrunners, that it will not, for a period of 365 days after the first day of trading of the shares on Nasdaq Stockholm, for example, resolve upon or propose to the shareholders' meeting an increase of the share capital through issuance of shares or other financial instruments without the prior written consent of the Joint Global Coordinators and Joint Bookrunners. In addition, Seitse Intressenter AB, Cantaloupe AB and Kjell Arvidsson AB have entered into an agreement that regulates the sale of their respective shares in CLX for a certain period after the listing. During this period, Seitse Intressenter AB, Cantaloupe AB and Kjell Arvidsson AB will coordinate sales of their respective shares in CLX.
E.6	*Dilution effect*	Not applicable. No shares are issued in connection with the Offering or the listing.
E.7	*Costs imposed on investors by the issuer or offerer*	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 Offering Circular 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 Offering Circular 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 the Company, 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 material 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. Moreover, 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 material 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 and hardware or 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 material 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 material 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 material 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 organizations, 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. 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 material 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. While the Company strives to maintain sufficient excess capacity to meet the needs of all of its 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 material adverse effect 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. To accomplish this objective, CLX relies on the quality and consistency of its services and solutions, as well as marketing to strengthen its business. 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 material adverse effect on CLX's business, financial position and results of operations.

CLX depends in part 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. While the number of subscribers and the traffic volumes are growing, 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, all of which could have a significant impact on the Company's reputation and profitability, and could have a material 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 fulfill 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 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 material adverse effect on CLX's business, financial position and results of operations.

With respect to CLX's ability to capitalize 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.[1] 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 can be no assurance that mobile operators will agree to these new agreements or addendums or that CLX will be able to negotiate new agreements or addendums on favorable 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 material adverse effect on CLX's business and growth prospects.

1) The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.

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 material 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 material 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. The Company may 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 material adverse effect on CLX's business, financial position and results of operations.

The enterprise cloud communications market is characterized by fragmented and highly competitive market participants. Some of CLX's competitors and potential competitors are larger and have greater name recognition, much 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 material 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 realization and development of new use cases by enterprise customers. If enterprises do not perceive or realize 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 material 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, but is expected by several market researchers and mobile operators as well as GSMA, an association of mobile operators and related companies, to become a large and rapidly growing market segment within the broader enterprise cloud communications market. While the Company intends to capitalize on this attractive growth opportunity, 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 realize 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 capitalize 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 material 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. CLX's customer base is diverse. No single customer stood for more than 10 percent of CLX's revenue or gross profit in the twelve months ended 30 June 2015 and CLX's top ten (direct and indirect) customers represented approximately 46 percent of CLX's revenue during the same period. Regardless of the diverse customer base, 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 material 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. While CLX's agreements with its enterprise customers generally provide for automatic renewal upon expiration of the initial contracted term, CLX's customers have no obligation to renew their agreements upon expiration and it is possible 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 favorable terms for CLX, the Company's revenue may decline, which may have a material 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 material 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, customization 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 customization, integration services and features, or may have existing systems in place that require more specialized 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 customization, integration services and features, or require more specialized 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 customization, integration services and features, or specialized software and APIs, there could be a material 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 unauthorized access to CLX's internal systems or data or the data of CLX's customers. Because the techniques used to obtain unauthorized access, or to sabotage systems, change frequently and are generally not recognized 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 material 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 jeopardize 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 material 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. Further, 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 material 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 defenses, counterclaims 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 materially adversely affect 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, and CLX cannot assure potential investors that actions by third parties alleging infringement by CLX of third-party patents will not be asserted or prosecuted against CLX. 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 unless and until CLX can re-engineer them to avoid infringement. 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 material 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 also 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 material 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 in revenue as indicative of its future performance. However, CLX anticipates that it will expand its operations in the near term, including through further international expansion and employee headcount growth. 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 material 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 material 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. While the Company has introduced new corporate governance policies and routines and a system of internal control whereby internal risks are assessed, it is possible 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 can 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 and could have a material 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 onboarding and integration of new customers. Revenues from fixed price projects are recognized by reference to the stage of completion. In order to ensure that CLX's projects are conducted efficiently and on-cost, the Company relies on its project management expertise, particularly with respect to pricing its services, allocating time and optimizing performance during the term of the contract. 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 material 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 upon the Company's ability to identify suitable acquisition targets, conduct appropriate due diligence, negotiate transactions on favorable terms, obtain required licenses and authorizations 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 favorable 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 favorable 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, capitalization 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 realize 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, amortization expenses relating to intangible assets, large and immediate write-offs, 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 realize 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 material adverse effect on CLX's business, financial position and results of operations.

CLX's consolidated balance sheet includes significant goodwill

As per 30 June 2015, CLX's goodwill amounted to SEK 56,799 thousand, of which SEK 42,009 thousand is attributable to CLX's acquisition of CLX Networks AB ("**CLX Networks**"). CLX tests goodwill for impairment annually, or more frequently if indications of impairment are identified. Impairment tests have been completed in connection with the annual accounts for the period ended 30 June 2015 indicating no impairment. However, 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.

Although CLX currently does not recognize any goodwill impairment, CLX may have to recognize impairments in the future. If CLX's goodwill would be significantly impaired, it could have a material adverse effect on CLX's business, financial position and results of operations.

CLX may not be able to obtain additional financing on commercially viable terms, or obtain additional financing at all, or fulfill its obligations under current financing arrangements.

On 22 June 2015, CLX and Danske Bank, Sverige Filial entered into credit agreements under which Danske Bank granted CLX a term loan facility in the amount of SEK 80,000,000 and a multicurrency overdraft facility in the amount of SEK 100,000,000. The terms of the credit facilities include standard provisions and undertakings, including, among other things, a change of control provision and requirements on maintenance of a maximum Net Debt/EBITDA ratio and a minimum equity ratio. If CLX or its subsidiaries cannot fulfill all undertakings and provisions in the credit facilities, Danske Bank, Sverige Filial is entitled to terminate the facilities and demand repayment of outstanding credits and, if repayment of the credits does not take place, enforce the security provided in relation thereto. If the credit facilities are terminated or if CLX cannot fulfill its obligations under the credit agreements, or breach any undertakings therein, it could have a material adverse effect on CLX's business, financial position or results of operations as well as the Company's ability to obtain additional financing.

CLX's ability to repay its debts, in other ways fulfill its undertakings and the terms of the credit agreements as well as the Group's ability to refinance its credits and make payments according to other undertakings depend on, among other things, CLX's future results. Some aspects of CLX's future results depend on economic, financial and competitive factors and other factors beyond CLX's control.

There is also a risk that additional financing will not be available to the Company on commercially viable terms when required, or may not be available at all. If CLX is unable to obtain financing on commercially viable terms or unable to obtain financing at all, it could have a material adverse effect on CLX's business, financial positions and results of operations.

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 currencies other than the SEK. CLX is principally exposed to changes in EUR, USD and GBP. Accordingly, any exchange rate fluctuations could have a material 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 organizations such as the EU and UN, may restrict the Company's operations, delay or prevent planned investments or have a material 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 network access fees, tariffs and taxes;
- 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 materialization of any of these risks could have a material 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 and it is possible that the Company is not complying with the laws and regulations of the various jurisdictions in which it terminates communication. 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 not will 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 material 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 not will 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 form code versus long form code 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 material 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 organizations 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 fulfill regulatory standards, which could result in an increase in research and development costs and other costs, and may have a material 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. 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 material 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. 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 material 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.

The financial targets included in this Offering Circular may differ materially from CLX's actual results and investors should not place undue reliance on them

The financial targets set forth in this Offering Circular and elsewhere are the Company's expectations concerning growth, profitability, capital structure and dividend targets. These objectives are based on a number of assumptions, which are inherently subject to significant business, operational, economic and other risks, many of which are outside of the Company's control. While the Company has detailed the key assumptions the senior executives and directors have made when setting out its targets, and there is a risk that these assumptions may not continue to reflect the commercial, regulatory and economic environment in which the Company operates. Accordingly, such assumptions may change or may not materialize at all. In addition, unanticipated events may adversely affect the actual results that the Company achieves in future periods whether or not its assumptions otherwise prove to be correct. As a result, the Company's actual results may vary materially from these targets and investors should not place undue reliance on them.

Risks relating to the Offering

An active, liquid and orderly trading market for CLX's shares may not develop, the price of CLX's shares may be volatile, and potential investors could lose a part or all of their investment

The shares in CLX have not previously been subject to trading on an exchange and, prior to the Offering, there has been no public trading with the shares. It is therefore difficult to predict the level of trading or the interest CLX's shares will receive. Admission to trading on Nasdaq Stockholm should not be taken as implying that there will be a liquid market for the shares. Following the listing, an active or liquid trading market in CLX's shares may not develop or be sustained. If such a market fails to develop or be sustained, it could have a negative impact on the liquidity and price of the shares, and could increase the price volatility of the shares. Investors may not be in a position to sell their shares quickly or at the market price if there is no active trading in CLX's shares.

The price at which the shares will be traded and the price at which investors may realize their investment will be influenced by a large number of factors, some specific to CLX and its operations, some related to the industry in which CLX operates, and some related to equity markets generally. As a result of these and other factors, the market price of the shares may decline and the shares may be traded at prices significantly below the Offering price, regardless of CLX's actual operating performance. There is also a risk that the share price will be highly volatile in connection with the shares becoming publicly traded and if a liquid trading does not evolve or remain sustainable, it could result in difficulties for shareholders to dispose of the shares. If any of these risks materializes, it could have a material adverse effect on the share price.

Following the Offering, the Principal Selling 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

Upon completion of the Offering, assuming the over-allotment option is exercised in full, the Principal Selling Shareholders will own approximately 53.3 percent of the shares in CLX; Cantaloupe AB will own 25.02 percent of the shares in CLX and Seitse Intressenter AB will own 16.71 percent of the shares in CLX and Kjell Arvidsson AB will own 11.57 percent of the shares in CLX. Accordingly, the respective Principal Selling 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 directors 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 Selling Shareholders may also be able to exercise control over CLX's board of directors through their representation on the board, thus influencing the board's direction of CLX's operations and other affairs. Furthermore, some of the representatives of the Principal Selling 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. The interests of the Principal Selling Shareholders may not be aligned with, may differ significantly from or may compete with CLX's interests or those of the other shareholders, and it is possible that the Principal Selling 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 Selling 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 material 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, holders of the shares 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 sale of shares could cause the share price to decline

The price of CLX's shares could decline, particularly if there are substantial sales of shares by the Company's directors, senior executives, and significant shareholders, or when a large number of shares are sold. In connection with the Offering, the Principal Selling Shareholders, the other selling shareholders and shareholding members of the board of directors and senior executives have agreed to a lock-up arrangement with the Joint Global Coordinators and Joint Bookrunners. A lock-up arrangement is an undertaking, with certain exceptions, not to sell shares for a certain period. Although the lock-up arrangements restrict the ability of the Principal Selling Shareholders, the other selling shareholders and shareholding members of the board of directors and senior executives to sell the shares during a specified time period, subject to certain termination events with respect to the restrictions, the Joint Global Coordinators and Joint Bookrunners may, in their sole discretion and at any time, waive the restrictions on sales of the shares during this period. When these lock-up arrangements expire, or if they are waived or terminated by the Joint Global Coordinators and Joint Bookrunners, the shares that are subject to the lock-up arrangements will be available for sale in the public market or otherwise. Sales of substantial amounts of shares by the Principal Selling Shareholders or the perception that such sales will occur could have a material adverse effect on the share price and may make it more difficult for holders to sell their shares at a time and price that they deem appropriate.

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 issuance 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, holders of the shares 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 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 rights and 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 any subscription rights of shares and doing so in the future may be impractical and 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 any future rights issues, their proportional interests in the Company would be reduced.

The undertakings of the Cornerstone Investors have not been secured

The Cornerstone Investors have agreed to, directly or indirectly through subsidiaries, together acquire shares in the Offering, corresponding to SEK 625 million, which, based on full subscription in the Offering and the midpoint of the price range in the Offering (SEK 56.50), corresponds to 11,061,942 shares and 76.8 percent of the number of shares included in the Offering, and 34.1 percent of the total number of shares and votes in the Company. The Cornerstone Investors' undertakings are however not secured through a bank guarantee, blocked funds or pledge of collateral or similar arrangement. Hence, there is a risk that the Cornerstone Investors will not be able to fulfill their undertakings. Furthermore, the Cornerstone Investors' undertakings are associated with certain conditions relating to, among other things, that the Offering is completed within a certain time frame. In the event that any of these conditions are not fulfilled, there is a risk that the Cornerstone Investors will not be bound by their undertakings and may not acquire shares, which could have a material adverse effect on the completion of the Offering.

Invitation to acquire shares in CLX

CLX and the Principal Selling Shareholders have resolved to diversify the ownership in the Company through a sale of existing shares. In line therewith, the board of directors of CLX has applied for a listing of the Company's shares on Nasdaq Stockholm.

The Offering consists of two parts: an offering to the general public in Sweden and one to institutional investors in Sweden and abroad. Investors are hereby offered to acquire 12,545,711 existing common shares from the Principal Selling Shareholders and other selling shareholders[1], representing approximately 38.7 percent of the total number of shares in the Company. In order to cover any possible over-allotment in connection with the Offering, the Principal Selling Shareholders have, at the request of the Joint Global Coordinators and Joint Bookrunners, undertaken to sell up to 1,860,483 additional existing common shares in the Company under the Over-allotment Option, representing approximately 14.8 percent of the number of shares in the Offering, and up to approximately 5.7 percent of the total number of shares in the Company.

If the Over-allotment Option is exercised in full, the Offering will comprise up to 14,406,194 shares, corresponding to up to 44.4 percent of the total number of shares in the Company. If the Over-allotment Option is exercised in full, the Principal Selling Shareholders will hold 53.3 percent of the total number of shares in the Company after the Offering.

The Offering price will be established through a book-building procedure and is expected to be set within the range of SEK 54–59 per share by the Principal Selling Shareholders, in consultation with the Joint Global Coordinators and Joint Bookrunners. The Offering price to the general public will not exceed SEK 59 per share. The Offering price is expected to be published on or around 8 October 2015. The Cornerstone Investors have undertaken to, directly or indirectly through subsidiaries, together acquire shares in the Offering corresponding to SEK 625 million. Based on full subscription in the Offering and the midpoint of the price range in the Offering (SEK 56.50), this corresponds to 11,061,942 shares and 76.8 percent of the number of shares included in the Offering, and 34.1 percent of the total number of shares and votes in the Company. In addition, certain board members and senior executives have undertaken to, outside the Offering, in connection with the Principal Selling Shareholders entering into agreement on placing of shares, acquire shares for, in total, 188,400 shares in the Company from Cantaloupe AB, to a price not exceeding SEK 59 per share.

Based on the price range, the total value of the Offering is approximately SEK 677–740 million, and approximately SEK 778–850 million if the Over-allotment Option is exercised in full.

The Company's transaction costs attributable to the Offering are expected to be approximately SEK 16.5 million. No shares or securities are being issued by CLX in connection with the Offering. The Company will not receive any proceeds from the sale of existing shares by the Principal Selling Shareholders.

Kista, Sweden 25 September 2015

CLX Communications AB (publ) and the Principal Selling Shareholders[2]

1) The other selling shareholders are certain employees in CLX who wish to sell part of their respective shareholdings previously received under an incentive program.
2) The Principal Selling Shareholders are Cantaloupe AB, Seitse Intressenter AB and Kjell Arvidsson AB. For information on the Principal Selling Shareholders, see section "*Important information to investors*", and heading "*Ownership structure prior to and directly following the Offering*" in section "*Share capital and ownership structure*".

Background and reasons

The CLX group was founded in 2008 with a mission to simplify communications globally. The Company has since then developed into a leading provider of cloud-based communication services and solutions to enterprises and mobile operators, with particular strength in the enterprise messaging market. 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. The Company has over 550 enterprise customers globally, many of which are global blue-chip customers, and over 70 customers (of which approximately 60 are mobile operators) have installed the communications platform in their businesses.

The Group has demonstrated strong financial performance since its inception in 2008 and has increased its revenue from SEK 416 million in the twelve months ended 30 June 2013 to SEK 844 million in the twelve months ended 30 June 2015, corresponding to a CAGR of 42 percent. The Company has grown profitably since its founding. While organic growth has been the main driver of the Company's revenue, the Company has completed three strategic acquisitions since 2009, all of which have positively impacted the Company's performance and growth.

CLX's board of directors and the Principal Selling Shareholders believe that this is an appropriate time to enhance CLX's profile by listing the Company's shares on Nasdaq Stockholm. The Company's board of directors and senior executives believe that the listing of the Company's shares can further increase awareness of the Company's business and activities, strengthen CLX's profile with investors, customers and business partners and increase the ability to attract and retain qualified employees and key management. The Offering will broaden CLX's shareholder base and provide CLX with the opportunity to use the Swedish and international capital markets to diversify its funding sources. In addition, the Offering will allow the Principal Selling Shareholders to sell a portion of their current shareholdings and provide a liquid market for the shares going forward. The Company will not receive any proceeds from the sale of shares by the Principal Selling Shareholders. For these reasons, the board of directors has applied for listing on Nasdaq Stockholm.

In other respects, reference is made to the full particulars of the Offering Circular, which has been prepared by the board of directors of CLX in connection with the application for listing of CLX's shares on Nasdaq Stockholm and the Offering made in connection with the listing.

The board of directors of CLX is responsible for the contents of this Offering Circular. It is hereby assured that all reasonable precautionary measures have been taken to ensure that the information in this Offering Circular, 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.

Kista, Sweden, 25 September 2015

CLX Communications AB (publ)
The board of directors

Industry 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. As far as CLX is aware and is able to ascertain from other information published by such relevant sources, no fact has been omitted that could render the reproduced information inaccurate or misleading. The projections and 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 "*Industry and market data*" in section "*Important information to investors*" and section "*Risk factors*".

Introduction

CLX operates in the enterprise cloud communications market and the mobile operator software and services market. The cloud-based communication services allow enterprises to, in a simple and cost efficient manner, integrate messaging, voice application and mobile connectivity services for Internet of Things (IoT)[1] in their businesses. The customers use the services to improve their customer relationships or to streamline operational efficiency. Examples of services are, among others, within the health care for patient appointment reminder via SMS, on the advertising market in order to offer anonymous virtual phone numbers and, to come, also SIM cards for IoT for connected cars, 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 revolves around the development and emergence of cloud communications. The *cloud* refers to the concept of Internet-based sites and software (rather than traditional internal systems and servers), through which users can access applications. Generally, the cloud eliminates the need to install and integrate software and hardware internally, and provides a global online access point to such software. *Cloud communications* consist of Internet-based messaging, voice and mobile data communications that are delivered through the traditional telecommunications infrastructure (including the networks of various mobile operators).

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

1) The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.

Providers of cloud-based communications, such as CLX, utilize 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, MMS, voicemail and 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.

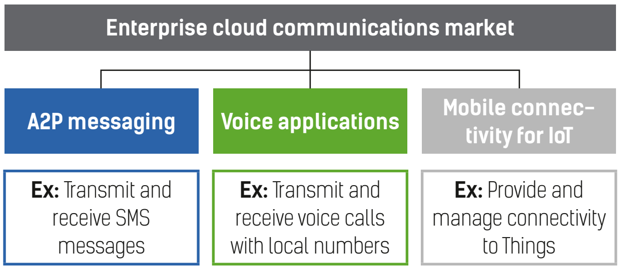
The enterprise cloud communications market

Market segments

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

- A2P messaging
- Voice applications
- Mobile connectivity for IoT

Segments of the enterprise cloud communications market



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.

Customers of the 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[1], compared to 12 percent of all emails, 29 percent of all tweets and 16 percent of all Facebook posts;
- On average, recipients respond within 90 seconds of receiving an SMS, compared to an average response time of 90 minutes for an email[2];
- 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, connect calls to the businesses' different systems, for instance calls to and from business and operations systems, via the traditional telecommunications infrastructure. For example, voice applications can provide temporary local phone numbers that can be used in classified ads where users wish to communicate without disclosing their personal phone numbers. Voice applications can be used as a complement to A2P messages, as the use of both allows enterprises' applications to manage both SMS and voice traffic on the same telephone number.

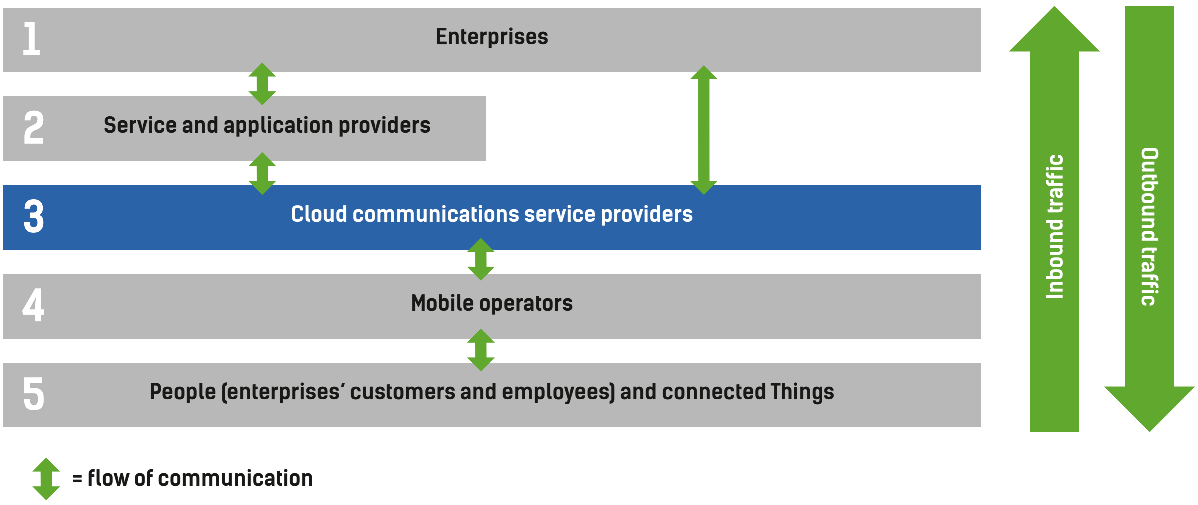
Mobile connectivity for IoT

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. Cloud communications service providers can facilitate the integration and connectivity necessary to implement strategies and applications for IoT.

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.

Overview of the cloud communications value chain



1) Mogreet.
2) IDC.

1. Enterprises

Enterprises are the original senders or the final recipients of A2P messages, voice applications and mobile data. These enterprises use enterprise cloud communications services to communicate and interact with their customers, employees and connected Things. Enterprise cloud communications are utilized by a wide range of enterprises across a broad variety of industries, including IT, banking and healthcare. Such enterprises include consumer brand companies, banks, hospitals, transportation and logistics companies, media and entertainment companies, social networking sites, global Internet businesses and non-profit organizations. Enterprises typically value cost effective, secure and high-quality communications solutions with minimal operational downtime.

2. Service and application providers

Service and application providers develop and sell, typically proprietary, 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 helping enterprises to connect their systems to these services. For example, a service and application provider could develop an airline's CRM system to automatically send for instance flight reminders to passengers. Service and application providers can have relationships with, and direct access to, mobile operators, but developing such relationships and direct access connections is generally not their core focus. Instead, service and application providers typically rely on cloud communications service providers for connectivity to mobile operators and their networks.

Examples of large service and application providers include SAP (Walldorf, Germany) and IBM (New York, United States), but there are also a wide variety of large and small mobile application developers that are specialized in specific industries, such as Amadeus (Madrid, Spain) in the travel industry and Misys (London, United Kingdom) in the banking and finance industry.

3. Cloud communications service providers

Cloud communications service providers, such as CLX, provide a single connection and service through which enterprises and service and application providers can connect their things 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 cloud communications service providers include CLX (Stockholm, Sweden), Mblox (Sunnyvale, United States) and Syniverse (Tampa, United States).

4. Mobile operators

Mobile operators are operators that provide mobile communications services. GSMA is an association of mobile operators and related companies and has approximately 800 mobile operator members. 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.

Examples of mobile operators include TeliaSonera (Stockholm, Sweden), Vodafone (London, United Kingdom) and AT&T (Dallas, United States).

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.

In contrast to the decline of the P2P messaging market[1)], 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.[2)] The market is growing as enterprises continue to realize 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 is, according to IDC, one of the largest A2P messaging service providers and one of the few that is able to provide international messaging traffic on a global scale. This *global* A2P messaging market[3)] 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 94,000,000 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	2014u	2015u	2016u	2017u	2018u	CAGR 2014–18
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

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

Mobile connectivity for IoT

According to several market researchers and mobile operators, the number of connected Things is expected to grow significantly in the coming years. The telecom supplier Ericsson expects there to be 26 billion connected Things by 2020.[1] GSMA estimates that there will be 10.5 billion SIM-connected devices by 2020.[2] Although not all Things will be connected through the mobile network, the possibilities of this market opportunity are large and only now beginning to take form.

CLX believes the pace of the market development for mobile communications to and from connected Things will depend on requirements and acceptance at a market by market level. The IoT opportunity for companies such as CLX has become more tangible as GSMA published a technical specification of embedded SIMs (e-SIM), which enables switching mobile operators without switching SIM cards. See heading "*Specification for embedded SIMs – opening up the IoT market*".

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 organized than the rest of the world. These markets are typically larger, and have higher price transparency and less frequent fraud.

Market drivers and trends

Key market drivers

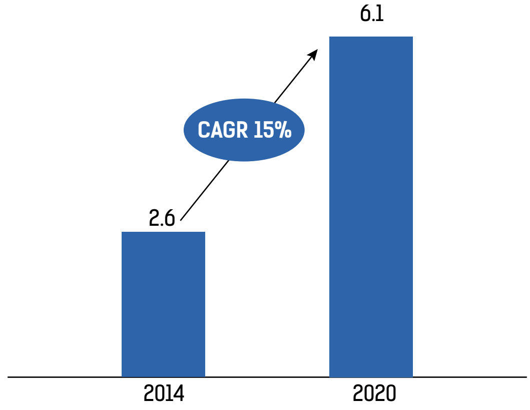
The enterprise cloud communications market is primarily driven by three key market drivers: a growing number of mobile devices and increased mobile data traffic; a transition of business critical services to the cloud; and the development of existing and new use cases within the enterprise cloud communications market.

Growing number of smartphones and mobile data traffic

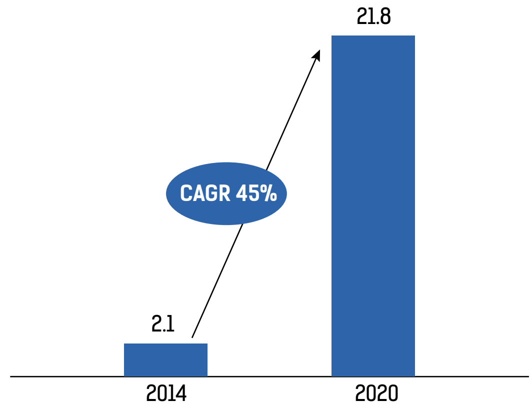
There are several strong market forces driving a surge in smartphone adoption and smartphone traffic around the world, one of which is an increasing number of services being made available on mobile phones, including communications, banking, shopping and a wide-range of other services. Many enterprises are expanding their geographical footprint and to an increasing extent have a global customer base and workforce. Concurrently, customers and employees are shifting their online browsing and communications usage to mobile devices, in particular smartphones. For example, the average smartphone user interacts with their phone more than 200 times per day.[3] Global smartphone subscriptions are expected to grow by 15 percent annually until 2020 and drive a 45 percent annual growth of smartphone traffic during the same period.[4] Consequently, enterprises and application developers are increasingly focusing on building smartphone applications and mobile friendly websites. 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.

1) Ericsson Mobility Report, June 2015.
2) http://www.gsma.com/connectedliving/embedded-sim/
3) Tecmark, a UK-based marketing agency.
4) Ericsson Mobility Report, June 2015.

Smartphone subscriptions (billion)



Monthly smartphone traffic (exabytes[5])



Source: Ericsson Mobility Report, June 2015.

Business critical services 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 more willing to outsource the development and management of enterprise IT systems to the cloud. Examples of cloud services increasingly used by enterprises include: Salesforce (for CRM), Dropbox (for data storage) and Google Apps (for email).

Development of existing and new use cases within enterprises

Enterprises are quickly discovering new use cases for A2P messaging.[6] For example, enterprises such as Uber, Airbnb and Instagram are increasingly using A2P messaging to acquire, convert and retain customers.[7] Such companies are expected to continue to 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. Additionally, enterprises that use A2P messaging for a period of time quickly discover additional use cases for A2P messaging, which increases the demand.

5) Billion gigabytes (1018 bytes).
6) IDC.
7) IDC.

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 trends are described below.

Availability of easy-to-use cloud API platforms

Small- and medium-sized businesses (SMEs) have historically been less targeted by cloud communications providers due to, among other things, a hesitance among SMEs to adopt cloud communications solutions, SMEs less global nature of their business and that they have little available internal resources to develop communications solutions. 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 decreasing barriers to A2P messaging for SMEs.

Enterprises are rediscovering voice applications as communications method

Following in the success of A2P messaging services, enterprises are discovering that they can develop new use cases targeting voice applications. 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 mobile voice applications has become a new and fast-growing market segment in which new use cases are discovered at an increasing pace.

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. The benefits of SMS as an authentication method include its low-cost, means of distribution, user-friendliness and security. SMS-based two-factor authentication has historically primarily been used by banks and financial institutions, but is now increasingly being adopted by companies in several other industries.

Specification for embedded SIMs – opening up the IoT market

The surge in connected Things and the corresponding increase in mobile data communications traffic are expected to lead to new market opportunities for enterprise cloud communications providers. For example, telecom company Ericsson estimates that the number of connected Things (including Things like connected vehicles, smart utility meters and health trackers) will grow from 14 billion in 2014 to 26 billion by 2020.[1] The mobile connectivity for IoT opportunies for companies such as CLX have become significantly more tangible by the technical standards published by GSMA for embedded SIMs, which enables switching mobile operators without switching SIM cards and thereby the capability of "always being local", avoiding expensive roaming costs.

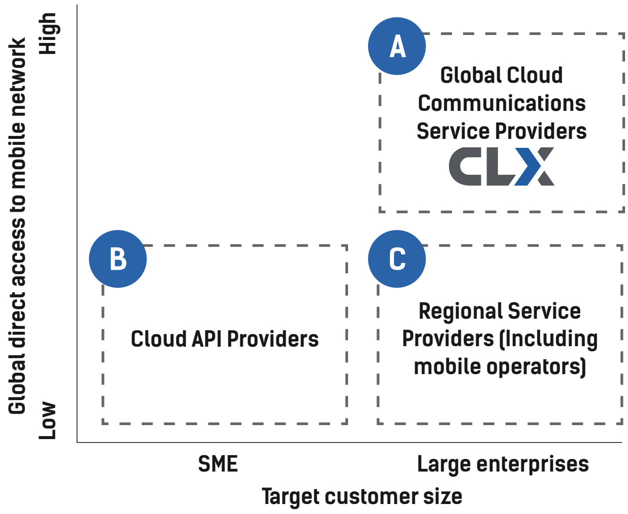
1) Ericsson Mobility Report, June 2015.

Competitive environment

Competitors

The enterprise cloud communications market is characterized by a high degree of competition and fragmentation. CLX's competitors can broadly be categorized into three groups: *Global Cloud Communications Service Providers* (including CLX); *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. The illustration below shows the positioning of the three groups.

Overview of the enterprise cloud communications competitive landscape



Source: CLX.

A. Global cloud communications service providers

Global cloud communications service providers, such as CLX, 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. One key differentiator of global cloud communications service providers is connectivity reach, which is typically based on the number and quality of direct relationships with mobile operators. The reason being that these relationships can enable cloud communications service providers to enter into Service Level Agreements (SLAs) with their customers and provide more competitive pricing on communications.

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

B. Cloud API providers

Cloud API providers target developers, particularly those in application providers and SMEs. These providers typically offer user-friendly interfaces and ready-to-use applications, which SMEs can integrate in their own applications in an easy way. They also often provides support services free of charge, manuals, example codes and other tools in order to help smaller enterprises to use and try their services. Many of the customers of cloud API providers have low volumes and it is therefore rare that they have a billing relation to their providers. Cloud API providers are generally more focused on developing their technical platforms than building relationships with mobile operators. Instead, cloud API providers often connect to mobile operators through cloud communications service providers. This means that the cloud API providers are depending on cloud communications service providers to facilitate final delivery of communications via their own interfaces and applications.

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).

C. Regional service providers (including operators)

IDC estimates that there are hundreds 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. Mobile operators are usually not focused on the cloud communications market and typically do not have any dedicated personnel or proactive marketing of such services. Mobile operators therefore often compete with global cloud communications service providers for enterprise customers that demand primarily local or regional communication services and solutions.

Examples of regional service providers include: BulkSMS.com (Cape Town, South Africa), ConnectMedia (Nairobi, Kenya), Clickatell (Redwood City, United States), Dialogue Group (Sheffield, UK) and GIN International (Hong Kong). Example of mobile operators include: TeliaSonera (Stockholm, Sweden) and AT&T (Dallas, United States).

Key barriers to entry

There are several barriers to entry that make it difficult for new entrants to establish a foothold in the enterprise cloud communications market, 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. Providers with direct access connections can offer quality-of-service guarantees, which can provide additional security and comfort to enterprise customers. Developing direct relationships with mobile operators is a difficult, time-consuming process that requires a high degree of understanding of mobile operators' systems and protocols, telecom competence as well as high traffic volume generation.
- **High traffic volumes**. High traffic volumes are necessary to develop direct relationships with mobile operators. Incumbent enterprise cloud communications service providers, in particular those within the more developed A2P messaging market, such as CLX, already process high traffic volumes through their systems. They purchase this traffic volume from, and thereby provide incremental revenue for, mobile operators. This creates high barriers for new entrants who lack significant traffic volumes and who consequently do not have an attractive offering to mobile operators.
- **High performance communications platform**. Enterprise cloud communications service providers require a trusted and high-performance communications platform that can handle large communications volumes. Additionally, the platform must be secure, robust and operate with minimal operational downtime as well as be flexible enough so it can be connected with a wide variety of mobile operators with different and usually proprietary platforms. Developing such a platform requires investing in in-house network systems, services and data facilities as well as significant time, financial resources and deep industry knowledge.

Introduction to the mobile operator software and services market

Introduction

Within its Operator division, CLX provides software and service solutions to mobile operators, such as Telia and Telefónica. CLX focuses on providing software and services with functionality for management of for instance SMS, MMS, voicemail and prepaid SIM cards through its internally developed communications platform. Customers in this market include both mobile network operators (MNOs) and mobile virtual network operators (MVNOs), which purchase traffic from mobile operators instead of owning the telecommunications networks.

Key market trends and drivers

Consolidation of software service providers to increase efficiency

The increasing competition in the telecommunications markets between traditional MNOs, MVNOs, and other new market entrants has increased mobile operators' focus on operational efficiency. A typical measure for mobile operators to streamline operations has been to reduce the number of suppliers of software services, which has benefited suppliers with a broad product portfolio and the possibility to offer a broad and cost-efficient offering.

Growth of MVNOs and new market entrants

MVNOs operate as regular mobile operators except that MVNOs do not own any telecommunications network, instead they purchase traffic from mobile operators, and focus on developing a superior customer offering through attractive offerings to specific customer segments and a strong brand focus. The MVNO business models are still developing and new ideas and models appear continuously. MVNOs have existed for a number of years in Europe and North America but deregulations in other regions have also increased their presence in Latin America, Africa and the Middle East. The strong growth of MVNOs and other new market entrants provide an attractive and growing market opportunity for software service providers, such as CLX's Operator division.

Increasing focus on security and fraud prevention

As the number of people, companies and connected Things that communicate increases, so do the complexity of the mobile eco-system. In recent years, this development has implied increasing fraud in the mobile operators' networks. For example, A2P messages can be sent through unofficial, "grey routes", making the terminating network unable to charge for the sent message. Fraud in the mobile networks can result in unbillable SMS traffic and the potential for "spam-SMS". Controlling fraud is of increasing importance for mobile operators and CLX has experienced an increase in demand for security software developed to protect networks against such fraud.

Demand for ancillary services and complete service solutions

Mobile operators are increasingly focusing on core operations and operational efficiency. This focus has driven mobile operators to proactively try to enhance their productivity. Mobile operators are increasingly engaging their service providers and suppliers to accomplish this goal. These developments have enabled software service providers to broaden their offering and shift to a service-based offering (as-a-Service) instead of acting solely as providers of software that is managed and maintained by the mobile operators. This change can imply more stable revenue streams for service providers.

Competition

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 it 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.

Business overview

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.

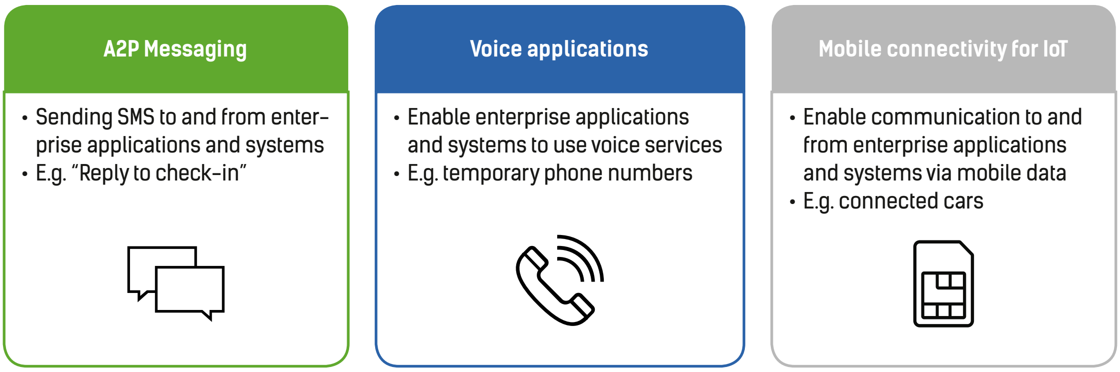
CLX operates through two business divisions, the Enterprise division, which primarily provides cloud-based communications services to enterprises, and the Operator division, which primarily provides software- and service solutions to mobile operators for management of their communications.

Via its communications platform, CLX offers its enterprise customers direct and efficient reach to around 7 billion mobile subscribers and connected Things worldwide. The communications platform is accessed by enterprises through easy-to-use, flexible and secure Internet-based interfaces, also known as Application Programming Interfaces (APIs). The Company has a significant number of direct relationships with mobile operators, and provides its enterprise customers with direct access to a global network of mobile networks. 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.

CLX's enterprise cloud communications services and solutions include:

- Enterprise 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.
- Voice application services, which enable enterprises to, via the cloud, connect incoming and outgoing voice calls to their applications and systems.
- Mobile connectivity services for the Internet of Things (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 and trial testing with customers is planned to commence in late 2015. The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.

Global connectivity through all three major mobile communications channels



Source: CLX, IDC.

CLX's services and solutions primarily targets enterprises with large or expanding communications, and the Company has a diverse global customer base consisting of over 550 customers within the Enterprise division. CLX's enterprise customers, many of which are global blue-chip enterprises, are active 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 based on each transaction or communication processed through its platform. Enterprise customers pay for services and solutions on a per SMS and per voice minute basis and will also pay on a per megabyte of data basis for the mobile connectivity services for IoT. The business model offers CLX's customers scalability while decreasing their upfront investment requirements. During the twelve month period ended 30 June 2015, the Company's platform handled more than 3.7 billion billable transactions from CLX's enterprise customers.

Through its communications 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 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).

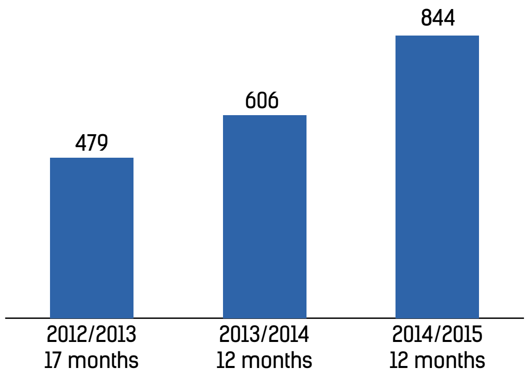
Over 70 customers (of which approximately 60 are mobile operators) have installed CLX's software-based communications platform in their businesses, including Vodafone, Telefónica, TeliaSonera, SmarTone and "3". For these solutions mobile operators typically pay software license fees and service and support fees. CLX increasingly also offers its communications platform as a service (PaaS), whereby CLX runs the platform and software for the customer and generates a greater share of recurring service fees.

CLX can leverage its service offering to mobile operators to take benefit from synergies with its enterprise service offering:

- The software and communications platform provided to mobile operators are used by CLX in providing A2P messaging, voice applications and mobile data services to its enterprise customers. The use of the software and communications platform across both the Enterprise and Operator division of the Company provides economies of scale regarding the Company's development, operations and support.
- With an installed base of software- and service solutions and platforms in mobile operators' networks around the world, CLX has established strong relationships with, and trust in, the mobile operator community, which can provide leverage when negotiating direct access connectivity agreements. Such agreements, and the resulting direct relationships with mobile operators, are essential for building a comprehensive and high-quality enterprise cloud communication offering.

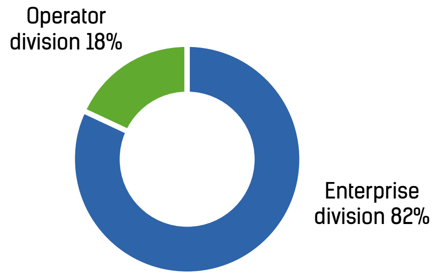
The Group has generated increased revenue in each year since its inception in 2008 and achieved revenues of SEK 844 million in the financial year ended 30 June 2015. The Company has grown profitably since its foundation. While organic growth has been the main driver of the Company's revenue development, 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 revenue development (SEK million)



Source: CLX.

Revenue per division 2014/2015[1)]



1) These percentages have been calculated by dividing the sum of each division's external and internal revenue for the period by CLX's total revenue and without adjustments for the period's eliminations.

EBITDA per division 2014/2015[1)]

1) These percentages have been calculated prior to intra group items and eliminations.
Source: CLX.

CLX is headquartered in Stockholm, Sweden, and operates through 13 local sales offices and 50 sales representatives in 16 countries worldwide

Strengths and competitive advantages

CLX is well-positioned to capitalize on the strong growth for the enterprise cloud communications market

CLX benefits from a strong competitive position in the enterprise cloud communications market due to its direct relationships with mobile operators around the world and, as a result, direct reach to mobile subscribers and connected Things worldwide. In addition, CLX's competitive position is further enhanced by the robustness of its communications platform as well as its ability to provide local expertise through its global presence. As a result, CLX is well-positioned to capitalize on the strong underlying growth in the enterprise cloud communications market. The market growth is primarily driven by an increasing need for enterprises to communicate with people and connected Things globally and by a shift of enterprise communications from traditional legacy telecom solutions to easy-to-use Internet-based cloud communications platforms accessed through APIs, which are easy to integrate.

For example, according to IDC, the global A2P messaging and voice applications market segments of the enterprise cloud communications market are expected to grow at a CAGR of 14 percent and 150 percent from 2014 to 2018, respectively, and CLX expects that the mobile connectivity for IoT market segment will grow rapidly as the technology and market continue to develop.

Strategically attractive position in the value chain

CLX provides a strong value proposition to enterprises and mobile operators globally through its strategic position in the value chain. The Company operates within a valuable layer of the enterprise cloud communications market wherein it connects enterprises and mobile operators, and provides enterprises with cost-effective and secure global direct access to mobile subscribers and connected Things[1)] and facilitates increased revenue and network use for mobile operators.

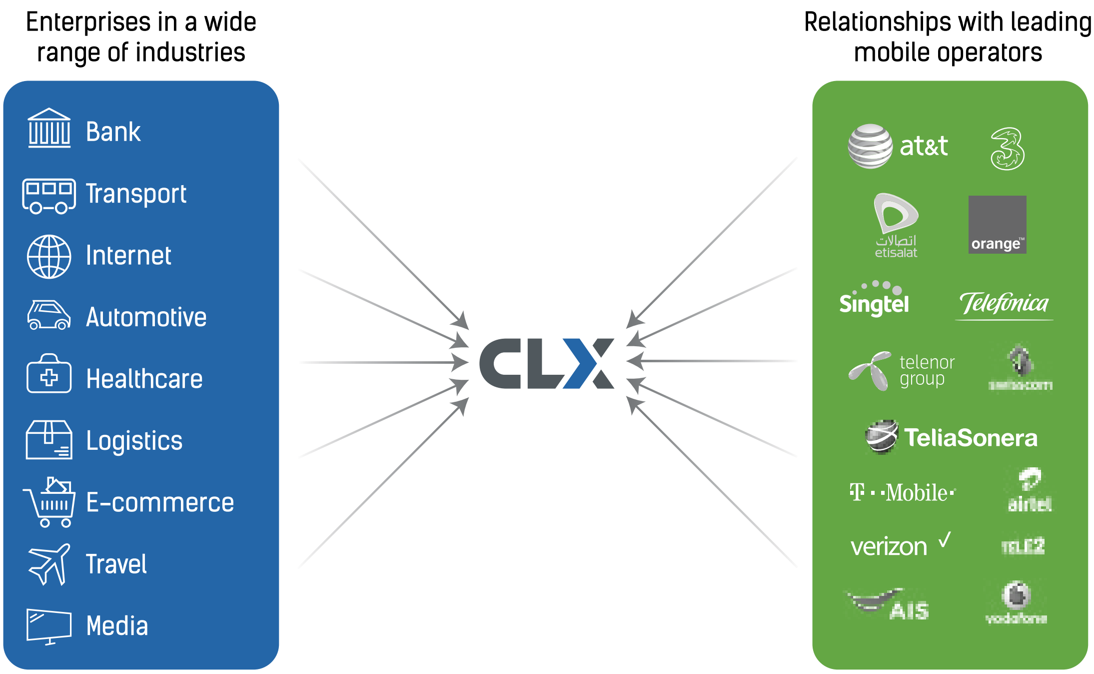
CLX enables enterprises to communicate with, and send business-critical information to, customers, employees and connected Things globally. CLX's value proposition to enterprises includes a global and scalable "one-stop-shop" communications solution. This allows enterprises to have one single contract for global coverage with direct access to mobile subscribers and connected Things, one billing relationship for multiple services, and, through easy-to-use APIs, the ability to prototype with short time to market. CLX's services are scalable and charged for based on actual use, pay-as-you-go.

CLX's Enterprise division's value proposition to mobile operators includes new revenue opportunities generated primarily by increased traffic volumes from CLX's enterprise cloud communications. In addition, the Enterprise division provides network traffic information and analysis, global market insight and improved reporting and billing capabilities resulting from increased oversight and control of their mobile networks.

Global connectivity through direct relationships with a broad global network of mobile operators

CLX has a significant number of direct relationships with leading mobile operators, e.g.:

North and South America	Europe	Middle East, India & Africa	Asia-Pacific
at&t	vodafone	etisalat	3
verizon	orange	zain	SmarTone
Bell	Telefónica	airtel	[illegible]
TELUS	T-Mobile	TATA	StarHub
	TURKCELL		



1) The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.

Through these direct relationships, CLX provides its customers with direct access to a global network of mobile networks. Based on its broad global network of mobile operators, the Company believes it is an attractive partner to provide mobile connectivity, which allows enterprises to communicate with persons and Things cost-effectively on a global basis across all three major communications channels: messaging, voice and mobile data.

CLX's significant number of direct relationships with a broad global network of mobile operators 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. Furthermore, the Company's direct relationships provide a competitive advantage as direct connectivity agreements with mobile operators can be difficult to achieve in certain markets. For example, major mobile operators in the United States have restricted direct connectivity to their networks to a selected group of trusted partners and are typically not open to sign new direct connectivity agreements. The Company believes that its many existing mobile operator relationships are also a key component for the success of its global mobile connectivity for IoT service offering[1)], as the number of networks that CLX can access is directly related to its ability to facilitate widespread connectivity to Things.

Carrier-grade communications platform and significant telecom know-how

CLX uses its carrier-grade communications platform to deliver its services and solutions to more than 550 enterprise customers globally and over 70 customers (of which approximately 60 are mobile operators) have installed the software in their businesses. CLX's platform has extensive functionality and is designed with a high degree of modularity and scalability that provides significant flexibility of use, which allows enterprises to communicate efficiently and mobile operators to drive cost and capital efficiency in their networks. The platform's modularity allows for new functionality to be easily added to existing installations, which can help to ensure that CLX's platform meets customers' future needs without impeding the performance or carrier-grade availability required by CLX's customers, see heading "*Communications platform*".

With an installed base of software platforms in mobile operator networks around the world, CLX has established strong relationships and trust with mobile operators, which can be leveraged when negotiating direct connectivity agreements with new mobile operators. Such agreements are essential for building a comprehensive and high-quality service offering within the Company's Enterprise division.

CLX and its employees possess significant competence and experience in working with telecom and IP communication. This expertise is a prerequisite in order to be able to develop cloud-based communication services to enterprises where the basis is telecommunications protocols of the mobile networks.

CLX's senior executives, which include some of the original founders, have broad industry backgrounds and significant telecom and IT experience from previous positions positions at Ericsson, TeliaSonera and Mblox. The senior executives have a proven track-record of managing fast-growing companies generating both organic revenue growth and growth through acquisitions.

Diverse global enterprise base across a variety of industries

CLX has a diverse global enterprise customer base consisting of over 550 enterprise customers across a broad range of industries. CLX's enterprise customers include a significant number of blue-chip customers that are active in a variety of industries, including banking, technology and transportation. For example, CLX's enterprise customers include international and established industry leaders, such as Air Canada and Microsoft, as well as high-growth technology companies, such as Truecaller and Boku. CLX's mobile operator customers include a significant number of global and local mobile operators around the world, including Vodafone, Telefónica, America Móvil, Millicom and Tele2.

The diverse global enterprise customer base helps to limit the Company's financial risk and dependency on any specific customer or industry. In the twelve months ended 30 June 2015, CLX's largest single enterprise customer accounted for approximately 9.6 percent of CLX's revenue, while its ten largest customers accounted for approximately 46 percent of CLX's revenue.

CLX also has a proven ability to up-sell to existing customers as new services and features are launched and as its enterprise customers expand their operations and use cloud communications for new services. Customers increased integration of new services increases customer integration and engagement and, over the long-term, customer loyalty.

Highly attractive and scalable business model and strong financial track record

Since the Group's inception in 2008, CLX has achieved high revenue growth with strong profitability and cash generation. The Company achieved revenue CAGR of 42 percent between the twelve months ended 30 June 2013 and the twelve months ended 30 June 2015, primarily driven by strong growth in the market for enterprise cloud communications. Organic growth historically has been generated by traffic from new customers and through existing customers' increasing traffic volumes. Moreover, the use of cloud communications solutions increases in general when customers adopting new services from the Company's expanding service offering.

CLX operates an attractive, asset light business model with low financial risk. The Company's services display stickiness which is demonstrated by a high degree of repetitive revenue streams from its diverse customer base. The business model is designed to benefit from synergies across CLX's two divisions where the Company's communications platform is used by both enterprise and mobile operator customers. CLX's scalable platform generally requires only limited capital expenditure and working capital requirements as the Company adds new customers or new services or when traffic volumes increase. This scalability enables CLX to increase revenues while maintaining strong cash-flow generation.

Clear strategy to achieve further growth

CLX sees several strategic avenues for further growth as detailed below:

Strengthen position within the A2P messaging market segment

CLX has a leading position in the enterprise cloud communications market, with particular strength in the A2P messaging market segment. In an independent survey published in June 2015 by The Roaming Consulting Company, which included 179 mobile operator respondents from across the globe, CLX was ranked as the overall global leader in the A2P messaging market.[2)] As the overall enterprise cloud communications market and the A2P messaging market segment grow, the Company aims to continue to grow within the markets and retain its position as a leading provider of cloud communications services and solutions. The Company intends to leverage its technology and enterprise customer and mobile operator relationships to increase its market share in the growing A2P

1) The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.

2) ROCCO A2P SMS Messaging Vendor Performance Report 2015.

messaging market segment. To attract and secure new customers, CLX will continue to develop its network of sales offices with an aim to increase awareness among enterprises and further strengthen its position in certain important enterprise markets, such as North America. In addition, CLX aims to further engage its existing customers to increase traffic volumes from, and use of the cloud communications solutions by, its existing customer base.

Continue to develop the service offering

CLX has continuously invested in the development and upgrade of its communications services and solutions. These investments have helped to expand CLX's offering to include the three major mobile communications channels, including messaging, voice and mobile data.[1] Based on its position as a leading cloud communications service provider, its diverse customer base and its direct relationships with mobile operators, CLX is in a strong position to launch and up-sell new enterprise communications services to further generate revenue growth and use of its services and solutions.

Capture growth opportunities in the rapidly growing mobile connectivity for IoT market

The market to enable mobile connectivity for IoT is in the early stages of development, but is expected to become a large and rapidly growing market segment within the broader enterprise cloud communications market, according to GSMA.[2] The Company is leveraging its carrier-grade communications platform, its broad global network of mobile operators and its diverse enterprise customer base to capitalize on this growth opportunity.

The growth within the mobile connectivity for IoT segment is an opportunity that only recently became possible to address, as there was not previously a common and global specification for the remote over-the-air provisioning and management of connectivity to Things. Such a global specification was released by GSMA in the end of 2013, and leading SIM card manufacturers now offer so called e-SIMs, to the market. CLX is focusing its research and development efforts on the integration of its carrier-grade communications platform with e.g. e-SIM solutions in order to enable a comprehensive IoT service through a single API and to respond to existing, and address future, new use cases relating to the development and growth of the IoT.

Following this integration, CLX expects to launch its mobile connectivity services for IoT in 2016, which will offer enterprises the flexibility to let their products switch between different mobile operators during product life-cycles. CLX's IoT solution is designed to provide "always local" network connection to optimize coverage and costs relating to connectivity. The service will support remote over-the-air provisioning to reduce supply-chain complexities and costs relating to enterprises' global product deployments. For example, enterprises will no longer be required to insert country specific SIM cards into products prior to delivery based on which location the product will be shipped to, as the e-SIM can be provisioned to promote connectivity irrespective of country of import. These solutions are primarily targeted for use by connected Things which move across borders or that have long product life-cycles, such as connected cars, as the solution can help to eliminate expensive roaming charges or replacement of the Thing's SIM card with the SIM card of a local mobile operator network. In addition, these solutions are aimed at enterprises with connected Things that send only limited volumes of information, and for which the enterprises prefer to pay mobile operators as they use their networks rather than paying fixed monthly fees. Through its strong relationships and broad global network of mobile operators the Company believes it will be an attractive partner for IoT companies.

1) The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.

2) http://www.gsma.com/connectedliving/embedded-sim/

Expansion in new geographies

CLX intends to continue to build its presence in new markets and address the need for cloud communications services in new industries. For example, within the North American market, CLX will leverage the messaging business that CLX acquired from Voltari Operating Corporation, Voltari Canada Inc. and Voltari Corporation (together "**Voltari**") in 2014 to further expand its direct connectivity to leading mobile operators in the United States and Canada. Through the increasing local presence in North America, the service offerings to the customer base in North America are strengthened. The acquisition of Voltari's messaging business provided CLX with direct relationships to several tier-1 mobile operators in the United States and Canada, including AT&T and Verizon. CLX is prioritizing in its expansion on the North American market, where management believes that the opportunity to expand its existing customer relationships from international to domestic traffic is good. In addition, in the twelve months ended 30 June 2015, CLX finalized the onboarding and integration of its software and services with a number of new French mobile operators, which management expects will have a positive impact on the business going forward.

Develop and leverage its channel partnerships

CLX has channel partnerships with major mobile operators, which use CLX's white-label solution for A2P messaging services. The channel partners are typically global tier-1 mobile operators that market and sell CLX's enterprise communications services and solutions via a partner relationship. CLX intends to use its channel partnerships to leverage its partners' existing relationships with large enterprises and industry expertise to reach a broader enterprise group and to extend the Company's geographical reach. The channel partnerships allow CLX to drive growth in the Enterprise division and target blue-chip enterprises with long sales cycles in a cost-efficient way. CLX also intends to use its channel partnerships to facilitate and scale its global mobile connectivity services for IoT offering.[3]

Expand its Platform-as-a-Service offering

CLX's Operator division has provided its messaging offering as a managed service, or Platform-as-a-Service (PaaS), to mobile operators since 2013. The Company is now focused on developing and expanding its PaaS offering through which CLX's carrier-grade communications platform is offered to mobile operators, MVNOs and enterprises via Internet, with CLX functioning as a service provider that manages, maintains and operates the platform and infrastructure on behalf of the mobile operators, MVNOs and enterprises.

CLX's PaaS offering has received great interest from mobile operators and MVNOs that want to address specific market opportunities, especially within the mobile connectivity for IoT market segment. Other customer benefits include pay-as-you-go service, scalability and short time-to-market. CLX's first long-term PaaS contract was signed in June 2015 with a European MVNO. 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. The Company believes its PaaS offering represents the next phase of growth in its Operator division and that enterprises and the development of the IoT market represent new market opportunities for the PaaS.

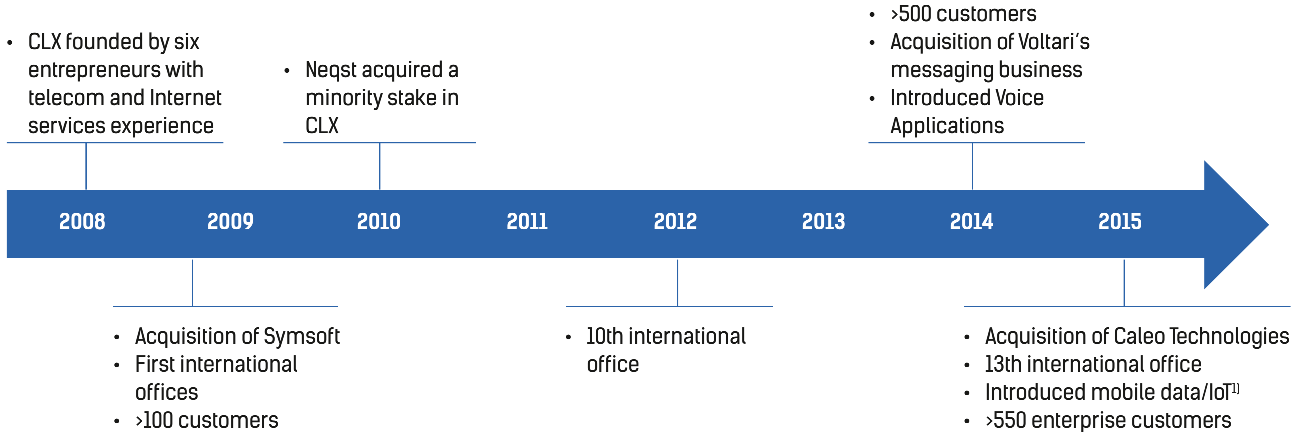
3) The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.

Strategic acquisitions

Based on its track-record of making strategic acquisitions and successfully integrating them, the Company will continue to selectively evaluate potential strategic acquisitions to strengthen its product offering, its customer base and geographic reach. The global enterprise cloud communications market is currently fragmented and the Company believes that there are a large number of acquisition targets with an attractive customer base, mobile operator relationships, geographical presence and technology. CLX has good prospects to acquire one or several of these targets and the Company has a proven ability to integrate acquisitions, as shown by its three prior successful acquisitions of Symsoft in 2009 (Sweden), Voltari's messaging business in 2014 (North America) and Caleo Technologies AB ("**Caleo Technologies**") in 2015 (Sweden).

CLX's history

The Group was founded in 2008 by six entrepreneurs with significant telecommunications and Internet services experience and with a vision to facilitate efficient enterprise communications with customers and employees through mobile messaging services. CLX is the roman numerals for 160, which equals the maximum number of characters possible in a SMS. Since 2008, CLX has continuously focused on establishing strategic and direct relationships with mobile operators around the world to promote the global reach, quality and security of its enterprise cloud communications services and solutions. CLX's history and growth can generally be divided into two periods, its development and industrialization phase, which includes its acquisition of Symsoft and international expansion, and its growth phase, which includes expansion of offering and further strategic acquisitions.



1) The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.

Acquisition of Symsoft and international expansion (2009–2014)

In order to strengthen its technology infrastructure and relationships with mobile operators, CLX acquired the majority of the shares in Symsoft in 2009. Symsoft was a provider of software and services to mobile operators, with a communications platform through which CLX could deliver its A2P messaging services. Symsoft was successfully integrated into CLX.

CLX started its international expansion in 2009 by establishing its first international office in the UK.

In 2010, Neqst, a Swedish investment firm focused on technology and technology-enabled companies, acquired a minority share in CLX. Neqst is today one of the largest shareholders in the Company.

During the period from 2008 to 2014, CLX focused on improving its offering and market position within the enterprise cloud communications market and the mobile operator software and services market. As a result of these efforts the Company significantly grew its enterprise customer base. For example, CLX increased its enterprise customer base from only a few enterprise customers in 2008 to over 100 customers in 2009 and over 500 customers in 2014.

Expansion of offering and further strategic acquisitions (2014–2015)

Since 2014, CLX has worked to leverage its technological infrastructure and relationships with enterprises and mobile operators in order to develop and expand its offering. For example, CLX has used the existing features and capabilities of the software platform that is provided to mobile operators by its Operator division to expand the service portfolio of its Enterprise division. In 2014, CLX's Enterprise division introduced voice application services as a complement to its A2P messaging services. CLX is also in advanced stages of development of a new service offering, its mobile connectivity services for IoT, which will enable connected Things to connect to the Internet via the various mobile operators which CLX has agreements with. Trial testing with customers is planned to commence in late 2015 and commercial launch is expected to occur in 2016.

To strengthen its international presence and further expand its offering of services and solutions, CLX has completed two strategic acquisitions during 2014 and 2015. In 2014, CLX acquired Voltari's messaging business in North America, which enabled the Company to obtain strategically important direct relationships with major mobile operators in both the United States and Canada, including AT&T and Verizon, which improved CLX's market position in both the United States and Canada. In 2015, the Company expanded its portfolio of services and solutions for mobile operators by acquiring the majority of the shares in Caleo Technologies, a company specializing in billing, customer care and invoicing solutions for mobile operators and MVNOs.

The Group has experienced a rapid growth since its foundation in 2008 and has gained a leading market position as a service provider within the enterprise cloud communications market. The Company's organization and robust technology infrastructure provides a solid base for continued growth of its core offering and CLX aims to continue to capture growth opportunities within the market.

Business model and financial targets

Business model

CLX operates its business through two complementary divisions; the Enterprise division and the Operator division. CLX's Enterprise division offers enterprises cloud communications services and solutions, including A2P messaging, voice applications, and mobile connectivity services for IoT, which enable enterprises to communicate with customers, employees and connected Things around the world. The mobile connectivity services for IoT is a new service offering that is in the advanced stages of development and trial testing with customers is planned to commence in late 2015. The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.

To access these services and solutions, enterprises use Internet-based APIs to connect their systems to CLX's internally developed cloud-based communications platform. Enterprises typically pay for these services and solutions on a pay-as-you-go basis (per SMS or per voice minute and, following CLX's launch of mobile connectivity services for IoT, also per megabyte of data), thus CLX generates revenue based on each transaction processed through the platform.

CLX's Operator division offers mobile operators its internally developed cloud-based communications platform as software and service solution, which can be installed in the mobile operators' systems. CLX generates revenue through a traditional software license and support model, whereby CLX receives licensing fees from the licensing of the software platform, as well as service and support fees generated over the course of the customer relationship. To an increasing extent, CLX also offers the PaaS, whereby CLX functions as a service provider that manages, maintains and operates the platform internally on behalf of the mobile operators and MVNOs, and generates revenue for each internally hosted project based on an fee for installation and preparation of the platform, as well as recurring monthly fees for the provision of services, including the management, maintenance and operation of the platform on behalf of the customer.

Financial targets

CLX's board of directors has adopted the following financial targets, as presented below.

- **Growth:** CLX's objective is to achieve an organic revenue growth of at least 20 percent per annum in the medium to long-term.
- **Profitability**: CLX's objective is an EBIT margin of around 10 percent.
- **Capital structure**: CLX's capital structure shall enable a high degree of financial flexibility and allow for acquisitions. CLX's objective is a maximum net indebtedness of 2× EBITDA for the last 12 months.

The assumptions on which CLX has based its financial targets include the following:

- That the Company is able to achieve revenue growth in the Operator division above historic levels;
- That the Company is able to continue to increase the revenue growth in the Enterprise division and that the Enterprise division's revenue growth is able to offset the slower revenue growth rate of the Operator division;
- That the Company is able to continue to develop and enhance its communications platform and increase its offering to customers, including with respect to the Company's anticipated service offering of mobile connectivity for IoT;
- That the Company is able to continue to manage its costs and expenses (including, but not limited to, its cost of goods sold and services), and is able to maintain its current margin, including during phases of expansion and development;
- That the Company's growth rate is not significantly higher than its financial target. If the growth rate becomes significantly higher than its financial target the Company's profitability target will be more difficult to achieve;
- That the profitability of the Enterprise division will be below, and the profitability of the Operator division will be above, the Company's average profitability levels;
- That the Company is able to successful and timely complete and integrate any acquisitions;
- That the Company is able to gain market share in the enterprise cloud communications market and the mobile operator software and services market;
- That the enterprise cloud communications market and the mobile operator software and services market, will grow in line with current expectations, and that demand for enterprise cloud communications services and solutions, and mobile operator software and services will continue as currently expected; and
- That the Company is able to obtain and maintain any permits, licenses or approvals required to operate in the jurisdictions in which it operates.

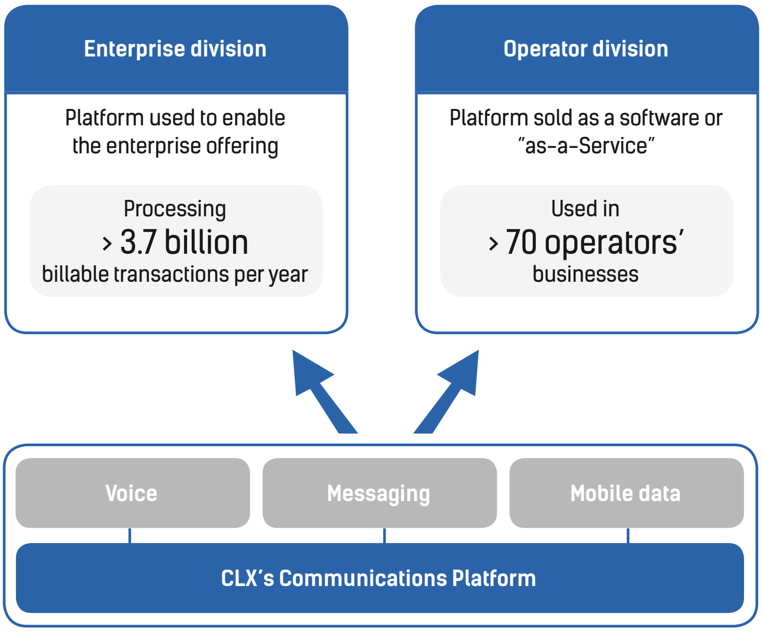
When preparing the financial targets, CLX has assumed that no significant changes will occur that would have major adverse effect on the Company, including, but not limited to the following areas:

- The competitive situation in the markets in which the Company operates, including pricing pressure, technological changes and developments in the telecommunications industry in general or by competitors;
- The strategies of the Company's customers in sourcing services and solutions, including their use of third party service providers like CLX, and expanding customer agreements and licenses covering services and solutions provided by the Company;
- The regulatory environment, rules and regulations applicable to the Company, the markets in which it operates, its customers and the telecommunications industry in general; and
- The existing political, fiscal, market or economic conditions, and the administrative, regulatory or tax-related treatment of the Company.

The financial targets described above represent forward-looking statements. These forward-looking statements are not guarantees of future financial or operational performance and the Company's actual results could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including but not limited to those described under the heading "*Forward-looking statements*" in section "*Important information to investors*" and section "*Risk factors*". Investors are urged not to place undue reliance on any of the statements set forth above.

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. This means that CLX uses the same infrastructure and technology, i.e. its communications platform, in both the Enterprise and Operator division, from which CLX can extract significant 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.



The platform is modular and scalable, which provides flexibility of use while delivering extensive functionality. During the twelve month period ended 30 June 2015, the platform managed more than 3.7 billion billable transaction from CLX's enterprise customers and is used in more than 70 customers' (of which approximately 60 are mobile operators) businesses.

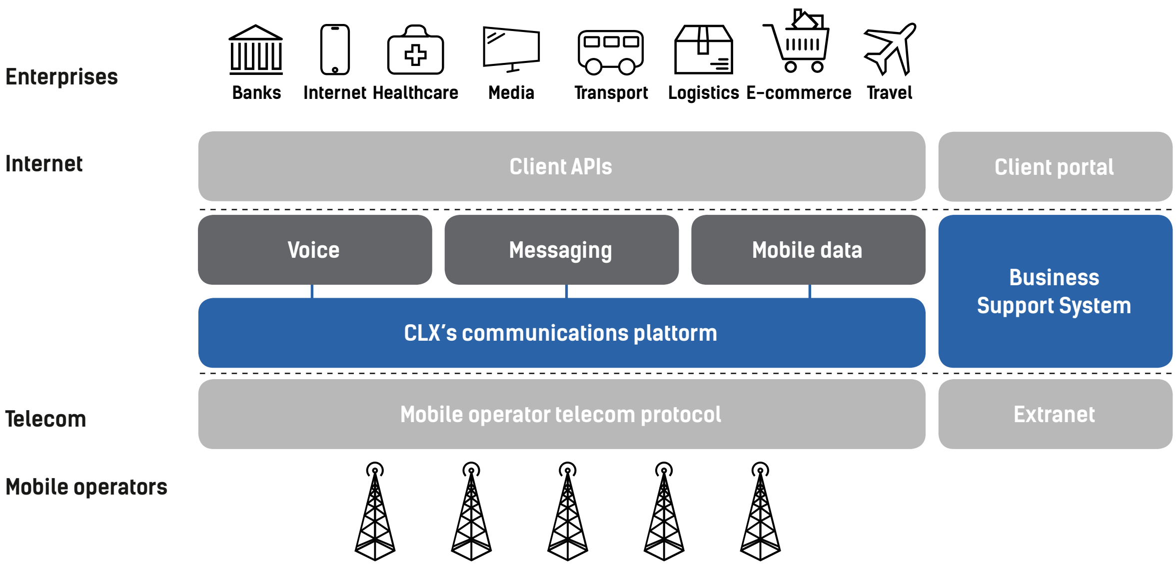
Business divisions

CLX operates through two complementary divisions, the Enterprise division and the Operator division. For the twelve months ended 30 June 2015, CLX's Enterprise division and Operator division represented approximately 82 percent and 18 percent of the Company's revenues, respectively.[1)]

1) These percentages have been calculated by dividing the sum of each division's external and internal revenue for the period by by CLX's total revenue and without adjustments for the period's eliminations.

Enterprise division

Via its cloud communications platform, CLX enables its enterprise customers to quickly, securely and cost-effectively communicate with, and send business critical information globally to customers' and employees' mobile phones and connected Things via A2P messaging, voice applications and mobile connectivity services for IoT. CLX's mobile connectivity for IoT is a new service offering that is in the advanced stages of development and trial testing with customers is planned to commence in late 2015. The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.

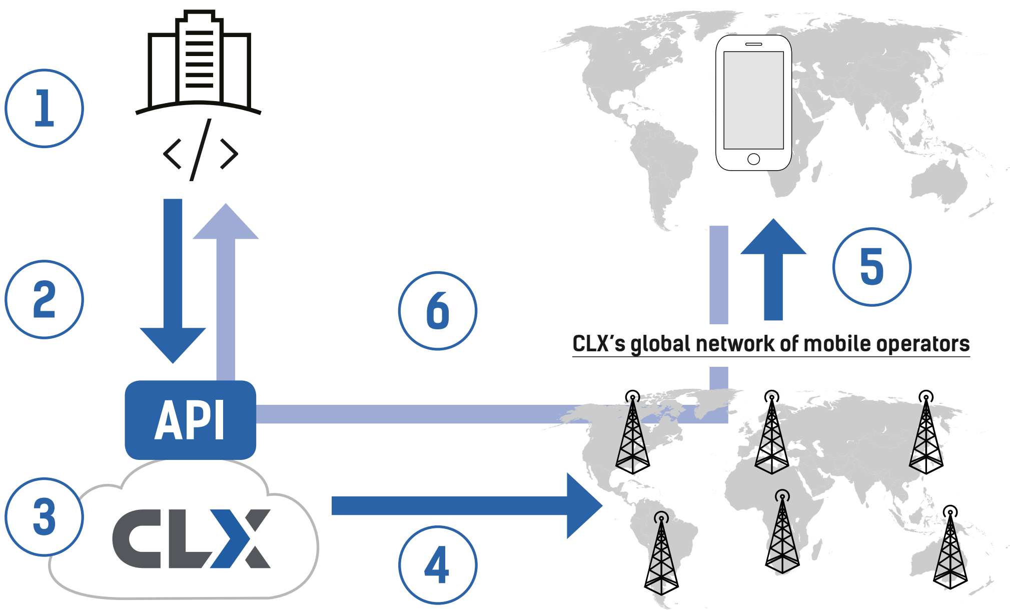


By connecting their applications and systems to CLX's communications platform, enterprises can communicate through messaging, voice and mobile data. The applications and systems are connected by using a set of simple and well documented APIs. By using APIs, the platform does not require enterprise customers to have telecommunications expertise or to install software or hardware into their business systems. Once connected, enterprises can communicate with their customers, employees and connected Things around the world.

The communications platform also contains a client portal which provides enterprise customers with report and information on their traffic sent through the platform. Further, the business support system enables management of the traffic running through its platform. For example, the business support system monitors traffic on customer, mobile operator and destination bases, handles inventory, routing updates and new routing paths.

In order to provide the enterprises with direct reach to mobile subscribers, CLX has connected its platform with mobile operators around the world, via telecommunications signaling protocols and proprietary mobile operator interfaces.

Enterprises typically pay per transaction processed through CLX's communications platform in accordance with a standard price list based on market prices for all traffic, whereby CLX adds a premium to the cost of connectivity. The cost varies depending on the country to which the traffic is routed, the local network through which the traffic is routed, CLX's relationship with the mobile operator and CLX's traffic volume through the network. Overall, price levels in the United States are lower than Europe, since mobile operators in the United States charge aggregators less for connectivity. Mobile operators in Europe charge more for connectivity.



1) An enterprise application sends a message through its internal business systems, e.g. ERP or CRM systems, to be sent to a specific customer or group of customers, employees or connected Things.

2) The enterprise's systems communicate over the Internet through CLX's cloud API and provide destination (phone number) and message content information.

3) CLX utilizes its carrier-grade communications platform which handles the information received in the following way:

- Acknowledges message reception, verification of phone number and message type (text/binary).
- Performs phone number lookup using local number database or real-time number lookup with mobile operator to verify details about destination, reception etc., e.g. information about ported number, roaming, etc.
- Selects the appropriate routing and mobile operator. The routing decision is automatic, based on selection criteria, including destination network, message type, local regulation, client settings and mobile operator reach, performance and cost.
- Forwards the message to the selected mobile operator. CLX connects to mobile operator networks in different ways, including via standard APIs and protocols, telecommunications signaling protocols and proprietary mobile operator interfaces. The platform then waits for receipt of delivery confirmation from mobile operator and handset before session is closed.
- Update billing and reporting information.

4) The message is forwarded to the selected mobile operator.

5) The selected mobile operator forwards the message to its destination (mobile phone or connected Thing).

6) Delivery confirmation is provided along with extensive reports.

Key service offering

CLX's Enterprise division's offering include A2P messaging services, voice applications services and a new service offering that is in the advanced stages of development, mobile connectivity services for IoT[1], all of which are delivered via the Company's communications platform.

A2P messaging

A2P messaging is CLX's core service offering and enables to send customized and automated messages to mobile subscribers and connected Things[1] around the world (*Outbound SMS*). CLX also offers an interactive service with virtual phone numbers in more than 40 countries enabling enterprises to receive SMS and voice calls on the same number (*Inbound SMS*). Combining CLX's Inbound- and Outbound SMS services enable enterprises to create an interactive two-way messaging service. CLX can also provide its enterprise customers with information service on mobile phone numbers, such as number portability lookup (i.e. which mobile operator a number is connected to) and real-time lookup (i.e. which mobile operator network a SIM card currently is connected to and in which country the subscriber is currently located). This information can be used to assist in prevention of fraud and to strengthen user authentication and security.

Voice applications services

CLX's voice applications services include *Outbound Voice* and *Inbound Voice*, which enable the various systems of enterprises, such as business and operating systems to execute voice calls to fixed and mobile phone numbers globally. CLX also provides enterprises with ranges of "voice and SMS enabled numbers" which can receive both voice and SMS on the same number. Such services are common for enterprises operating websites with e.g. classified ads and want to offer their customers the ability to communicate without disclosing their private phone numbers.

Mobile connectivity for IoT

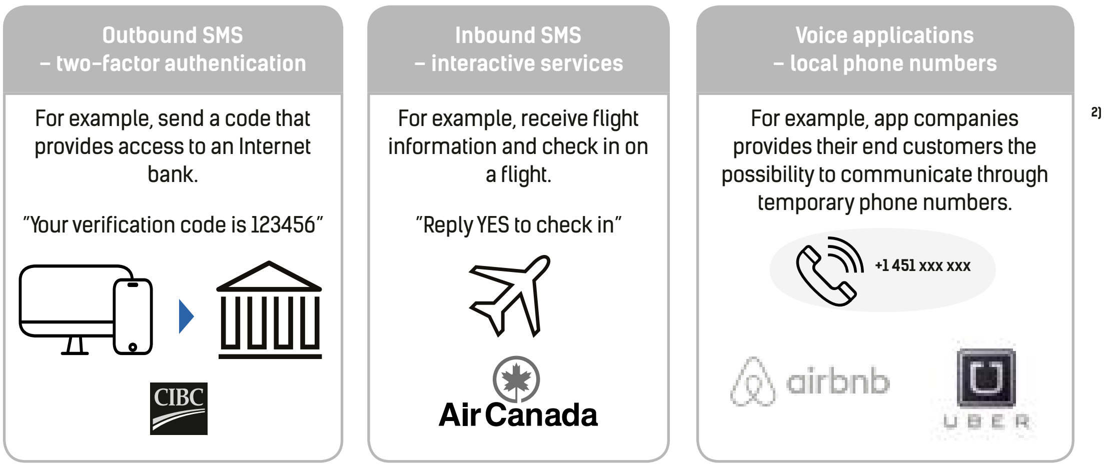
Mobile connectivity for IoT is a new service offering that is in advanced stages of development and trial testing with customers is planned to commence in late 2015. The Company expects commercial launch to occur in 2016. CLX's IoT connectivity solutions will enable enterprises to intelligently manage SIM-connected Things, which can include connected vehicles, utility meters, traffic lights, building sensors and other connected Things with e-SIM cards.

CLX estimates that the Company will provide its own SIM card before the end of 2015, based on SIM card technology, which enables CLX to switch mobile operator without switching SIM card. The services will include SIM cards and a SIM card management system, through which CLX and its customers will be able to update the SIM cards. CLX's customers can also obtain information from Things in different networks, including traffic consumption, current connected network and costs.

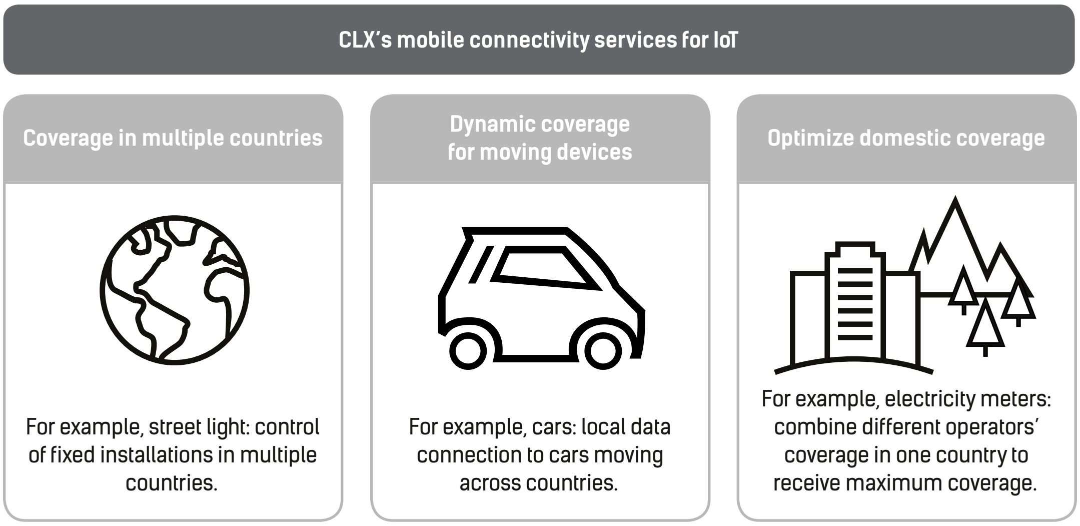
The benefits of being able to remotely switch between mobile operators include:

- The possibility for a manufacturer to insert the same SIM card into a large number of connected Things shipped to many different countries, and then have the SIM card configured based on which country the device is delivered to;
- Not having to be reliant on one mobile operator supplier throughout the lifecycle of the connected device; and
- For moving connected Things, the ability to always be local by switching operators as borders are crossed is eliminating or reducing roaming charges as well as improving coverage, by automatically switching between mobile operators depending on which operator has the best price and the best coverage.

Customer use cases



1) The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.
2) The enterprises in the example (airbnb and Uber) illustrate examples of companies which could use the voice services and are not actual customers of CLX.



Customer base

CLX's Enterprise division targets enterprises in all industries that need 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 now consists of more than 550 enterprise customers, 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.

CLX's contracts with enterprise customers are typically twelve-month contracts with automatic twelve-month 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. For the twelve months ended 30 June 2015, the top ten external customers within the Enterprise division represented approximately 46 percent of the Company's revenue.

Sales

CLX has a global sales force that consists of an internal sales team and external channel partners, which further extends the Company's sales and marketing reach.

The directly operated internal sales team is focused primarily on selling CLX's services and solutions to enterprises, and on managing the accounts of existing enterprise customers.

Larger customers typically require a Request for Proposal (RFP) process, which requires CLX to submit a proposal setting out its price, service, communications platform availability and performance, including details relating to its SLAs, portfolio of services and solutions and geographic coverage and telecommunications network reach. In such cases, the duration of the sales process can take between three to nine months, not including integration phases once a sale is complete. Smaller customers typically do not require RFPs and can be signed faster and fully operational in a short period of time.

In addition, CLX strategically works with channel partners in order to further extend its sales and marketing reach. These partners, which are typically tier-1 mobile operators with existing large customer relationships, resell a white label solution of CLX's A2P messaging service.

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.

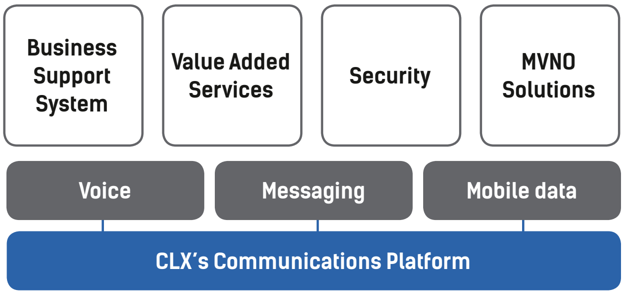
CLX aims to connect directly with all major mobile operators in the world. CLX has a team focusing on developing and signing direct relationships with such mobile operators. Establishing a direct relationship is typically a lengthy and complex process that requires significant understanding of mobile operators' systems and protocols, as well as extensive telecommunications competence. Direct relationships are typically more advantageous to CLX and its customers as such relationships enable CLX to offer SLAs, are more reliable and secure and are typically more cost efficient (cost savings relating to the establishment of direct relationships can vary significantly, but can generally amount to approximately 20 percent). As of 30 June 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.

In regions which have not yet been prioritized or where CLX has low traffic volumes, CLX has indirect relationships with mobile operators. CLX has an active strategy to convert indirect relationships to direct relationships; however this is a complex and time consuming process.

In certain regions and for certain mobile operators, it is not possible to enter into new direct relationships with mobile operators or it is more favorable to connect to mobile operators via a local partner. When a direct relationship is not possible or preferable, CLX works to identify local partners with strong relationships with domestic mobile operators that can provide cost-effective and high quality of service to facilitate connectivity.

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. CLX offers its internally developed carrier-grade communications platform, or software components thereof, to mobile operators to manage messaging, voice and mobile data traffic.



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:

- **Business support systems (BSS):** A system for business support and customer care that provides mobile operators and MVNOs with a range of components and the opportunities they need to manage customer care, billing and create offers and campaigns, and information that provide insight into subscriber behavior. The BSS suite also contains an online charging system for rating and charging of service use in real-time with versatile account management.
- **Value-added services (VAS):** CLX offers a single, consolidated solution for multiple VAS services based on its platform. All messaging services, including SMS, MMS, USSD (Unstructured Supplementary Service Data) and voicemail, as well a broad range of call completion services, such as Call Me, Callback Roaming, Collect Call, Missed Call Alerts and Interactive Voice Response, are supported.
- **Security solutions:** CLX's security solutions secure service availability, protect end-customer privacy and experience, and ensures revenues and legal compliance for mobile operators. CLX's *SMS Firewall* protects a mobile operators' network against illicit SMS traffic as well as traffic for which mobile operators are not compensated. CLX's *SS7 Firewall* protects mobile operators' networks from multiple privacy and fraud threats, e.g. interception of vocie calls and SMS and enablement of service at no cost. CLX's "*Roaming voice control*" allows mobile operators to limit and control costs for voice calls in connection with roaming.
- **MVNO solutions:** Software components from CLX's communications platform can be offered together as a complete and integrated solution. This enables a complete service offering with the functionality needed by MVNOs and smaller mobile operators to operate their businesses.

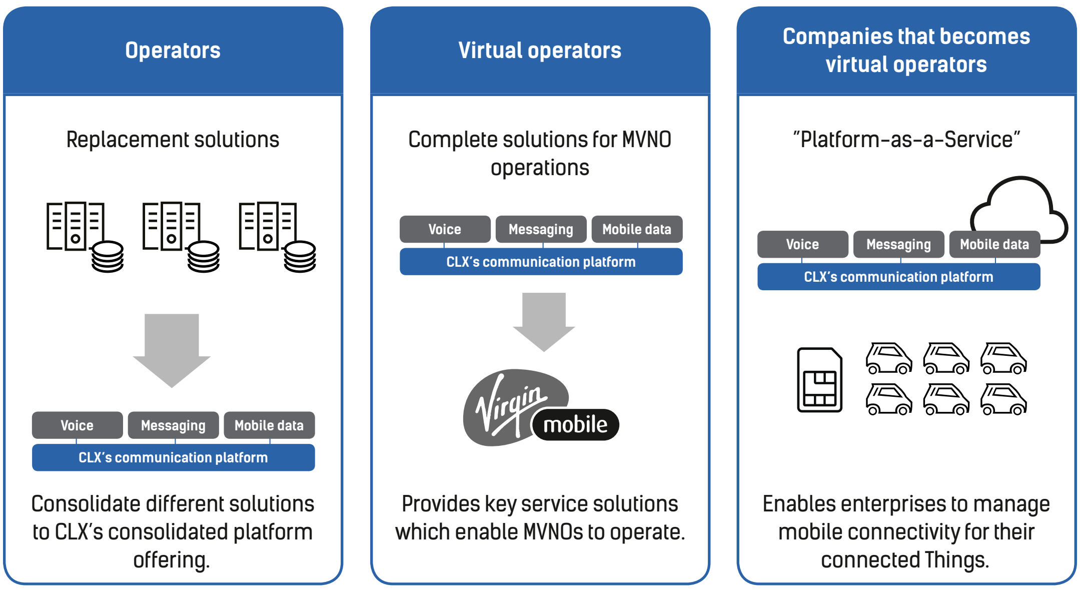
Key service offering

CLX offers its internally developed carrier-grade communications platform, or software components thereof, to MNOs and MVNOs. The platform is sold and installed into the mobile operators' systems through a traditional software license and support model.

CLX also offers an increasing number of services relating to its software- and service solutions as well as delivering the software "as-a-Service". Key service offered include installation, integration and support for the software platform as well as services related to operations (e.g. managed services), service updates (e.g. firewall update service), audits (e.g. audits of revenue leakage) and third-party management (e.g. management of third-party products required by some MVNOs).

To an increasing extent, CLX also offers its communications platform as a so called PaaS. Via PaaS, CLX offers completely hosted solutions of its platform and infrastructure with CLX functioning as a service provider that manages, maintains and operates the platform internally. PaaS means that the platform can be used by multiple customers, which helps CLX to offer a cost effective solution to the market. During the financial year ended 30 June 2015, approximately half of the division's revenue was of recurring nature, primarily in form of support revenue/fees, and approximately a third was attributable to sale of new licenses, upgrades of licenses and installation projects.

Customer use case for different customer groups



Customer base

CLX's customers in the Operator division range in size from major mobile operators with millions of subscribers down 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 businesses, together serving more than 175 million mobile subscribers. Examples of the Operators division's customers are major MNOs, such as TeliaSonera, Vodafone, Telefónica, America Móvil, Millicom, Tele2 and "3".

CLX has, via Symsoft, supplied software- and service solutions since 1989. CLX's traditional focus has been on serving established mobile operators that have a good understanding of telecommunications. However, legacy network solutions have driven a demand for more easily managed replacement solutions and the mobile operators has primarily purchased specific software components/solutions under a license agreement to replace existing systems.

In addition, to target new market entrants and MVNOs that rent capacity to the radio network of an ordinary mobile operator (MNOs), CLX is currently complementing its product and service portfolio to better correspond with such customers' need of a broad and integrated solution which provides service delivery and all key business support capabilities needed to operate, i.e., complete solutions for operating as a MVNO. To this customer base, which includes Virgin Mobile, CLX offers a full solution for operations, maintenance and support needed to handling communications services.

As the market for mobile connectivity for IoT will grow, CLX also believes that its software platforms increasingly will be sold to enterprises, enabling enterprises to control global connectivity to its base of connected Things. Such customers need a partner that handles the complexity of mobile/telecommunications which is critical to build additional end-customer services and values.
CLX's customer contracts in the Operator division have varied terms, but are often two year contracts with automatic renewal. For the twelve months ended 30 June 2015, the top ten customers within the Operator division represented approximately 10 percent of the Company's revenue.

Sales

CLX has an experienced global sales team with extensive industry, telecommunications and Internet competence serving its mobile operator customers. This team focuses on combining and customizing CLX's solutions to mobile operators' needs, securing new business from new and existing clients. Most clients are reached directly through CLX's sales teams but increasingly also through channel partners.

Mobile operators typically require a Request for Proposal (RFP) process, which requires CLX to submit a proposal setting out its portfolio of services and solutions, platform capabilities, SLAs, the Company's financial strength, price and total cost of ownership, and service. In such cases, the duration of the sales process can take between 6 to 24 months.

CLX is now also providing its solution as PaaS, and thereby enabling a quicker sales process as well as a more efficient way to implement a complete solution for customers.

Suppliers

CLX out-licenses its internally developed communications platform. However, when the platform is installed into mobile operators' systems, additional hardware as well as third-party software licenses are needed.

Marketing

CLX's marketing is conducted on a global basis with the primary goal of all marketing activities being to facilitate acquisition of new customers and strengthen its relationship with existing customers. CLX's marketing aims to strengthen awareness and clearly articulate the Company's capabilities and the values CLX can provide its customers and partners. The primary marketing channels used by the Company include participation in exhibitions and digital marketing. Exhibitions include large industry events such as the annual Mobile World Congress in Barcelona, as well as attending and sponsoring some of CLX's larger customers' conferences. Digital marketing channels are to a large extent centered around the Company's website and includes product and service information, customer references, whitepapers, blog posts and press releases.

Product development

CLX has its own dedicated organization for product and service development, with experienced software developers. Most of the development takes place in the development department in Kista but there are also development centers in Sweden and Canada. As of 30 June 2015, the team consisted of 44 employees, 30 of which work in the Operator division and 14 of which work in the Enterprise division.

The majority of the development work within CLX is related to the Operator division and the maintenance and development of CLX's internally developed communications platform. The Operator development team is focused on adding new services and enhancing the scalability, security, and ease-of-use of CLX's communications platform for mobile operators. One of the areas that CLX currently is focusing its research and development efforts on is the integration of its communications platform with e-SIM solutions in order to enable comprehensive mobile connectivity services for IoT.

The Enterprise development team is focused on developing CLX's business and support system and the APIs for its communication services.

Some of CLX's product and service development, especially within the Operator division, is also customer driven and related to specific customer projects.

Operations, support and IT

The Company's operations and support in its Operator division work to support the customers' organizations with support services, but also to provide a fully hosted solution to them through PaaS to ensure service availability for its mobile operator customers and MVNOs. The support in CLX's Enterprise division work to ensure service availability for its enterprise clients as well as ensuring that traffic is accurately managed to and from its mobile operator suppliers spread around the world.

To enable highest quality, the Company hosts its servers and infrastructure in different sites with different Internet Service Providers, ISPs, to ensure redundancy. CLX's technical architecture is designed to ensure no single part of failure and includes full technical redundancy through four nodes served by two different ISPs at each site. Geographical redundancy is ensured through two backup sites. The system is fully operational with only one active node, securing no downtime should a server, site or even ISP suffer outage.

As for the Company's internal IT such as servers, workstations, standard applications, the Company owns its infrastructure and license the standard applications from third parties such as Microsoft.

Organizational structure and employees

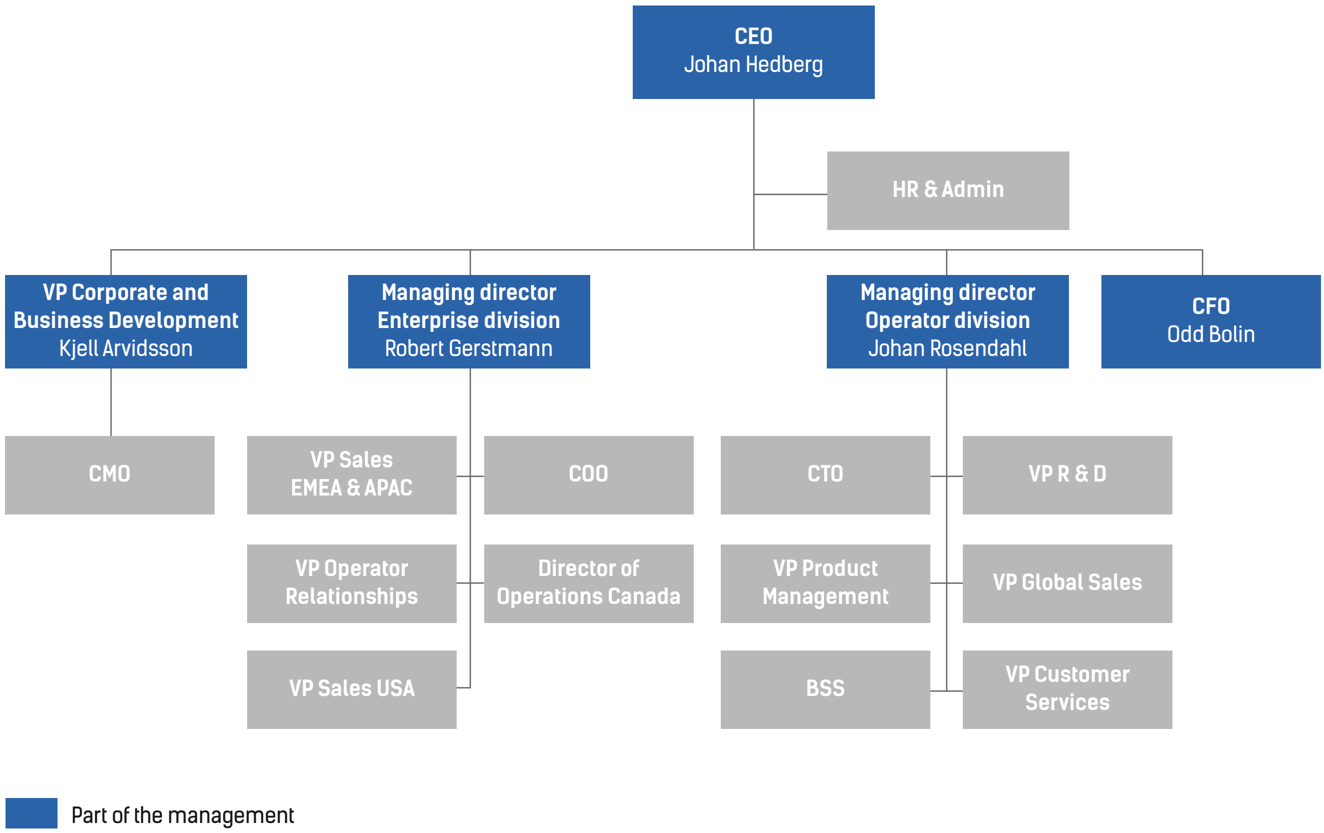
Organizational structure

CLX is headquartered in Stockholm, Sweden, and operates on a global basis through 13 local sales offices and 50 sales representatives in 16 countries worldwide.

CLX operates through two business divisions; the Enterprise division and the Operator division, which are supported by centralized group functions consisting of the finance department, the human resources department, and the corporate development department, including the marketing department.

The senior executives consist of the CEO, CFO, VP Corporate and Business Development, Managing Director Enterprise division and Managing Director Operator division.

The chart below illustrates CLX's organizational structure.



Employees

CLX had on average for the twelve months period ended 30 June 2015 138 full time employees, 108 of which were located in Sweden and 30 abroad.

As of 30 June 2015, CLX also had 28 consultants working for the Company, mainly within sales; 10 in Sweden, 10 in America, 6 in Europe, 1 in Australia and 1 in the Middle East.

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

Average number of employees for the financial years ended

	30 June 2015 (12 months)	30 June 2014 (12 months)	30 June 2013 (17 months)
Sweden	108	110	95
Canada	8	1	0
United Arab Emirates	10	11	8
United Kingdom	7	0	0
United States	5	4	4
Total	**138**	**126**	**107**


PROTECTION
INFORMATION
DATA
ORD

Selected consolidated historical financial information

The tables below present selected historical financial information derived from CLX's historical financial statements as of and for the financial years ended 30 June 2015, 2014 and 2013 which have been audited by the Company's auditors and prepared in accordance with IFRS.

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 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 ended 30 June 2013 are not directly comparable to the audited consolidated historical financial statements for the financial years ended 30 June 2015 and 2014, and a period to period comparison of the Company's results of operations for the year ended 30 June 2014 to 30 June 2013 is not meaningful. The selected consolidated historical financial information for the twelve months ended 30 June 2013 is included as supplementary information to the audited consolidated historical financial statements for the seventeen months ended 30 June 2013. See note 5 in section "*Historical financial information for the financial years 2012/2013, 2013/2014 and 2014/2015*" included elsewhere in this Offering Circular.

The information below should be read in conjunction with the sections "*Operating and financial review*", "*Capitalization, indebtedness and other financial information*" and "*Historical financial information for the financial years 2012/2013, 2013/2014 and 2014/2015*" elsewhere in the Offering Circular.

Consolidated income statement

SEK thousand	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
Revenue	**844,394**	**605,531**	**478,510**
Other operating income	29,624	13,789	19,230
Work performed by the entity and capitalized	3,304	3,824	5,804
Cost of goods sold and services	–592,519	–372,637	–252,635
Other external costs	–58,307	–40,441	–44,951
Personnel costs	–124,737	–102,278	–121,138
Depreciation/amortization of property, plant and equipment and intangible assets	–4,446	–2,048	–1,181
Other operating expenses	–8,624	–29,509	–20,911
Operating profit	**88,689**	**76,231**	**62,728**
Profit from financial items			
Financial income	890	640	612
Financial expenses	–19,809	–32,801	–38,384
Profit before tax	**69,770**	**44,070**	**24,956**
Income tax expense	–16,835	–10,769	–7,722
Profit for the year	**52,935**	**33,301**	**17,234**

Consolidated balance sheet

SEK thousand	30 June, 2015 Audited	30 June, 2014 Audited	30 June, 2013 Audited
ASSETS			
Non-current assets			
Goodwill	56,799	45,438	44,487
Capitalized development expenditure	9,101	9,042	5,603
Property, plant and equipment	4,698	1,702	1,391
Financial assets	2,600	0	0
Deferred income tax assets	228	4,435	832
Total non-current assets	**73,426**	**60,617**	**52,313**
Current assets			
Inventories	215	43	2,903
Accounts receivables	135,317	74,757	50,701
Current tax receivables	6,191	251	1,763
Derivatives	1,210	0	194
Other receivables	7,195	5,896	2,828
Receivables on ultimate parent company	0	38,000	58,248
Prepaid expenses and accrued income	39,645	73,264	50,698
Cash and cash equivalents	70,974	55,876	60,968
Total current assets	**260,747**	**248,087**	**228,303**
TOTAL ASSETS	**334,173**	**308,704**	**280,616**
EQUITY AND LIABILITIES			
Equity attributable to owners of the company	36,577	–128,346	–161,699
Non-controlling interests	4,879	0	0
Total equity	**41,456**	**–128,346**[1)]	**–161,699**[1)]
Non-current liabilities			
Liabilities to credit institutions	79,851	0	0
Liabilities to ultimate parent company	971	301,510	339,186
Other non-current liabilities	5,269	0	0
Dervivatives	0	737	183
Deferred income tax liabilities	8,162	6,548	6,015
	94,253	**308,795**	**345,384**
Current liabilities			
Advances from customers	9,624	3,633	4,934
Account payables	90,455	46,692	27,226
Current tax liabilities	2,707	8,702	9,776
Derivatives	415	4,250	1,315
Other current liabilities	3,862	3,637	5,078
Accrued expenses and prepaid income	91,401	61,341	48,602
	198,464	**128,255**	**96,931**
TOTAL EQUITY AND LIABILITIES	**334,173**	**308,704**	**280,616**

1) In connection with the conversion of the Group's financial statements to IFRS, the Company's acquisitions of Symsoft and CLX Networks from its ultimate parent company have been accounted as business combination of entities under common control. The difference between the consideration paid for these entities and carrying values recognized by ultimate parent company was reflected in the Group's equity in the amount of SEK 241,904 thousand.

Consolidated cash flow statement in summary

SEK thousand	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-flows from operating activities	94,939	–5,134	46,599
Cash-flows from investing activities	–9,811	13,463	14,422
Cash-flows from financing activities	–70,181	–13,475	0
Cash-flows for the year	**14,947**	**–5,146**	**61,021**
Cash and cash equivalents at the beginning of the year	55,876	60,968	50
Effects of exchange rate changes on the balance of cash held in foreign currencies	151	54	–103
Cash and cash equivalents at the end of the year	**70,974**	**55,876**	**60,968**

Segment information

Segment revenues and results SEK thousand	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	1 July 2012 – 30 June 2013 (12 months) Audited
Total revenue				
Enterprise division[1]	729,513	486,693	339,533	296,767
Operator division[1]	166,553	155,108	182,038	150,864
Intra-group	150	0	0	0
Eliminations	–22,197	–22,481	–23,831	–16,544
Total	**874,018**	**619,320**	**497,740**	**431,087**
EBITDA				
Enterprise divison	54,374	54,977	44,194	42,755
Operator division	45,040	23,317	19,720	17,705
Intra-group	–6,279	–15	–5	–5
Eliminations	0	0	0	0
Total	**93,135**	**78,279**	**63,909**	**60,456**

1) Includes revenue and other operating income.

Key information and data[1]

SEK million	1 July 2014 – 30 June 2015 (12 months)	1 July 2013 – 30 June 2014 (12 months)	1 Feb. 2012 – 30 June 2013 (17 months)
Revenue[2]	844	606	479
Gross profit[2]	252	233	226
Gross margin (%)[2]	30	38	47
EBITDA[3]	93	78	64
EBITDA margin (%)[3]	11	13	13
EBIT[3]	89	76	63
EBIT margin (%)[3]	11	13	13
Profit after tax[2]	53	33	17
Net margin (%)[2]	6	5	4
Cash-flow from operating activities[2]	95	–5	47
Free cash flow[3]	85	8	61
Total assets[2]	334	309	281
Total equity[2]	41	–128	–162
Net debt[3]	10	246	278
Equity ratio (%)[2]	12	–42	–58
Working capital[2]	62	120	131
Operating expenses[2]	–192	–172	–187
Return on working capital (%)[3]	97	61	48
Capital employed[3]	122	173	177
Return on capital employed (%)[3]	61	44	36
Weighted average number of outstanding shares (thousand)[3]	1,001	1,000	1,000
Earnings per share after dilution[4], (SEK)[2]	53.08	33.32	17.23
Equity per share, (SEK)[2]	33.83	–128.35	–161.70
Average number of employees[3]	138	126	107

1) For selected financial definitions, see heading "*Financial definitions*".
2) Audited.
3) Unaudited.
4) With regard to the 30:1 share split that was conducted in August 2015 the earnings per share prior to dilution and after split were SEK 1.77, based on 30,000,000 common shares, in the financial year ended 30 June 2015, SEK 1.11, based on 30,000,000 common shares, in the financial year ended 30 June 2014 and SEK 0.57, based on 30,000,000 common shares, in the financial year ended 30 June 2013.

Financial definitions

Earnings per share before/after dilution	Profit for the period, attributable to the equity holders of the parent company, divided by the weighted-average number of outstanding shares during the period, before/after dilution.
Equity per share	Equity attributable to the equity holders of the parent Company at the end of the period, divided by the number of outstanding shares at the end of the period.
Equity ratio	Total Equity as a percentage of total assets.
Gross margin	Gross profit relative to revenues.
Gross profit	Revenues less cost of goods sold and services.
Net margin	Profit after tax as a percentage of revenues.
Operating expenses	Sum of other external costs, personnel costs and other operating expenses.
Working capital	Current assets less current liabilities.

Non-IFRS Financial measures

In this Offering Circular, the Company also presents certain non-IFRS financial measures and ratios:

Capital employed	Total equity and non-current liabilities to credit institutions and liabilities to ultimate parent company.
EBIT	Profit for the year before financial income, financial expenses and income tax expenses.
EBIT margin	EBIT as a percentage of revenue.
EBITDA	Profit for the year before financial income, financial expenses, income tax expenses and depreciation/amortization of property, plant and equipment and intangible assets.
EBITDA margin	EBITDA as a percentage of revenue.
Free cash-flow	Cash-flow from operating activities and investing activities.
Net debt	Non-current liabilities to credit institutions and liabilities to ultimate parent company less cash and cash equivalents.
Return on capital employed	Operating profit (EBIT) and financial income as a percentage of average capital employed.
Return on working capital	Operating profit (EBIT) as a percentage of average working capital.

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

SEK thousand	1 July 2014 – 30 June 2015 (12 months)	1 July 2013 – 30 June 2014 (12 months)	1 Feb. 2012 – 30 June 2013 (17 months)
Profit for the year	52,935	33,301	17,234
Adjustments			
Income tax expense	16,835	10,769	7,722
Financial income	–890	–640	–612
Financial expenses	19,809	32,801	38,384
Depreciation/amortization of property, plant and equipment and intangible assets	4,446	2,048	1,181
EBITDA	**93,135**	**78,279**	**63,909**

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

SEK thousand	1 July 2014 – 30 June 2015 (12 months)	1 July 2013 – 30 June 2014 (12 months)	1 Feb. 2012 – 30 June 2013 (17 months)
Profit for the year	52,935	33,301	17,234
Adjustments			
Income tax expense	16,835	10,769	7,722
Financial income	–890	–640	–612
Financial expenses	19,809	32,801	38,384
EBIT	**88,689**	**76,231**	**62,728**

The following table provides a reconciliation of Net debt as of balance sheet dates indicated:

SEK thousand	30 June 2015	30 June 2014	30 June 2013
Non-current liabilities to credit institutions	79,851	–	–
Non-current liabilities to ultimate parent company	971	301,510	339,186
Less: Cash and cash equivalents	–70,974	–55,876	–60,968
Net debt	**9,848**	**245,634**	**278,218**

The following table provides a reconciliation of Free cash flow for the periods indicated:

SEK thousand	1 July 2014 – 30 June 2015 (12 months)	1 July 2013 – 30 June 2014 (12 months)	1 Feb. 2012 – 30 June 2013 (17 months)
Cash-flows from operating activities	94,939	–5,134	46,599
Cash-flows from investing activities	–9,811	13,463	14,422
Free cash flow	**85,128**	**8,329**	**61,021**

The following table provides a reconciliation of Capital employed as of balance sheet dates indicated:

SEK thousand	30 June 2015	30 June 2014	30 June 2013
Total equity	41,456	–128,346	–161,699
Non-current liabilities to credit institutions	79,851	–	–
Non-current liabilities to ultimate parent company	971	301,510	339,186
Capital employed	**122,278**	**173,164**	**177,487**

The non-IFRS financial measures presented herein are not recognized measurements of financial performance or liquidity under IFRS, but are used by management to monitor and analyze the underlying performance of the Company's business and operations. In particular, non-IFRS financial measures should not be viewed as substitutes for profit/(loss) for the period, profit before taxes, operating income, cash and cash equivalents at period end 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 Company's cash requirements and may not be indicative of the Company's historical operating results, nor are such measures meant to be predictive of the Company's future results.

Management has presented these non-IFRS measures in this Offering Circular because 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 companies calculate the non-IFRS financial measures presented herein differently, the non-IFRS financial measures presented herein may not be comparable to similarly defined terms or measures used by other companies.

Operating and financial review

The information presented below should be read in conjunction with section "*Selected consolidated historical financial information*" and the Company's audited historical financial statements as of and for the financial years ended 30 June 2015, 2014 and 2013, including the related notes, which may be found elsewhere in this Offering Circular. The Company's consolidated financial statements as of and for the financial years ended 30 June 2015, 2014 and 2013 have been audited by the Company's auditor and prepared in accordance with IFRS.

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 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 ended 30 June 2013 are not directly comparable to the audited consolidated historical financial statements for the financial years ended 30 June 2015 and 2014, and a period to period comparison of the Company's results of operations for the year ended 30 June 2014 to 30 June 2013 is not meaningful. The selected consolidated historical financial information for the twelve months ended 30 June 2013 is included as supplementary information to the audited consolidated historical financial information for the seventeen months ended 30 June 2013. See note 5 in section "*Historical financial information for the financial years 2012/2013, 2013/2014 and 2014/2015*" included elsewhere in this Offering Circular.

The information below includes forward-looking statements that are subject to numerous risks and uncertainties, including those set forth in section "*Risk factors*." The Company's actual results of operations, financial condition or cash flows may differ materially from those expressed or implied in such forward-looking statements. See heading "*Forward-looking statements*" in section "*Important information to investors*" for information on risks associated with reliance on forward looking statements.

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. See heading "*Segment reporting and divisions*" .

Via its communications platform, CLX offers its enterprise customers direct and efficient reach to around 7 billion mobile subscribers and connected Things worldwide. The communications platform is accessed by enterprises through easy-to-use, flexible and secure Internet-based interfaces, also known as Application Programming Interfaces (APIs). The Company has a significant number of direct relationships with mobile operators, and provides its enterprise customers with direct access to a global network of mobile networks. 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. CLX's services and solutions primarily target enterprises with large or expanding communications, and the Company has a diverse global customer base consisting of over 550 enterprises within the Enterprise division. CLX's enterprise customers, many of which are global blue-chip enterprises, are active across a broad range of industry sectors.

Through its communications platform, CLX also 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 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. Over 70 customers (of which approximately 60 are mobile operators) have installed CLX's software-based communications platform in their businesses, including Vodafone, Telefónica, TeliaSonera, SmarTone and "3". CLX increasingly also offers its communications platform as a service (PaaS), whereby CLX runs the platform and software for the customer.

The Group has generated increased revenue in each year since its inception and achieved revenues of SEK 844 million in the financial year ended 30 June 2015. The Company has grown profitably since its foundation. While organic growth has been the main driver of the Company's revenue, CLX made strategic three acquisitions in 2009, 2014 and 2015, which positively impacted performance and growth. The acquisitions have been successfully integrated into the Company's operations. CLX is headquartered in Kista, Sweden, and operates through 13 local sales offices and 50 sales representatives in 16 countries worldwide. See section "*Business overview*."

Segment reporting and divisions

The Company operates through two divisions, Enterprise and Operator, and provides segmented financial information for each of these divisions. The Company generally monitors the operations of each segment based on revenue and EBITDA. For an analysis of revenue on a segment basis, see heading "*Selected consolidated income statement for the twelve months ended 30 June 2015 compared to the twelve months ended 30 June 2014—Revenue*" and heading "*Selected consolidated income statement for the twelve months ended 30 June 2014 compared to the twelve months ended 30 June 2013—Revenue*".

- **Enterprise division –** The Enterprise division offers enterprises cloud communication services and solutions, including A2P messaging, voice applications and, shortly, mobile connectivity services for IoT[1)], which enable enterprises to communicate with customers, employees and connected Things around the world. The Enterprise division primarily offers these services and solutions on a pay-as-you-go basis through customer agreements that generate revenue based on fees charged for each transaction processed through the Company's communications platform. The Enterprise division represented 83 percent of the Company's revenue for the twelve months ended 30 June 2015[2)]. For the same period, the Enterprise division represented 58 percent of the Company's EBITDA[3)].
- **Operator division –** The Operator division offers mobile operators and other service providers software and service solutions with functionality for handling of, and charging for, messaging, voice and data traffic via its internally developed carrier-grade communications platform, or through software components thereof. The Operator division offers its software and services through customer contracts that provide for fixed fees for the delivery of licenses and installation and integration of the solution, and recurring service fees relating to the provision of its software and support services. Customer solutions provided through the Platform-as-a-service (PaaS) offering generate establishment fees and monthly service charges for ongoing provision of the service. In addition, the Operator division also generates revenue through revenue sharing arrangements with mobile operators. The Operator division represented 17 percent of the Company's revenue for the twelve months ended 30 June 2015[2)]. For the same period, the Operator division represented 48 percent of the Company's EBITDA[3)].

1) The Company expects that commercial launch of its mobile connectivity services for IoT will occur in 2016.
2) Each division's percentage of CLX's revenue is calculated by dividing each division's external revenue for the period by CLX's revenue for the period. For the twelve months ended 30 June the Enterprise division and the Operator division generated internal revenue of SEK 7,794 thousand and SEK 14,253 thousand, respectively from the intercompany sale of software and services and shared services of CLX's divisions. This internal revenue was eliminated from revenue reported for the period and is not reflected in CLX's revenue for the twelve months ended 30 June 2015. See note 5 to the audited consolidated historical financial information included elsewhere in this Offering Circular.
3) EBITDA includes negative SEK 6,279 thousand of intra-group items for the twelve months ended 30 June 2015.

Factors affecting CLX's results of operations

The Company's results of operations have been, and may continue to be, affected by certain key factors including, in particular, demand for the Company's services and solutions and general market and customer growth, the Company's revenue model and pricing, the Company's margins and gross profit development, the Company's direct relationships with mobile operators, operational efficiency, operating expenses such as personnel costs and investments in research and development, geographic expansion and acquisitions, regulation of markets, seasonality, foreign currency exposure and taxation. Each of these factors is discussed in more detail below.

Demand for the Company's services and solutions and general market and customer growth

The Company's results of operations are affected by changes in demand for the Company's services and solutions, which are primarily driven by the growth of the enterprise cloud communications market and the mobile operator software and services market, and the Company's ability to retain existing customers and expand the use of services and solutions by new and existing customers.

Growth of the enterprise cloud communications market and the mobile operator software and services market

Enterprise cloud communications market

The enterprise cloud communications market has grown significantly in recent years. See heading "*The enterprise cloud communications market*" in section "*Industry overview*". As a provider of cloud-based communications services and solutions to enterprises, the Company's results of operations are directly linked to the overall growth of the enterprise cloud communications market, in particular, the A2P messaging market segment. According to IDC, the total A2P messaging market segment and the voice applications market segment, which is currently comparatively small and immature, are expected to grow at a CAGR of 8 percent and 150 percent, respectively, between 2014 and 2018. While the mobile data market segment has only recently become a viable market opportunity, CLX believes that there is potential for market growth, particularly with respect to mobile connectivity services for IoT. See section "*Risk factors—The markets in which CLX operates may develop more slowly than CLX expects or may decline*". Within the enterprise cloud communications market, the Company believes that its results of operations are primarily affected by the following underlying market drivers, see heading "*The enterprise cloud communications market—Market drivers and trends*" in section "*Industry overview*":

- **Growing number of smartphones and mobile data traffic –** These trends have had a positive impact on demand for the services and solutions offered by CLX and, as the Company generates a significant percentage of its revenue on a pay-as-you-go basis (per SMS or per voice minute), the Company has benefitted from the overall increase in mobile traffic volume and ability to communicate via mobile communication devices and smartphones. See heading "*The Company's revenue model and pricing*".
- **Business critical services being transitioned to the cloud –** This driver has resulted in increased demand for the Company's services and solutions, increased investment in cloud-based solutions by enterprises and general acceptance of cloud-based solutions by new and established enterprises, which together have increased the size of the Company's potential customer base.

- **Development of existing and new use cases within enterprises –** This driver has expanded the Company's potential customer base and contributed to the increase in traffic volume and revenue. Successful new use cases are typically adopted by enterprises across a respective industry, therefore multiplying the potential growth and benefits to the market and the Company. In addition, the development of new use cases in industries that previously did not utilize enterprise cloud communications has expanded the market and had a positive impact on the Company's revenue. While the Company successfully offers its existing services and solutions to enterprises and industries that have existing or developed new use cases, the Company also works with its enterprise customers to address and provide solutions for new use cases. For example, the Company has invested time and financial resources in working with its banking and technology enterprise customers to adopt its messaging services for two-factor authentication. The Company also strives to expand the number of industries in which it offers its services and solutions, and has expanded its presence in the banking, technology and transportation industries during the financial years under review, which has had a positive impact on the Company's growth and results of operations.

Going forward, the Company's management believes that the expected expansion of the IoT market, and the development of related new use cases, is likely to drive growth of the enterprise cloud communications market. See heading "*The enterprise cloud communications market—Market drivers and trends*" in section "*Industry overview*". To address this potential market opportunity, the Company expects to launch mobile connectivity services for the expanding IoT market in 2016. While this has only recently become a viable market opportunity and the development of the market is uncertain, the Company's management believes that there is potential for market growth, particularly with respect to mobile connectivity the IoT, and that the Company's mobile connectivity services will contribute to revenue growth over future reporting periods. See section "*Risk factors—The markets in which CLX operates may develop more slowly than CLX expects or may decline*".

Mobile operator software and services market

CLX's Operator division provides software and services to a significant number of mobile operators and strives to leverage and benefit from the close relationships with mobile operators that result from the Company's activities in the enterprise cloud communications market. In order to be able to offer complete solutions in the cloud and as stand-alone solutions for mobile operators, MVNOs and new service providers, the Company acquired a majority stake in Caleo Technologies in 2015, which enhanced its ability to offer its customers specialized billing, customer care and invoicing solutions. The Company believes that its results of operations are impacted by the overall development of the mobile operator software and services market and of the key market trends and drivers, see heading "*Introduction to the mobile operator software and services market—Key market trends and drivers*" in section "*Industry overview*", in particular:

- **Consolidation of software service providers to increase efficiency –** Demand for the Company's software and services has increased as mobile operators have focused on operational efficiency and software service providers that offer a complete, broad and cost-efficient offering.
- **Growth of MVNOs and new market entrants –** This driver has increased the Company's potential customer base, demand for the Company's software and solutions and its revenue. For example, the Company's revenue generated through new licensing fees has increased as a result of these new market participants.
- **Increasing focus on security and fraud prevention –** The Company has experienced an increase in the demand for its software and services as mobile operators have increasingly turned to software and service providers in their efforts to better control and monetize their network traffic, prevent fraud and enhance security. See heading "*Business divisions—Operator division*" in section "*Business overview*". For example, the Company has worked with mobile operators to control the use of unofficial "grey" routes (which do not generate revenue for the mobile operators and can result in customer complaints) and has in some cases entered into revenue sharing arrangements with certain mobile operators. See heading "*The Company's revenue model and pricing—Operator division*".
- **Demand for ancillary services and complete service solutions –** The Company has experienced an increase in demand for a wider range of services to supplement the core communications platform, which has driven demand for the Company's software and services. In addition, the Company has experienced an increase in demand for serviced offerings, which the Company seeks to provide through its latest PaaS offering. In June 2015, the Company entered into its first long-term contract for its PaaS with a European MVNO.

Ability to retain existing customers and expand the use of services and solutions by new and existing customers

Enterprise division

As the majority of the Company's revenue is generated by enterprise customers on a pay-as-you-go basis, see heading "*The Company's revenue model and pricing*", the extent to which customers use the Company's services and solutions and its ability to retain existing customers have a significant impact on the Company's revenue and results of operations.

With respect to its existing enterprise customers, the Company strives to maintain a close working relationship with these customers and actively seeks to upsell to these customers in order to increase the usage of its services and solutions and drive revenue. Generally, it is more cost-efficient to upsell to existing customers than to secure new customers, as the Company can leverage existing relationships and is not required to invest in new customer sales and marketing, education, onboarding and integration. The Company's management believes that close working relationships can increase its market share of existing customer traffic and thus overall traffic volumes, and lower customer churn, and that its upselling efforts can increase customer integration and engagement with the Company. For example, the Group generates the majority of its revenue through long term relationships with existing customers and, for the twelve months ended 30 June 2015, revenue from customers signed in 2014 and 2015 generated approximately only six percent of the Group's revenue, and customers signed from 2008 to 2013 generated approximately 94 percent of the Group's revenue (2015: 2 percent; 2014: 4 percent; 2013: 18 percent; 2012: 32 percent; 2011: 16 percent; 2010: 9 percent, 2009: 11 percent; and 2008: 8 percent).[1)]

The Company makes significant investments to secure new enterprise customers and has increased its sales and marketing personnel and number of local sales offices and sales representatives. For example, the Company has expanded its number of local sales offices to 13 as of 30 June 2015. See heading "*Geographic expansion and acquisitions*". The sales and marketing process for large enterprise customers can be lengthy and require significant resources,

1) Please note that information regarding revenue by customer vintage is based on information derived from the Company's internal management systems and accounting records, which are not covered by the audit reports submitted by the Company's auditor or otherwise reviewed by the Company's auditors.

which can have a significant impact on the Company's operating expenses and costs in the related reporting period.

While the Enterprise division benefits from the generation of revenue from its diverse group of more than 550 enterprise customers, a limited number of enterprise customers account for a significant percentage of the division's revenue. For the twelve months ended 30 June 2015, the top ten enterprise customers accounted for approximately 46 percent of the Company's revenue, with the largest customer accounting for approximately 9.6 percent of the Company's revenue.

Operator division

Revenue generated by the Operator division is dependent upon the number of mobile operators and other customers that use the Company's software and services and the type and number of services, including new services that these customers utilize.

With respect to its existing customers, the Company works closely with mobile operators and actively seeks to upsell to existing customers. In recent years the Company has experienced a continued increase in the number of software modules and services used by existing customers, which has increased the Company's revenue through new licensing, support and service fees.

In addition, the Company's revenue has increased as a result of its marketing efforts directed at new market participants, such as MVNOs. The sales and marketing process for large mobile operator customers can be lengthy and require significant resources, which can impact the Company's operating expenses and costs in the related reporting period. Furthermore, the Company strives to address market and customer demands and has invested in developing its software and services to respond to such demands. For example, based on demand from market participants for a cloud-based fully serviced offering, the Company launched its PaaS offering in 2013.

The Operator division generates revenue from a diverse group of mobile operator customers without reliance on a limited number of customers. For the twelve months ended 30 June 2015, the top ten external customers of the Operator division accounted for approximately 10 percent of the Company's revenue, with the largest customer accounting for approximately 1.5 percent of the Company's revenue. During the financial years under review, the Company lost five smaller customers of the Operator division, primarily due to customers going out of business and consolidation within the mobile operator industry.

The Company's revenue model and pricing

The Company's revenue model and pricing varies across its Enterprise and Operator divisions. Generally, the pay-as-you-go pricing of the Enterprise division can provide exposure to the growing enterprise cloud communications market and can provide potential revenue growth and allow the Company to grow with its customers, but can carry downside risk to revenue during times of reduced or interrupted traffic volume. Conversely, the pricing of the Operator division facilitates the generation of revenue on a recurring basis. For the twelve months ended 30 June 2015, 83 percent and 17 percent of the Company's revenue was generated by its Enterprise and Operator divisions, respectively[1]. For the twelve months ended 30 June 2015, the Enterprise division and the Operator division generated EBITDA of SEK 54,374 thousand and SEK 45,040 thousand, respectively, corresponding to 58 percent and 48 percent of overall EBITDA[2].

Enterprise division

The Enterprise division primarily generates revenue by charging enterprise customers on a pay-as-you-go basis (per SMS or per voice minute, collectively referred to herein as "**per unit**"), and thus generates revenue based on fees charged for each transaction processed through its communications platform. The Company typically enters into enterprise customer agreements that provide for variable pricing for a contracted term of twelve months with automatic renewal for subsequent twelve-month periods, and works closely with each enterprise customers to determine their estimated traffic volume and target markets. Based on customer usage, the Company conducts a price analysis to calculate and tailor the appropriate price per unit to be charged to the respective customer in each of the markets in which traffic is to be terminated. This analysis centers on a variety of factors, including the four price drivers listed below and the cost of purchasing network capacity from mobile operators. The Company uses tools to closely monitor pricing and margin developments across its customer base. See heading "*Gross margin and gross profit development*". The four primary price drivers are:

- **Market price –** The Company actively adjusts its prices per unit to reflect market-based pricing and continuously reviews its pricing versus a benchmark of competitor prices in the markets in which the traffic is terminated. The Company's active price adjustment can help to mitigate the impact of increases in the cost of purchasing network capacity in certain markets, as the Company may be able to pass increased costs on to its enterprise customers through subsequent increases in its prices per unit in the respective market.
- **Quality –** The Company has a robust communications platform and is able to deliver timely and secure communications around the world. As the Company communicates business critical information to the customers of its enterprise customers, the Company's direct relationships with mobile operators and the quality and scalability of its platform and communications typically enable the Company to charge a premium for its services and solutions over its competitors, which can positively impact the Company's margins and results of operations.
- **Features and customization –** Enterprise customers are able to utilize various add-on features and customization options for their communications, including custom sender IDs and specific routing options, which generally increase the price per unit charged to enterprise customers.
- **Customer service and support –** The Company offers its enterprise customers various supporting services, including reporting, troubleshooting, local market information and local market support, which generally increase the price per unit charged to enterprise customers. Customer services also include online tools that provide customers with self-service tools, including communication tracking and statistics.

In light of the market trends that management believes are driving growth of the enterprise cloud communications market, management believes that the Company's revenue model and pricing positions the Company well to capture and further benefit from anticipated market growth, see section "*Risk factors—The markets in which CLX operates may develop more slowly than CLX expects or may decline*", and allows the Company to grow with its customers as they expand their usage of, and explore new uses for, enterprise

1) Each division's percentage of CLX's revenue is calculated by dividing each division's external revenue for the period by CLX's revenue for the period. For the twelve months ended 30 June 2015, the Enterprise division and the Operator division generated internal revenue of SEK 7,794 thousand and SEK 14,253 thousand, respectively, from the intercompany sale of software and services and shared services of these divisions. This internal revenue was eliminated from revenue reported for the period and is not reflected in CLX's revenue for the twelve months ended 30 June 2015. See note 5 to the audited consolidated historical financial information included elsewhere in this Offering Circular.

2) EBITDA includes negative SEK 6,279 thousand of intra-group items for the twelve months ended 30 June 2015.

communications. For example, CLX has a select number of customers with large volumes that use the Enterprise division's services as a managed service, which generally results in lower prices per unit charged by CLX and lower gross margins. The Company's customer agreements typically do not provide for minimum traffic volume requirements and have low minimum monthly fees, which can increase revenue volatility due to fluctuations in customer usage and traffic volumes. Accordingly, the revenue model can carry downside risk, particularly during periods of reduced traffic volume, interruptions to the telecommunications networks, the loss of a significant enterprise customer or in instances where an enterprise customer decreases their use of cloud communication services generally. As a result, the Company's results of operations and, in particular, revenue are subject to volatility and can fluctuate on a quarterly basis. See section "*Risk factors—The Company's growth and revenue is subject to volatility and seasonality*". During the financial years under review, traffic volume processed through the Company's communications platform has increased significantly, which has corresponded to an increase in revenue generated by the Company's Enterprise division of 154.7 percent, from SEK 276,405 thousand for the twelve months ended 30 June 2013 to SEK 704,040 for the twelve months ended 30 June 2015.

Operator division

The Operator division generates revenue by charging its customers fixed fees and fees for the delivery of licenses, and also generates license support and service fees over the course of its relationships with customers. The Company is actively shifting the revenue model and pricing of its Operator division to a service-oriented revenue model that facilitates the generation of revenue on a recurring basis. For example, during the financial years under review, the Operator division has focused its efforts on generating recurring revenue streams from new customers and expanding recurring revenue streams from existing customers, including through revenue sharing arrangements, managed service arrangements and the PaaS offering. In order to drive recurring revenue, the Company has generally incurred greater responsibility and management of the services offered to customers. During the financial years under review, recurring revenues have increased as a percentage of overall revenue, and management believes that this trend will continue due in part to the Company's shift to a service-oriented model and offering assortment. During the financial year ended 30 June 2015, approximately half of the divisions' revenue was of recurring nature, primarily in the form of support revenue/fees, and approximately one third was attributable to new licenses, upgrades of licenses and installation projects.

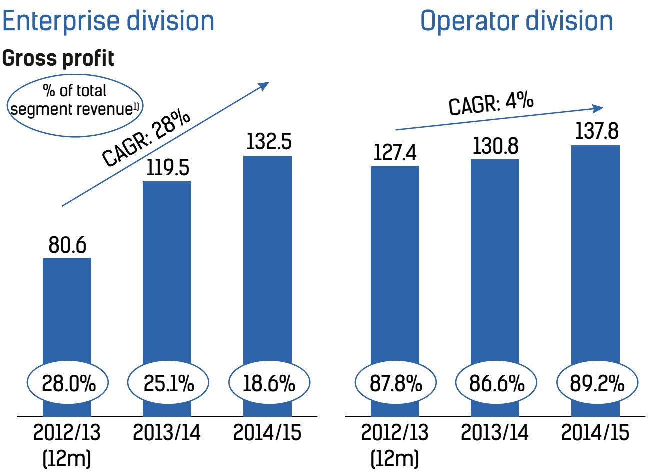
Licensing fees relate to the purchase of rights to use the Company's software and are typically charged to customers at the beginning or expansion of each relationship or when customers expand the use or capacity of the software. Customers can choose to expand their use of the licensed software for additional fees by entering into a new support agreement relating to the licensed hardware and software. Each customer that enters into a licensing agreement also enters into a support agreement whereby the Company charges support fees for the provision of support and services. The above fees vary depending upon the type SLA, generate revenue on a fixed basis. These fees are not correlated to variables such as the number of transactions processed using the software.

The Operator division also generates a portion of its revenue from revenue sharing arrangements with mobile operators, pursuant to which the Company receives a percentage of the lost "grey" route revenue that is captured by the Company's platform. In addition, the Company generates a minor part of its revenue from service fees relating to security options, training, technical support, troubleshooting and other services that are provided on demand.

The above fees are variable and are charged and invoiced to customers as they are earned. Going forward, the Company will further diversify its revenue streams through its PaaS offering, which primarily generates recurring monthly fees for the provision of services, including the management, maintenance and operation of the communications platform on behalf of its customers. For example, the Company has decided to invest in a new network operations center in Poland, which will help to benefit its PaaS offering. The Company's management expects that the PaaS offering will become a more significant revenue driver for the Company's Operator division.

Gross margin and gross profit development

The Company's gross margin, on both a consolidated and segmental basis, is impacted by various factors. As a general matter, gross margin is impacted by general market conditions in the markets in which the Company operates and the Company's revenue model and pricing, see heading "*The Company's revenue model and pricing*". In addition, the Company's total gross margin is significantly impacted by the extent to which the Enterprise division and the Operator division contribute to the Company's revenue mix. The Company's revenue mix fluctuates based on a number of factors, including the growth and performance of its two divisions and the market dynamics of the markets in which they operate. During the financial years under review, the Company's gross margin has decreased while its gross profit in absolute terms has increased, primarily as a result of the significant increase in volumes of, and revenue generated by, the Enterprise division and the corresponding increase in the degree to which this division contributes to the Company's revenue mix.



1) Calculated as a percentage of total segment revenue, which includes external and internal revenue generated by the Enterprise division or the Operator division, as appropriate. For the twelve months ended 30 June 2015, 2014 and 2013, the Enterprise division generated internal revenue of SEK 7,794 thousand, SEK 11,890 thousand and SEK 11,069 thousand respectively and the Operator division generated internal revenue of SEK 14,253 thousand, SEK 10,591 thousand and SEK 5,475 thousand, respectively, from the intercompany sale of software and services and shared services of these divisions. See note 5 to the audited consolidated historical financial information included elsewhere in this Offering Circular.

Generally, during the financial years under review, the Company's gross profit has grown in line with the Company's expansion and growth, and as the Company has efficiently increased its revenue during the respective periods. The Company's gross margin has decreased due to strong growth of the Company's lower margin Enterprise division. As the enterprise cloud communications market has experienced significant growth in recent years, the performance and execution of the Enterprise division within this market has resulted in an increase in revenue and profit generated by this division. As is described below, the Enterprise division's cost of goods sold and services can significantly impact the Company's gross margin. During the financial years under review, gross margin has been adversely impacted due to increases in the Enterprise division's cost of goods sold and services resulting from the Company's expansion into certain geographic markets with established and competitive pricing models, as well as markets in which the Company does not have direct relationships with mobile operators. In such markets, the Company has focused on driving profit and growing market share, which has positively impacted gross profit and revenue generated by the Enterprise division from traffic volumes in these markets. However, it has negatively impacted gross margin, during the financial years under review.

For the twelve months ended 30 June 2015, 2014 and 2013, 83 percent, 77 percent and 66 percent of the Company's revenue was generated by its Enterprise division and 17 percent, 23 percent and 34 percent of its revenue was generate by its Operator division, respectively[1].

Enterprise division

The Enterprise division's margins are primarily impacted by the Company's cost of purchasing network capacity (SMS and voice minutes) from mobile operators, as well as market and competitor pricing pressures, see heading "*The Company's revenue model and pricing*". The purchase of network capacity is the Company's largest cost item and a core component of the Company's pricing analysis. This cost is reflected in the Company's results as cost of goods sold and services. Overall, the Company's cost of goods sold and services represented 70 percent, 62 percent and 54 percent of the Company's revenue for the years ended 30 June 2015, 2014 and 2013, respectively. As the Company charges its customers based on a price analysis and market-based pricing, see heading "*The Company's revenue model and pricing—Enterprise division*", changes in the Company's cost of goods sold and services can significantly impact the Company's profit and margin on a per transaction basis, particularly if the Company is unable or chooses not to pass on the impact of any such changes through subsequent adjustments to its prices per unit. The cost of goods sold and services is primarily impacted by five key factors:

- **Volume –** The volume of network capacity purchased from mobile operators impacts the Company's cost of goods sold and services in two ways. First, as the demand for, and use of, the Company's services and solutions has increased, the Company has purchased more network capacity, which has increased the Company's cost of goods sold and services during the financial years under review. Second, high volumes of communications and the Company's scale and ability to predict and gain visibility on volume requirements can help the Company negotiate preferential rates with mobile operators, which can help to reduce the Company's cost of goods sold and services on a per transaction basis. Securing preferential rates and other volume discounts can reduce costs and thus have a positive impact on gross profit and gross margin.
- **Direct and indirect relationships with mobile operators –** Direct and indirect relationships impact the Company's costs, see heading "*Direct relationships with mobile operators*", and thus have an impact on gross margin. For example, cost of goods sold and services is generally higher for transactions terminated via mobile operators with whom the Company has an indirect relationship, which can have an adverse impact on the Company's gross profit and gross margin.
- **International or domestic traffic –** The mix of international and domestic traffic has an effect on the Company's unit price and gross margin. Traffic that is terminated domestically, i.e. in the same country in which it is generated, typically has a lower a gross margin, primarily due to the higher competition for domestic traffic resulting in lower prices. The growth in domestic traffic is typically add-on traffic resulting from CLX establishing a local presence on a market and creating direct connections with local operators. For the year 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.
- **Geographic markets –** The cost of goods sold and services is significantly impacted by market dynamics in the markets in which the Company terminates traffic. Certain markets, including Europe, have high costs relating to the purchase of network capacity, while other markets, such as the United States, have lower costs. The Company considers these geographic differences while pricing its offerings in various markets.
- **Routing –** Routing impacts the Company's cost of goods sold and services and can serve to mitigate the adverse effects of the abovementioned factors, potentially reducing costs and positively impacting the Company's gross margin. Developed routing technology and efficient routing capability can help to ensure that communications are delivered via the most cost-efficient and preferential route, and the Company has invested significantly in its routing knowledge and systems to lower costs and increase margins. As of 30 June 2015, the vast majority of CLX's traffic was routed through direct connections.

The Company actively works to decrease its cost of goods sold and services by leveraging its scale and the volume of transactions that it processes, increasing its number of direct relationships with mobile operators and creating efficient routing capabilities and technologies. Together these factors can help to reduce the Company's cost of goods sold and services, and positively impact its gross margins.

Operator division

The Operator division's margins are primarily impacted by the software and services mix that the Company offers to its customers and by the efficiency of the Operator division's business activities. The offerings of the Operator division generate different margins, thus the division's margins are primarily impacted by the software, support and services mix utilized by its customers. As the Operator division shifts to a revenue model that facilitates the generation of revenue on a recurring basis, the Company's management expects that its margins will increase because the Company's recurring revenue services can consist of higher margin services once the one-time customer onboarding costs have been realized.

The Operator division operates with fairly low cost of services and goods sold, with the majority of costs relating to salaries to staff. The division's fixed costs primarily consist of hardware expenses and licensing fees for database components incorporated into the communications platform, and the division strives to promote efficiencies in order to enhance gross margin. For example, the Operator division is generally able to scale its software and services for new customers, which promotes operational efficiency. See heading "*Operational efficiency*". As the Company utilizes its communications platform across all aspects and divisions of its business, the Operator division also benefits from consolidated research and development costs relating to the platform.

1) Each division's percentage of CLX's revenue is calculated by dividing each division's external revenue for the period by CLX's revenue for the period. For the twelve months ended 30 June 2015, 2014 and 2013, the Enterprise division generated internal revenue of SEK 7,794 thousand, SEK 11,890 thousand and SEK 11,069 thousand, respectively, and the Operator division generated internal revenue of SEK 14,253 thousand, SEK 10,591 thousand and SEK 5,475 thousand, respectively, from the intercompany sale of software and services and shared services of these divisions. This internal revenue was eliminated from revenue reported for the period and is not reflected in CLX's revenue for the twelve months ended 30 June 2015. See note 5 to the audited consolidated historical financial information included elsewhere in this Offering Circular.

Direct relationships with mobile operators

The Company's direct relationships with mobile operators have a significant impact on the Company's results of operations. These relationships can drive demand for the Company's services and solutions, see heading "*Strengths and competitive advantages—Global connectivity through direct relationships with a broad global network of mobile operators*" in section "*Business overview*", reduce the cost of goods sold and services and provide a competitive advantage in certain markets, and the Company has generally experienced a positive correlation between the number of its direct relationships and the revenue generated by its Enterprise division. As of 30 June 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.

Direct relationships can reduce the Company's cost of goods sold and services and positively impact gross margin. For example, cost of goods sold and services is generally lower for transactions via the networks of mobile operators with whom the Company has direct relationships, as the Company is not required to pay a third-party to facilitate the connection. The Company actively works with mobile operators to negotiate rates, and typically purchases network capacity through long-term agreements.

Direct relationships can also provide the Company with a competitive advantage beyond cost of goods sold and services in certain markets. For example, in the United States, tier-1 mobile operators typically restrict direct access to their networks to a few trusted partners, see heading "*Business divisions—Enterprise division*" in section "*Business overview*", which can increase cost of goods sold and services, adversely impact gross margin and reduce the quality and security of transactions for parties unable to obtain direct access. While direct relationships do not always require a significant investment of time and resources, the Company has invested in order to gain direct access and connectivity to mobile operator networks around the world, including in the United States and France. The Company's investments are generally concentrated in markets where of mobile operators restrict access and where direct access provides a more substantial competitive advantage. See heading "*Geographic expansion and acquisitions*". For example, the Company acquired Voltari's messaging business in 2014 for SEK 1,999 thousand, in part to gain direct access to mobile operators in the United States, and has invested in licenses to comply with local regulations in Turkey and Italy. In addition, the Company has invested approximately SEK 3,000 thousand in adapting its communications platform for the French market.

In addition, direct relationships also benefit the Company as mobile operators can turn to their cloud communication service provider partners to strengthen their service portfolio in certain markets. The Company has experienced an increase in mobile operators utilizing the Company in this capacity.

With respect to the Company's costs, direct relationships with mobile operators can also impact the Company's profitability negatively due to increased operating expenses relating to the development and maintenance of its direct relationships. The Company invests in its direct relationships with mobile operators, and has increased the number of employees dedicated to the development and maintenance of its direct relationships in recent years, which has increased the Company's operating expenses.

Operational efficiency

The Company's ability to maintain its operational efficiency affects the Company's results of operations and cash flow and is driven by the Company's size and scalability and its cost control relating to administrative, marketing, personnel and general expenses.

For example, the Company is one of the largest service providers in the enterprise cloud communications market by traffic volume and geographic reach, which has helped the Company to negotiate preferential rates with mobile operators and reduce its cost of goods sold and services. See heading "*Gross margin and gross profit development—Enterprise division*". Furthermore, the Company's global presence and geographic reach have helped the Company to secure direct relationships and connectivity with a significant number of mobile operators, which can reduce costs and increase the geographic scope, quality and security of the Company's offerings.

After investing substantial resources in its infrastructure, software, communications platform and relationships with enterprises and mobile operators, the Company now has strong technical and operational foundations, which are highly scalable and generate synergies across the Company's Enterprise and Operator divisions. The Company's investments in its software and platform have generally increased the Company's scalability by enabling it to add new customers, launch new solutions and process new traffic volume without the need for substantial additional investments in the software or platform. Furthermore, the Company's communications platform, which is sold by the Operator division and used by the Enterprise division, by mobile operators and by customers, exemplifies the operational efficiency and one of the primary synergies that benefits the Company. The scalability of the Company's technical software and communications platform also helps the Company become more efficient in managing its cost of goods sold and services and personnel costs. Because the Company owns the communications platform, it benefits from a lower cost of goods sold and services relating to the procurement of additional services or licensing rights when integrating new customers. In addition, while the Company's software, services and platform require engineers, programmers and other employees with technical and telecommunications expertise, the scalability of the software, services and communications platform does not require a significant number of new personnel as the Company leverages its offerings. For example, since 2013, the majority of the Company's new hires have been for its sales and marketing teams.

Based on current customer usage and traffic volumes and customer demands and requirements, the Company does not believe there is an immediate need to make additional material investments in its software or communications platform. Going forward, the Company will strive to continue to increase its scalability and operational efficiency. From 2014 to 2015, the Company has consistently achieved an EBIT margin of over 11 percent.

Operating expenses

Personnel costs

Personnel-related costs comprise one of the Company's largest operating expenses, and have a significant impact on the Company's financial performance. The Company's operations and the Enterprise division in particular have grown significantly in recent years, which has required the Company to hire additional full-time employees, particularly with respect to its sales and marketing teams. These sales and marketing professionals have helped to drive Company growth and attract new customers. See heading "*Demand for the Company's services and solutions and general market and customer growth—Ability to retain existing customers and expand the use of services and solutions by new and existing customers*". The Company has invested significantly in the recruitment of mid-level managers and sales and marketing professionals in its sales offices, and it expects personnel costs to continue to grow in line with the size of the Company's operations and the expansion of its network of sales offices.

The majority of the Company's full-time employees are sales and marketing professionals that are hired to develop and maintain relationships with both enterprises and mobile operators. The

Company incurs costs for new hires associated with the expansion of its operations, customer base and sales offices. For example, in the twelve months ended 30 June 2015, 2014 and 2013, the Company hired 32, 22 and 15 employees, respectively (including employees transferred through acquisitions), in response to the growth of the Company's operations and the expansion of the Enterprise division. To effectively manage personnel costs, the Company uses its offices for multiple purposes, including for programming, engineering, research and development and sales and marketing. In addition, the Company has developed an incentive-based payment structure for its sales and marketing professionals whereby salaries are based on performance and employees receive commissions generated from orders booked or gross profit. The Company's payment structure promotes and rewards high performance, competence, initiative and drive, which, in turn, can increase revenue.

For the twelve months ended 30 June 2015 and 2014, personnel costs represented 14.8 percent and 16.9 percent of the Company's revenue, respectively.

Investments in research and development

The Company strives to continuously develop its enterprise cloud communication services and solutions and its mobile operator software and services. With respect to the Company's Enterprise division, the Company's research and development activities relate to the development and improvements of its A2P messaging, voice applications and mobile connectivity for IoT services and the ability of these services to address new market and industry uses for enterprise cloud communications. With respect to the Company's Operator division, the Company's research and development activities relate to the development of new software and services for mobile operators and other communications service providers and the improvement of the capacity and performance of the communications platform, including enhancements to the customer experience and operational efficiency of the communications platform. The Company also invests in the development of its routing knowledge, databases and technologies. Over the last three years, the Company's research and development costs have increased as a result of an increase in the number of new customers and markets in which the Company operates. For the twelve months ended 30 June 2015, approximately 90 percent of the Company's research and development expenses were reflected on the Company's income statement, while approximately 10 percent were capitalized with an average depreciation period of three years. For the twelve months ended 30 June 2014, approximately 88 percent of the Company's research and development expenses were reflected on the Company's income statement, while approximately 12 percent were capitalized with an average depreciation period of three years. For the seventeen months ended 30 June 2013, approximately 87 percent of the Company's research and development expenses were reflected on the Company's income statement, while approximately 13 percent were capitalized with an average depreciation period of three years.

The Company believes that its ability to continuously develop new services and solutions, and improve its existing platform, software, services and solutions has positively affected the Company's results of operations and helped the Company move from the development and industrialization phase of heavy investment into a scalable growth phase whereby the Company can leverage its existing offerings and platform to increase revenue growth. The Company continuously updates its offerings, and dedicates significant resources to the innovation of new services and solutions and research and development. For example, in 2014 the Company introduced voice application services as a complement to its A2P messaging services, and has worked with its enterprise customers to develop new uses and updates to address market opportunities and customer demands. In addition, the Company launched its PaaS offering in 2013. Generally, new use cases utilize the Company's existing platform and service offering and the Company benefits from the scalability of its platform without the need for significant additional investment.

The Company also dedicates significant resources to develop its communications platform. The efficiency and scalability of the Company's communications platform is a key revenue driver for the Company, and the Company has increased the percentage of research and development spending that is allocated to the communications platform. While the Company conducts and pays for a significant percentage of the research and development relating to its platform internally or at the request of its enterprise customers, the Company also conducts joint research and development efforts with mobile operators, which expenses are shared between the Company and its mobile operator customers. Over the last three years, the Company's spending allocated to the communications platform has comprised a significant portion of the Company's annual research and development spending.

The Company expects to launch its mobile connectivity services for IoT in 2016, and has invested significant resources in the research and development of its IoT solutions. The solution is based on the Company's communications platform and utilizes key third-party products, such as e-SIM solutions, in order to provide a comprehensive service for mobile connectivity services for IoT.

Geographic expansion and acquisitions

The Company has a strong track record of expanding its sales and marketing presence into new markets and making strategic acquisitions. For the twelve months ended 30 June 2015, based on the location of its customers, the Company generated 53.8 percent (2014: 47.8 percent; 2013 (seventeen months): 41.2 percent) of its revenue from customers located in the European Union excluding Sweden, 37.5 percent (2014: 45.1 percent; 2013 (seventeen month): 47.3 percent) from customers located outside of the European Union and 8.7 percent (2014: 7.0 percent; 2013 (seventeen months): 11.4 percent) from customers located in Sweden. Typically, the Company's expansion into new markets tracks the operations of its enterprise customers, and thus the Company will already have business contacts and sales activities in a market. If the Company decides to establish a larger presence in a particular market, it will appoint a dedicated country or regional manager. These managers can help to increase in the Company's revenue, as enterprise customers gain local and dedicated expertise in their respective markets, which can increase their use of the Company's services and solutions. In addition, these managers can develop relationships with local mobile operators, thus strengthening the local market offering. See heading "*Direct relationships with mobile operators*". In larger markets, the Company may then decide to develop a local sales office. This strategy can reduce the costs and other risks associated with opening a sales office, as the Company will generally already have a local customer base and business portfolio. The Company's sales offices have enhanced the Company's local business intelligence and knowledge and generated additional revenue. During the financial years under review, the Company has expanded its number of local sales offices to 13 as of 30 June 2015. Most recently, the Company has invested in opening a new sales office in Bengaluru in order to strengthen its presence in India.

In addition to expansion into new markets via the strategy described above, the Company also engages channel partners, see heading "*Business divisions—Enterprise division*" in section "*Business overview*", to market and sell the Company's enterprise cloud communication services and solutions. These channel partnerships can increase revenue and provide a cost-effective solution for entering into new or niche markets. See heading "*Clear strategy to achieve further growth—Develop and leverage its channel partnerships*" in section "*Business overview*". Channel partners typically add a markup on top of the price that the Company provides the channel and in some instances makes additional revenues from selling add-on services.

The Company acquires companies in order to accelerate existing growth opportunities, gain access to direct relationships with mobile operators, strengthen its international presence and further expand its offering of services and solutions. During the financial years under review, the Company's results of operations have been impacted by two completed acquisitions. In 2014, the Company acquired Voltari's messaging business in United States and Canada, which enabled the Company to obtain strategically important direct relationships with tier-1 mobile operators in North America. The acquisition of Voltari's messaging business was conducted primarily for strategic purposes relating to the Company's direct relationships with mobile operators and for the twelve months ended 30 June 2015, Voltari's messaging business contributed approximately SEK 16,129 thousand to the Group's revenue, primarily through its business in North America, impacted the Group's operating expenses by approximately SEK 14,869 thousand and positively impacted the Group's EBIT by approximately SEK 1,261 thousand. In 2015, the Company expanded its portfolio of services and solutions for mobile operators and other communication service providers by acquiring a majority share in Caleo Technologies, a business support systems company. The acquisition of a majority share in Caleo Technologies was conducted primarily for strategic purposes relating to the Company's ability to offer a complete solution to smaller mobile operators and MVNOs, and for the twelve months ended 30 June 2015, Caleo Technologies contributed approximately SEK 3,504 thousand to the Group's revenue, impacted the Group's operating expenses by approximately SEK 4,500 thousand and had an adverse impact on the Group's EBIT of approximately SEK 1,014 thousand. See heading "*Material agreements—Acquisitions and sales*" in section "*Legal considerations and supplementary information*"

The Company expects to continue to selectively pursue potential opportunities to expand its geographical footprint and increase its market share in countries in which it already operates. See heading "*Clear strategy to achieve further growth—Expansion in new geographies*" and heading "*Strategic acquisitions*" in section "*Business overview*".

Regulation of markets

The Company's results of operations are affected by a number of laws and regulations in the markets in which the Company operates. The Company is subject to regulatory and compliance requirements relating to labor, license requirements, connectivity to telecommunications networks, communication signals and code types, data protection, anti-corruption, anti-money laundering, tax and VAT, antitrust and administrative actions and other regulatory regimes. The Company has policies and country-specific procedures in place that are designed to ensure that the Company operates in compliance with applicable law and that compliance issues, if any, are identified and appropriately elevated within the organization. Based on the Company's prior experience and technical know-how, the Company's management believes that it is in a strong position to quickly respond and adjust its operations, software and platform to changes in market regulations in the markets in which the Company operates.

Generally, market regulations and changes in market regulations, particularly in markets with strict regulatory environments, have increased the Company's operating expenses and cost of goods sold and services during the financial years under review. New regulations can increase costs, as the Company may be required to invest a significant amount of time and resources to gain certification or approval under newly imposed rules. For example, France has specific requirements regarding connectivity to the telecommunications networks, which required the Company to modify its software and platform and increased the Company's operating expenses during the related financial years. Costs relating to certifications and approvals differ by market and are highly dependent on the scope of the regulations and the Company's ability to respond and implement new procedures. For example, the Company was required to open a local server center in Turkey as a condition to providing its services in Turkey, which required investment by the Company and has increased its operating expenses in subsequent reporting periods. Market regulations can impact the Company's cost of goods sold and services, as in South Africa, where the Company was required to obtain a license in order to take advantage of a lower government-regulated rate relating to the purchase of network capacity.

Market regulations can also impose higher taxes or tariffs relating to use of the telecommunications networks. See heading "*Taxation*".

Seasonality

The Company's business is subject to seasonality and fluctuations in customer usage of enterprise communications throughout the year, which can impact the number of communications processed through the Company's platform and the Company's revenue generated from its pay-as-you-go services and solutions. The extent to which the Company's results and business is subject to seasonality is largely dependent upon the diversity of the Company's customers and the degree to which these customers utilize enterprise communications in connection with seasonal events or periods. For example, the Company's customers that operate in the retail and travel industries generally experience periods of increased business activity during the December holiday season, which can increase their usage of the Company's services and solutions and thus increase the Company's revenue generated during this period.

While the seasonality of the Company's business is not apparent due to the strong overall growth of the Company's operations, the Company's second quarter (1 October to 31 December) has typically been a strong quarter, while its first (1 July to 30 September) and third (1 January to 31 March) quarters have generated slower growth. The strength of the second quarter is primarily due to the impact of the December and year-end business periods during which enterprises typically generate significant traffic volume, while the slower growth during the first and third quarters results from shorter reporting periods and holiday periods.

The Company believes that the quarterly information set out below, covering the period from the first quarter of the twelve months ended 30 June 2014 to the fourth quarter of the twelve months ended 30 June 2015, is of significant value to investors, as it enables a better evaluation of the Company's and each divisions' quarterly development during this period and exemplifies the seasonality of the business. However, please note that the table is based on information derived from the Company's accounting records, which are not included in the audit reports submitted by the Company's auditor or otherwise reviewed by the Company's auditors.

Group

	2013/2014				2014/2015			
SEK million	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	127.9	136.5	161.1	180.0	181.7	215.5	212.8	234.4
Gross profit	48.1	60.3	61.6	62.9	57.1	63.3	69.1	62.3
Gross margin (%)	37.6	44.2	38.2	34.9	31.4	29.4	32.5	26.6
EBITDA	19.3	28.1	17.8	13.1	24.3	35.4	23.4	10.1
EBITDA margin (%)	15.1	20.6	11.0	7.3	13.4	16.4	11.0	4.3

Enterprise division

SEK million	2013/2014 Q1	Q2	Q3	Q4	2014/2015 Q1	Q2	Q3	Q4
Total segment revenue[1)]	102.2	104.1	129.0	141.7	155.7	179.4	182.1	194.7
Gross profit	26.1	29.4	30.7	33.2	31.6	36.6	29.9	34.3
Gross margin (%)	25.6	28.3	23.8	23.5	20.3	20.4	16.4	17.6
EBITDA	16.6	18.6	14.3	5.4	16.5	14.0	10.5	13.3
EBITDA margin (%)	16.3	17.9	11.1	3.8	10.6	7.8	5.8	6.8

Operator division

SEK million	2013/2014 Q1	Q2	Q3	Q4	2014/2015 Q1	Q2	Q3	Q4
Total segment revenue[1)]	29.8	37.7	38.2	45.3	30.0	39.0	38.6	47.0
Gross profit	25.9	35.3	35.5	34.1	28.9	33.7	35.1	40.2
Gross margin (%)	86.9	93.6	93.1	75.2	96.2	86.4	90.9	85.5
EBITDA	2.6	9.5	3.5	7.7	7.8	21.4	12.5	3.4
EBITDA margin (%)	8.9	25.2	9.2	17.0	25.8	54.9	32.4	7.3

1) Total segment revenue includes external and internal revenue generated by the Enterprise division or the Operator division, as appropriate. For the twelve months ended 30 June 2015, 2014 and 2013, the Enteprise division generated internal revenue of SEK 7,794 thousand, SEK 11,890 thousand and SEK 11,069 thousand respectively and the Operator division generated internal revenue of SEK 14,253 thousand, SEK 10,591 thousand and SEK 5,475 thousand, respectively, from the intercompany sale of software and services and shared services of these divisions. See note 5 to the audited consolidated historical financial information included elsewhere in this Offering Circular.

Foreign currency exposure

The Company operates through its 13 local sales offices and 50 sales representatives in 16 countries, and is subject to certain currency risks that arise from currency exposure. Such risks relate to future business transactions, recorded assets and liabilities and net investments in foreign operations. For example, the Group's outflow consists mainly of EUR, USD, GBP and SEK, and the Group's inflow consists mainly of EUR, USD and GBP. The Enterprise division's primary currency is EUR, and the Operator division's primary currencies are EUR, USD and SEK. Accordingly, the Group is exposed on a transactional basis to changes in these foreign exchange rates. In addition, certain of the Group's results and financial positions are reported in the relevant local currencies, including EUR, USD and GBP, which are translated into SEK at the applicable exchange rates for inclusion in the consolidated financial statements, which are stated in SEK. The exchange rates between the local currencies and SEK have fluctuated significantly and may in the future fluctuate significantly.

The Company's hedging policy is to use futures contracts to mitigate its exposure to these currency risks and exchange rate fluctuations, which can impact the Company's financial results in ways unrelated to its operations. The Group's policy is to hedge a maximum amount of 80 percent of the forecasted cash flows of EUR and USD for the coming period of up to 18 months. However, hedge accounting in accordance with IAS 39 is not applied. See heading "*Quantitative and qualitative disclosures about financial risk—Market risk*" and section "*Risk Factors—Exposure to currency risk may affect CLX's cash flow, income statement and balance sheet*".

Taxation

Taxation impacts both the Company's revenue and its expenses. See section "*Risk factors—CLX is exposed to tax related risks.*" With respect to revenue, certain countries require local entities to enter into customer agreements, which can increase the Company's tax exposure to different countries and increase the costs of doing business in such jurisdictions. In addition, increases in taxes and/or connectivity tariffs applicable to communications made through the networks of mobile operators can have an adverse impact on the Company's revenue and gross margin, particularly in instances where the increase is passed through to the Company or the Company is unable to pass the increase on to its customers. The Company seeks to manage the extent to which taxation impacts its revenue by entering into contracts whereby its customers are obligated to pay local taxes.

With respect to expenses, the Group is structured such that contracts and customer agreements are entered into between customers and the Company's Swedish subsidiaries and its subsidiaries in Canada, Turkey and the United States. The vast majority of the Group's revenue is generated and received by CLX's operating subsidiaries (CLX Networks and Symsoft) in Sweden, which serves to centralize and control tax risk and liability. For the twelve months ended 30 June 2015, Sweden has imposed a corporate tax rate of 22 percent. For the twelve months ended 30 June 2015, the Company's effective tax rate was 24.1 percent, as a result of withholding tax from countries in South America and the Middle East constituting extra costs over the Swedish standard rate of 22 percent. The Company expects the effective tax rate to remain stable in the short- to medium-term due to increased activity and revenues from its subsidiaries in Canada, Turkey and the United States. Notably, the anticipated effective tax rate could be further impacted by certain events and developments, such as regulatory changes, a higher percentage of profits being taxed outside Sweden, additional internal organizational changes at the Company and its subsidiaries or the Company's entry into a new market in which it needs a permanent local establishment that will be taxed locally.

In addition, the Company is exposed to withholding taxes in certain markets, which the Company may be able to reclaim.

In June 2015, the Company entered into a new debt facility. See heading "*Liquidity arrangements – Credit facilities*". The new debt facility will decrease the Company's financial expenses, which will impact the Company's results of operations and reduce the Company's EBIT in future reporting periods. As a result, the Company's taxable income is expected to increase in future reporting periods.

Recent developments

The Company's results throughout July and August 2015 were in line with management expectations. Revenue increased for the period of July and August in 2015, as compared to the corresponding period in 2014. Cost of goods sold and services remained stable for the period of July and August in 2015, and were higher than in the corresponding period in 2014. The Company's gross margin and gross profit development was in line with current trends and management expectations, including in respect of the rate of expected margin compression in the Enterprise division. No major contracts were commenced or lost during the period. Since 30 June 2015, the Company's name has changes from Seitse 1 Holding AB to CLX Communications AB (publ). Moreover, an extraordinary shareholders' meeting of CLX resolved on 31 August 2015 on a bonus issue increasing the share capital of the Company from SEK 3,189,188.95 to SEK 3,243,243 and a 30:1 share split whereby each share in the Company was split into 30, increasing the number of shares in the Company to 32,432,430. For more information, see section "*Share capital and ownership structure*".

Description of principal income statement line items

The following is an analysis of the Company's key income statement line items.

Revenue

Revenue generated by the Company's Enterprise division primarily consists of fees charged to enterprise customers that use the Company's services and solutions. The majorities of these fees are variable and charged on a pay-as-you-go basis with no minimum monthly payments required. A minor portion of the revenue generated by the Enterprise division consists of other fees, such as set-up and installation fees.

Revenue generated by the Company's Operator division primarily consists of fees earned for the provision of software and services to its customers. The majority of these fees are fixed and earned on a recurring basis, such as support fees charged to customers that have entered into licensing agreements. A significant portion of these fees are generated by licensing fees and recurring revenue arrangements. A minor portion of these fees are variable and charged to customers as earned, such as service fees for training and trouble shooting.

Other operating income

Other operating income primarily consists of income from the recovery of bad customer debts, forward foreign exchange gains and gains on derivatives.

Work performed by the entity and capitalized

Work performed by the entity and capitalized includes amounts relating to the development of the Company's platform, software and systems conducted solely by the Company that are capitalized. The Company does not include or capitalize amounts relating to the development of its platform, software and systems conducted jointly or with its customers, which represent a significant portion of the Company's total development efforts.

Operating expenses

Cost of goods sold and services

Cost of goods sold and services consists of the costs and expenses associated with the provision of the Company's services and solutions. The majority of these costs are variable and relate to the purchase of network capacity from mobile operators. A minor portion of these costs represent costs associated with the provision of services and solutions, such as server facility maintenance, installation and licensing costs.

Other external costs

Other external costs are comprised of costs relating overhead costs, including corporate marketing, travel, communication, external consultants, premises and the lease of properties and offices and equipment rentals.

Personnel costs

Personnel costs include salaries, incentives and bonuses, training, health care, recruitment, staff welfare and other personnel related costs.

Depreciation/amortization of property, plant and equipment and intangible assets

Straight line depreciation and amortization applies to property, plant, equipment and intangible assets over the expected useful lifetime of such property, plant, equipment and intangible assets. Depreciation/amortization of property, plant and equipment and intangible assets primarily consist of depreciation of the Company's intangible assets, mainly software and trademarks.

Other operating expenses

Other operating expenses are comprised of provision expenses on bad debt from customers, foreign exchange losses and losses on derivatives.

Profit from financial items

Profit from financial items includes financial income and financial expenses. Financial income includes interest income on cash and cash equivalents. Financial expenses include interest expenses on outstanding debt instruments and loan facilities.

Income tax expense

The Company's tax expense represents the sum of current tax and changes in deferred tax. Current tax is to be paid or refunded for the current year. The Company's tax expense is primarily affected by corporate tax rates in the markets in which it generates revenue, primarily Sweden but also Canada, the United Kingdom, Turkey and the United States. The Company's overall effective tax rate depends on the distribution of its profits among the different countries in which it operates as well as the paid withholding taxes, and is calculated as taxes divided by profit before tax. During the financial year ended 30 June 2015, the corporate tax rate in Sweden was 22 percent on taxable income gains.

Period on period comparison

Selected consolidated income statement for the twelve months ended 30 June 2015 compared to the twelve months ended 30 June 2014

The table below sets forth the Company's results of operations and the period on period percentage of change for the periods indicated.

	For the twelve months ended		
	30 June 2015 Audited (SEK thousand)	Change in %	30 June 2014 Audited (SEK thousand)
Revenue	844,394	39.4	605,531
Other operating income	29,624	114.9	13,789
Work performed by the entity and capitalized	3,304	–13.6	3,824
Cost of goods sold and services	–592,519	59.0	–372,637
Other external costs	–58,307	44.2	–40,441
Personnel costs	–124,737	22.0	–102,278
Depreciation/amortization of property, plant and equipment and intangible assets	–4,446	117.1	–2,048
Other operating expenses	–8,624	–70.7	–29,509
Operating Profit	**88,689**	**16.3**	**76,231**
Profit from financial items			
Financial income	890	39.1	640
Financial expenses	–19,809	–39.6	–32,801
Profit before tax	**69,770**	**–58.3**	**44,070**
Income tax expense	–16,835	56.3	–10,769
PROFIT FOR THE YEAR	**52,935**	**59.0**	**33,301**

Revenue

The Company's revenue increased by SEK 238,863 thousand, or 39.4 percent, from SEK 605,531 thousand in the twelve months ended 30 June 2014 to SEK 844,394 thousand in the twelve months ended 30 June 2015. The increase was primarily caused by an increase in revenue 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 revenue somewhat.

Revenue by division

The table below sets forth the Company's revenue 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 thousand)	Change in %	30 June 2014 Audited (SEK thousand)
Enterprise division	704,040	51.4	465,119
Operator division	140,354	–	140,412
Revenue[1)]	**844,394**	**39.4**	**605,531**

1) For the twelve months ended 30 June 2015, the Enterprise division and the Operator division also generated internal revenue of SEK 7,794 thousand (2014: SEK 11,890 thousand) and SEK 14,253 thousand (2014: SEK 10,591 thousand), respectively, from the intercompany sale of software and services and shared services of these divisions. This internal revenue was eliminated from revenue reported for each respective period, and is not reflected in the revenue amounts of SEK 844,394 thousand and SEK 605,531 thousand for the twelve months ended 30 June 2015 and 2014, respectively. See note 5 to the audited consolidated historical financial information included elsewhere in this Offering Circular.

Enterprise division: Revenue generated by the Enterprise division increased by SEK 238,921 thousand, or 51.4 percent, from SEK 465,119 thousand in the twelve months ended 30 June 2014 to SEK 704,040 thousand in the twelve months 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 seven percent of the total traffic volume in the twelve months 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 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 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 organization. Revenue also increased as a result of the impact of new services introduced by the Company during the twelve months ended 30 June 2014. In addition, the increase in revenue 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: Revenue generated by the Operator division remained stable and decreased minimally by SEK 58 thousand from SEK 140,412 thousand in the twelve months ended 30 June 2014 to SEK 140,354 thousand in the twelve months ended 30 June 2015. The Operator division continued to generate revenue 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 ended 30 June 2015.

Other operating income

The Company's other operating income increased by SEK 15,835 thousand, or 114.8 percent, from SEK 13,789 thousand in the twelve months ended 30 June 2014 to SEK 29,624 thousand in the twelve months ended 30 June 2015. The increase was primarily related to the recovery of bad debt and was also caused by positive currency effects on accounts receivable and accounts payable, as well as from forward foreign exchange contracts and foreign currency accounts.

Work Performed by the entity and capitalized

Work performed by the entity and capitalized decreased by SEK 520 thousand, or 13.6 percent, from SEK 3,824 thousand in the twelve months ended 30 June 2014 to SEK 3,304 thousand in the twelve months 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 capitalized.

Cost of goods sold and services

The Company's cost of goods sold and services increased by SEK 219,882 thousand, or 59.0 percent, from SEK 372,637 thousand in the twelve months ended 30 June 2014 to SEK 592,519 thousand in the twelve months ended 30 June 2015. As a percentage of the Company's revenue, cost of goods sold and services increased from 60.2 percent in the twelve months ended 30 June 2014 to 67.8 percent in the twelve months 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 ended 30 June 2015 as compared to the twelve months 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 ended 30 June 2014 to 18.6 percent in the twelve months 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 international traffic, as well as a minor increase in the average cost per unit during the period. For the year 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 17,866 thousand, or 44.2 percent, from SEK 40,441 thousand in the twelve months ended 30 June 2014 to SEK 58,307 thousand in the twelve months ended 30 June 2015. As a percentage of revenue, other external costs increased slightly from 6.7 percent in the twelve months ended 30 June 2014 to 6.9 percent in the twelve months 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 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 Bengaluru (India), in in the twelve months ended 30 June 2015.

Personnel costs

The Company's personnel costs increased by SEK 22,459 thousand, or 22.0 percent, from SEK 102,278 thousand in the twelve months ended 30 June 2014 to SEK 124,737 thousand in the twelve months ended 30 June 2015. As a percentage of revenue, personnel costs increased from 14.8 percent in the twelve months ended 30 June 2014 to 16.9 percent in the twelve months 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, the twelve months 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 ended 30 June 2015 as compared to the twelve months ended 30 June 2014.

Depreciation/amortization of property, plant and equipment and intangible assets

Depreciation/amortization increased by SEK 2,398 thousand, or 117.1 percent, from SEK 2,048 thousand in the twelve months ended 30 June 2014 to SEK 4,446 thousand in the twelve months ended 30 June 2015. The increase primarily resulted from the fact that the Company capitalized research and development expenses during the financial year. The majority of the depreciation and amortization consisted of amortization relating to the Company's intangible assets, including its software copyrights, and depreciation relating to its property, plant and equipment, including its server facilities and internal computers systems. The Company expects that costs associated with depreciation and amortization are likely to increase as a percentage of revenue in the future, as the Company continues to capitalize research and development expenses.

Other operating expenses

Other operating expenses decreased by SEK 20,885 thousand, or 70.7 percent, from SEK 29,509 thousand in the twelve months ended 30 June 2014 to SEK 8,624 thousand in the twelve months ended 30 June 2015. The decrease was primarily caused by the recovery of certain losses in accounts receivable. 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 12,308 thousand, or 16.3 percent, from SEK 76,231 thousand in the twelve months ended 30 June 2014 to SEK 88,689 thousand in the twelve months 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.

Income tax expense

The Company's income tax expense for the period increased by SEK 6,066 thousand, or 56.3 percent, from SEK 10,769 thousand in the twelve months ended 30 June 2014 to SEK 16,835 thousand in the twelve months ended 30 June 2015. The increase primarily resulted from an increase in the Company's profit before tax in the twelve months ended 30 June 2015 as compared to the twelve months ended 30 June 2014. The Company's effective tax rate decreased slightly from 24.4 percent in the twelve months ended 30 June 2014 to 24.1 percent in the twelve months 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.

Profit from financial items

The Company's net loss from financial items decreased by SEK 13,242 thousand, or 41.2 percent, from negative SEK 32,161 thousand in the twelve months ended 30 June 2014 to negative SEK 18,919 thousand in the twelve months 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.

EBITDA

The Company's EBITDA increased by SEK 14,854 thousand, or 19.0 percent, from SEK 78,279 thousand in the twelve months ended 30 June 2014 to SEK 93,135 thousand in the twelve months 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. For a reconciliation of EBITDA to Profit for the Year, see heading "*Key information and data*" in section "*Selected consolidated historical financial information*".

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 thousand)	Change in %	30 June 2014 Audited (SEK thousand)
Enterprise division	54,374	–1.1	54,977
Operator division	45,040	93.2	23,317
Intra-group	–6,279	418.6	– 15
Eliminations	0	–	0
Total	**93,135**	**19.0**	**78,279**

Enterprise division: Enterprise division's EBITDA decreased by SEK 603 thousand, or 1.1 percent, from SEK 54,977 thousand in the twelve months ended 30 June 2014 to SEK 54,374 thousand in the twelve months 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 21,723 thousand, or 93.2 percent, from SEK 23,317 thousand in the twelve months ended 30 June 2014 to SEK 45,040 thousand in the twelve months ended 30 June 2015. The increase in EBITDA was primarily caused by an increase in revenue 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 certain losses in accounts receivable also contributed positively to the Operator division's EBITDA.

Selected consolidated income statement for the twelve months ended 30 June 2014 compared to the twelve months 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 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 ended 30 June 2013 are not directly comparable to the audited consolidated financial statements for the financial years ended 30 June 2015 and 2014, and a period to period comparison of the Company's results of operations for the year ended 30 June 2014 to 30 June 2013 is not meaningful. The Company prepared selected audited consolidated historical financial information for the 12 months ended 30 June 2013 to facilitate the comparison of the Company's results in such period with its operations for the year ended 30 June 2014.

Set forth below is a comparison of the Company's revenue, work performed by the entity and capitalized, cost of goods sold and services sold, other costs and EBITDA, for the twelve months ended 30 June 2014 compared to the twelve months ended 30 June 2013. The financial information for the twelve months 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 seventeen months ended 30 June 2013. See note 5 to the audited consolidated historical financial information included elsewhere in this Offering Circular.

	For the twelve months ended		
	30 June 2014 Audited (SEK thousand)	Change in %	30 June 2013 Audited (SEK thousand)
Revenue	**605,531**	**45.6**	**415,991**
Other operating income	13,789	–8.7	15,097
Work performed by the entity and capitalized	3,824	–7.9	4,150
Cost of goods sold and services	–372,637	67.4	–222,558
Other expenses[1)]	–172,228	13.1	–152,223
EBITDA	**78,279**	**29.5**	**60,456**

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

Revenue

The Company's revenue increased by SEK 189,540 thousand, or 45.6 percent, from SEK 415,991 thousand in the twelve months ended 30 June 2013 to SEK 605,531 thousand in the twelve months ended 30 June 2014.

The increase was primarily caused by an increase in revenue 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 ended 30 June 2014.

Revenue by division

The table below sets forth the Company's revenue 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 thousand)	Change in %	30 June 2013 Audited (SEK thousand)
Enterprise division	465,119	68.3	276,405
Operator division	140,412	0.6	139,586
Revenue[1)]	**605,531**	**45.6**	**415,991**

1) For the twelve months ended 30 June 2014, the Enterprise division and the Operator division also generated internal revenue of SEK 11,890 thousand (2013: SEK 11,069 thousand) and SEK 10,591 thousand (2013: SEK 5,475 thousand), respectively, from the intercompany sale of software and services and shared services of these divisions. This revenue was eliminated from revenue reported for each respective period, and is not reflected in the revenue amounts of SEK 605,531 thousand and SEK 415,991 thousand for the twelve months ended 30 June 2014 and 2013, respectively. See note 5 to the audited consolidated historical financial information included elsewhere in this Offering Circular.

Enterprise division: Revenue generated by the Enterprise division increased by SEK 188,714 thousand, or 68.3 percent, from SEK 276,405 thousand in the twelve months ended 30 June 2013 to SEK 465,119 thousand in the twelve months 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 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 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 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 organization. Revenue also increased as a result of the introduction of new services by the Company during the twelve months ended 30 June 2014, such as number lookup and long number services.

The increase in revenue was partly offset by a reduction in traffic volume to some markets.

Operator division: Revenue generated by the Operator division increased by SEK 826 thousand, or 0.6 percent, from SEK 139,586 thousand in the twelve months ended 30 June 2013 to SEK 140,412 thousand in the twelve months 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 revenue generated by support fees and revenue sharing contracts in the twelve months ended 30 June 2014 as compared to the twelve months ended 30 June 2013.

Other operating income

The Company's other operating income decreased by SEK 1,308 thousand, or 8.7 percent, from SEK 15,097 thousand in the twelve months ended 30 June 2013 to SEK 13,789 thousand in the twelve months 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 and foreign currency accounts.

Work performed by the entity and capitalized

Work performed by the entity and capitalized decreased by SEK 326 thousand, or 7.9 percent, from SEK 4,150 thousand in the twelve months ended 30 June 2013 to SEK 3,824 thousand in the twelve months 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 capitalized.

Cost of goods sold and services

The Company's cost of goods sold and services sold increased by SEK 150,079 thousand, or 67.4 percent, from SEK 222,558 thousand in the twelve months ended 30 June 2013 to SEK 372,637 thousand in the twelve months ended 30 June 2014. The increase in cost of goods sold and services sold 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 ended 30 June 2014 as compared to the twelve months 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 sold. 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 sold 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 ended 30 June 2014 as compared to the twelve months ended 30 June 2013.

Other expenses

The Company's other expenses increased by SEK 20,005 thousand, or 13.1 percent, from SEK 152,223 thousand in the twelve months ended 30 June 2013 to SEK 172,228 thousand in the twelve months 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 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 ended 30 June 2014 as compared to the twelve months ended 30 June 2013.

EBITDA

The Company's EBITDA increased by SEK 17,823 thousand, or 29.5 percent, from SEK 60,456 thousand in the twelve months ended 30 June 2013 to SEK 78,279 thousand in the twelve months 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. For a reconciliation of EBITDA to Profit for the year, see heading "*Key information and data*" in section "*Selected consolidated historical financial information*". 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 thousand)	Change in %	30 June 2013 Audited (SEK thousand)
Enterprise division	54,977	28.6	42,755
Operator division	23,317	31.7	17,705
Intra-group	– 15	200	– 5
Eliminations	0	–	0
Total	**78,279**	**29.5**	**60,456**

Enterprise division: Enterprise division's EBITDA increased by SEK 12,222 thousand, or 28.6 percent, from SEK 42,755 thousand in the twelve months ended 30 June 2013 to SEK 54,977 thousand in the twelve months ended 30 June 2014. The increase was primarily caused by an increase in revenue 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 sold.

Operator division: The Operator division's EBITDA increased by SEK 5,612 thousand, or 31.7 percent, from SEK 17,705 thousand in the twelve months ended 30 June 2013 to SEK 23,317 thousand in the twelve months ended 30 June 2014. The increase was primarily caused by an increase in revenue generated by the Operator division resulting from an increase in customers and demand for the division's software and services.

Liquidity and capital resources

The Company's principal source of liquidity is cash generated from its operating activities, which is affected by the Company's results. The Company's liquidity requirements consist mainly of interest payments on the Company's loans and funding of its capital expenditure and working capital.

Cash flows

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

	For the twelve months ended 30 June		For the seventeen months ended 30 June
SEK thousand	2015 Audited	2014 Audited	2013 Audited
Cash flow from operating activities	94,939	–5,134	46,599
Cash flow from investing activities	–9,811	13,463	14,422
Cash flow from financing activities	–70,181	–13,475	0
Cash flows for the year	14,947	–5,146	61,021
Cash and cash equivalents at the beginning of the year	**55,876**	**60,968**	**50**
Effects of exchange rate changes on the balance of cash held in foreign currencies	151	54	–103
Cash and cash equivalents at the end of the year	**70,974**	**55,876**	**60,968**

Cash flow from operating activities

The Company's cash flow from operating activities increased by SEK 100,073 thousand from negative SEK 5,134 thousand in the twelve months ended 30 June 2014 compared to SEK 94,939 thousand in the twelve months 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 short-term receivables of SEK 33,371 thousand in the twelve months ended 30 June 2015 (compared to an increase of SEK 25,496 thousand in the twelve months ended 30 June 2014) due to partly to a change in the Company's invoicing processes. Working capital was also impacted by an increase in accounts payable of SEK 43,561 thousand in the twelve months ended 30 June 2015 (compared to an increase of SEK 19,467 thousand in the twelve months ended 30 June 2014) and an increase in other short-term liabilities of SEK 34,459 thousand in the twelve months ended 30 June 2015 (compared to an increase of SEK 9,951 thousand in the twelve months ended 30 June 2014). In addition, the Company's working capital was impacted by an increase in inventories of SEK 172 thousand in the twelve months ended 30 June 2015 (compared to a decrease of SEK 2,860 thousand in the twelve months ended 30 June 2014).

The Company's cash flow from operating activities was SEK 46,599 thousand in the seventeen months ended 30 June 2013. The Company's cash flow from operating activities was impacted by operating profit of SEK 62,728 thousand and by changes in the Company's working capital. The Company's working capital for the seventeen months ended 30 June 2013 was impacted by an increase in inventory of SEK 2,216 thousand, an increase in accounts receivable of SEK 8,712 thousand, an increase in other short-term receivables of SEK 9,983 thousand, an increase in accounts payable of SEK 8,047 thousand and an increase in other short-term liabilities of SEK 21,377 thousand.

Cash flow from investing activities

The Company's cash flow from investing activities decreased by SEK 23,274 thousand from SEK 13,463 thousand in the twelve months ended 30 June 2014 compared to negative SEK 9,811 thousand in the twelve months 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 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 ended 30 June 2014 was impacted by the repayment of a loan to the parent company of SEK 20,231 thousand and the acquisition of operations of SEK 1,999 thousand relating to the acquisition of Voltari's messaging business.

The Company's cash flow from investing activities was SEK 14,422 thousand in the seventeen months 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 5,804 thousand for the period.

Cash flow from financing activities

The Company's cash outflow from financing activities increased by SEK 56,706 thousand from SEK 13,475 thousand in the twelve months ended 30 June 2014 compared to SEK 70,181 thousand in the twelve months 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 ended 30 June 2013.

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 capitalizes 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, as 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 twelve months ended 30 June 2015 as compared to the twelve months 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 ended 30 June 2014 as compared to the twelve months 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 modernizing and upgrading its equipment.

The Company believes that the capital expenditures relating to intangible assets during the financial year ended 30 June 2015, in terms of capital expenditures as a percentage of revenue, were normalized levels for a year without any extraordinary investments, but that capital expenditures relating to tangible assets during the financial year 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 modernizations of the Company's systems and computers in order to prepare for the next phase of growth. For example, the Company modernized 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. The Company believes it has entered a scalable growth phase whereby the company can leverage its technical platforms and geographic presence to increase revenue growth.

On-going 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. 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 ended 30 June 2016.

Non-current assets

As of 30 June 2015, the reported value of the Company's non-current assets amounted to SEK 73,426 thousand, and mainly consisted of intangible assets with a book value of SEK 65,900 thousand.

The Company's intangible assets mainly included goodwill with a book value of SEK 56,799 thousand and also capitalized product development expenses with a book value of 9,101 thousand. The Company's other non-current assets amounted to SEK 7,526 thousand, and included equipment with a book value of SEK 4,698 thousand, derivatives with a book value of SEK 2,600 thousand and deferred income tax assets with a book value of SEK 228 thousand. For a description of the Company's non-current assets, see notes 12, 15, 16 and 18 to the audited consolidated financial statements included elsewhere in this Offering Circular.

Liquidity arrangements

Shareholder loan

On 16 April 2012, CLX entered into loan agreements with its parent company, whereby the parent company provided shareholder loans to CLX in the total aggregate amount of SEK 315,000,000. The agreement provided for an annual interest rate 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 shareholders loan to CLX of approximately SEK 301,540,294. The agreement provided for an annual interest rate of 3 percent. All amounts owed pursuant to the shareholder loan agreement were repaid in full as of 8 July 2015.

Credit facilities

On 22 June 2015, CLX entered into credit agreements (the "**Credit Agreements**") with Danske Bank, Sverige Filial for a SEK 80,000,000 term loan facility and a SEK 100,000,000 multicurrency overdraft facility.

The initial term of the term loan facility will expire on 2 July 2018, and may be extended for an additional 3 month term through mutual agreement. As of 30 June 2015, SEK 80,000,000 of the term loan facility had been utilized. The interest under the term loan facility is STIBOR 90 days (with a 0 percent interest floor) plus a margin of 1.25 percent per annum. The term loan facility will be repaid in sums of SEK 6,700,000 per calendar quarter with the first repayment date being 30 September 2015.

The initial term of the multicurrency overdraft facility will expire on 31 December 2015, and may be extent for an additional 12 month term through mutual agreement. As of 30 June 2015, SEK 0 of the multicurrency overdraft facility had been utilized. The interest under the multicurrency overdraft facility is STIBOR 90 days (with a 0 percent interest floor) plus a margin of 1.15 percent per annum and a credit fee of 0.35 percent. Interest under the multicurrency overdraft facility falls due on each calendar quarter, with utilized credit due upon expiry of the multicurrency overdraft facility. In July 2015, CLX drew approximately SEK 7 million from its multicurrency overdraft facility in order to pay for certain advisor fees relating to the Offering.

Danske Bank, Sverige Filial is entitled to terminate the Credit Agreements early due to non-payment or insufficient security. Danske Bank, Sverige Filial is further entitled to terminate the Credit Agreements if the Company does not fulfil its obligations under the Credit Agreements or other undertakings that the Company has with Danske Bank, Sverige Filial. The Credit Agreements contain conditions which are customary for the type of financing provided thereunder, including a change of control provision and requirements regarding the maintenance of a maximum net debt/EBITDA ratio and a minimum equity ratio. As of the date hereof, the Company has not breached and is in compliance with the terms of the Credit Agreements.

The Credit Agreements are secured by (i) the shares in the Company's subsidiaries CLX Networks and Symsoft, (ii) a corporate mortgage (Sw. företagshypotek) granted by CLX Networks in the amount of SEK 20,000,000 and (iii) a business mortgage granted by Symsoft in the amount of SEK 25,000,000. See heading "*Pledged assets*". CLX Networks and Symsoft have also each granted a guarantee for the obligations of CLX under the Credit Agreements.

Contractual obligations

The Company has entered into operating leases relating to office rent, office equipment and vehicles. The total expensed lease payments under operating leases amounted to SEK 7,905 thousand as of 30 June 2015. The table below sets forth the future lease payments that the Company will be obligated to make under non-cancellable operating leases as of 30 June 2015.

Minimum payment (SEK thousand)	As of 30 June 2015
Within one year	3,528
Later than one year but not later than five years	124
Total	**3,652**

Pledged assets

The Company's pledged assets as of 30 June 2015 were as follows.

Pledged assets (SEK thousand)	As of 30 June 2015
Corporate mortgages[1]	45,000
Restricted funds and guarantees	5,630
Pledged capital insurance	0
Shares in Symsoft and CLX	211,986
Total	**262,616**

1) Corporate mortgages are floating charge instruments that represent priority rights to an asset pool comprised of the Company's tangible assets. These corporate mortgages have been executed by the Company pursuant to the Credit Agreements.

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.

Quantitative and qualitative disclosures about financial risk

The Group is, through its operations, exposed to different types of financial risks such as market risk, liquidity risk and credit risk. Market risks primarily consist of interest rate risk and currency risk. It is the Company's board of directors that ultimately is responsible for the exposure, managing and monitoring of the Group's financial risks. The policy for exposure and how to manage and monitor the financial risks are established by the board of directors in a financial policy, which is reviewed annually. The board of directors has, in the financial policy, delegated the daily risk management to the Company's CFO. The board of directors has the possibility to resolve on temporary deviations from the financial policy. Risk management is coordinated at the parent level in respect of all of the companies of which the Company is the ultimate parent. See note 4 to the audited consolidated financial statements as of and for the twelve months ended 30 June 2015 included elsewhere in this Offering Circular.

Market risk

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, 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 at the same time the Group's inflow consists mainly of EUR, USD and GBP. Accordingly, the Group is exposed to changes in these foreign exchange rates.

The Group's policy is to continuously hedge a maximum amount of 80 percent of the forecasted cash flows of EUR and USD for the coming period of up to 18 months. According to the Group's financial policy, the exposure can be reduced through the use of derivatives. The Group currently only uses forward contracts but can in accordance with the financial policy also use currency options to reduce its risk exposure. As of 30 June 2015, 60 percent of cash flows (12 months) in EUR, and 0 percent of cash flows (12 months) in USD were hedged. However, hedge accounting in accordance with IAS 39 is not applied.

The table below sets forth the nominal net amounts of the material currencies that constitute transaction exposures based on the Group's cash flows in its significant currencies that are subject to conversion.

Currency (1,000)	For the twelve months ended 30 June 2015
EUR	34,121
USD	3,165
GBP	–2,809

The table below sets forth the net carrying amount on monetary assets and liabilities subject to revaluation as of 30 June 2015.

Currency (1,000)	As of 30 June 2015
EUR	6,250
USD	1,240
GBP	–748

Translation exposure

Translation exposure is the risk that the value of the Group's net investment in foreign operations is adversely impacted by changes in foreign exchange rates. The Group consolidates net assets in SEK on the balance sheet date. This risk is defined as translation exposure and is not hedged. Management considers the Group's translation exposure to be immaterial since it is below SEK 3,000,000 in total.

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. The loans have floating rates, which means that the Group's future financial costs are affected by changes in market interest rates. The Group is also impacted by changes in market interest rates as a result of the derivatives used to hedge the Group's transaction exposure. The fair value of the Group's forward contracts are immediately impacted by changes in interest rates, which directly impacts the income statement. According to the Group's financial policy, interest rate risk is not hedged.

Sensitivity analysis to market risks

The sensitivity analysis to currency risks discloses the Group's sensitivity to an increase or a decrease of 10 percent of the SEK against the Group's significant currencies. The transaction exposure shows the impact on the Group's profit after tax of a change in the exchange rates. This also includes outstanding monetary assets and liabilities in foreign currencies at the balance date, including loans between Group companies where the currency effect will impact the consolidated income statement. Translation exposure shows the impact on the Group's profit after tax and equity of a change in the exchange rates.

The sensitivity analysis to interest risk presents the Group's sensitivity to an increase or a decrease of 1 percent of the interest rate. The interest sensitivity is based on the impact on the profit after tax that a change in the market rate would have on both interest income and interest costs, including unrealized fair value changes of derivatives. As the Group doesn't account for any fair value changes directly in other comprehensive income or in equity, the corresponding effects impact equity capital.

Sensitivity analysis	For the twelve months ended 30 June 2015	
SEK thousand	Impact on profit/loss	Impact on equity
Transaction exposure		
EUR +10%	31,573	–
USD +10%	2,641	–
GBP +10%	– 3,687	–
Interest rates		
Financial expenses +1%	–808	–
Financial income +1%	0	–

Liquidity risk and refinancing risk

Liquidity risk refers to the risk that the Group will encounter difficulty to meet its obligations related to its financial liabilities, which are principally comprised of liabilities to credit institutions and account payables. Refinancing risk refers to the risk that the Group cannot obtain sufficient funding at a reasonable cost. To reduce liquidity risk and refinancing risk, the Group has at its disposal committed credit facilities amounting to SEK 100,000,000.

The maturity analysis of the Group's contractual obligations related to the Group's and the parent company's financial liabilities excluding derivatives are presented in the table below. The amounts in the table are undiscounted cash flows including interest payments where appropriate, thus these amounts are not possible to reconcile with the balance sheet. Interest payments are based on the conditions prevailing on the balance date. Amounts in foreign currencies are converted into SEK at exchange rates prevailing on the balance date.

The Group's loan agreements do not contain any conditions that could result in significantly earlier payments than what is presented in the tables.

Obligation	As of 30 June 2015 Not later than 3 months	3 – 12 months	1 – 5 years	Later than 5 years	Total
Liabilities to credit institutions	7,667	22,500	56,333	0	86,500
Liabilities to ultimate parent company				971	971
Other non-current liabilities				5,269	5,269
Account payables	90,455				90,455
Total	**98,122**	**22,500**	**56,333**	**6,240**	**183,195**

The timing of the contractual payment obligations related to the Group's derivatives are presented in the table below. The amounts in this table are undiscounted values and include interest payments where appropriate, which means that the amounts are not possible to reconcile with the balance sheet. The table is based on net flows for derivatives settled on a net basis and gross flows for the derivatives settled on a gross basis. Interest payments are calculated on the basis of conditions prevailing on balance date. Amounts in foreign currency are converted into SEK at year-end rates.

Obligation	As of 30 June 2015 Not later than 3 months	3 – 12 months	1 – 5 years	Later than 5 years	Total
Gross settlement: forward exchange agreement	– 382	1,079	2,001	0	2,698
Call option Caleo Technologies	0	0	0	600	600
Total	**– 382**	**1,079**	**2,001**	**600**	**3,298**

Credit risk and counterparty risk

Credit risk refers to the risk that the counterparty in a transaction causes a loss for the Group by not fulfilling its contractual obligations. The Group's exposure to credit risk is primarily attributable to accounts receivables. Credit risk also arises when the Company's surplus liquidity is invested in different types of financial instruments. According to the Company's finance policy, excess liquidity can be invested in interest-bearing bank accounts or in interest-bearing securities, provided that these investments are limited only to counterparties with a very high rating and are spread across several counterparties or issuers. For a breakdown of the Company's categories of financial instruments, see note 4 to the audited consolidated financial statements as of and for the twelve months ended 30 June 2015 included elsewhere in this Offering Circular. The Group's maximum exposure to credit risk is represented by the carrying amount of all financial assets and is disclosed in the table below.

SEK thousand	As of 30 June 2015	2014	2013
Accounts receivables	135,317	74,757	50,701
Derivatives	3,810	0	194
Receivables on ultimate parent company	0	38,000	58,248
Cash and cash equivalents	70,974	55,876	60,968
Maximum exposure to credit risk	**210,101**	**168,633**	**170,111**

The Company has policies in place to mitigate risk and exposure to its enterprise customers. The Company uses a third-party credit rating and insurance company to conduct a credit check and provide an insurance analysis on all enterprise customers, including all new customers and ongoing analyses of existing customers. If this credit rating and insurance company approves an enterprise customer for insurance, the Company will typically enter into an agreement with the credit rating and insurance company with respect to the enterprise customer and will invoice the approved enterprise customer for their usage of the Company's services and solutions on a monthly basis. If the credit rating and insurance company does not approve the enterprise customer for insurance, the Company will typically require that the enterprise customer pre-pay CLX for usage of its services and solutions.

The Company monitors the performance of its Operator division's customers by reviewing receivables on a regular basis to identify incurred collection losses. Receivables are considered by the Company's management to be fully performing, and the Company actively manages credit limits and exposures and trades frequently with parties who are deemed by management, after taking into account such party's performance history without defaults, to have sound credit standing.

SEK thousand	As of 30 June 2015	2014	2013
Not overdue	105,458	61,457	41,702
Due 30 days	18,348	5,923	7,518
Due 31–60 days	7,455	2,834	2,671
Due 61–90 days	2,250	1,285	73
Due over 90 days	2,549	18,350	1,151
Total	**136,060**	**89,849**	**53,115**

In view of the nature of the Company's activities and the markets in which it operates, the Company derives a substantial amount of revenue and receivables from a variety of different customers. As of 30 June 2015, no individual customer or group of dependent customers is considered to present a significant concentration of credit risk with respect to trade debts or receivables. Per management's assessment is that payment will be obtained for accounts receivables that are past due but not written down, as the customers' payments are historically good.

Significant accounting policies

See note 2 to the Company's historical financial information as of and for the twelve months ended 30 June 2015 included elsewhere in this Offering Circular.

Capitalization, indebtedness and other financial information

The tables in this section describe the Company's capitalization and indebtedness at Group level as of 31 July 2015. All information in the tables below comprise unaudited financial information. See section "*Share capital and ownership structure*" for further information about the Company's share capital and shares. The tables in this section should be read in conjunction with the section "*Operational and financial overview*" and the Company's audited consolidated historical financial statements as of and for the years ended 30 June 2015, 2014 and 2013, including the related notes, which may be found elsewhere in this Offering Circular.

Capitalization

CLX's capitalization as of 31 July 2015 is presented in the table below.

SEK thousand	31 July 2015
Current debt	
Guaranteed	–
Secured[1]	6,901
Unguaranteed/unsecured	–
Total current debt	**6,901**
Non-current debt	
Guaranteed	–
Secured[1]	79,851
Unguaranteed/unsecured	5,269
Total non-current debt	**85,120**
Shareholders' equity	
Share capital	54
Other contributed capital	174,999
Other reserves[2]	116
Retained earnings	–137,121
Total Equity	**38,048**

1) Referred to as "Non-current liabilities to credit institutions" in the Company's consolidated financial statements for the financial year ended 30 June 2015. Primarily pledged shares in subsidiaries, corporate mortgage and guarantees from subsidiaries.
2) Referred to "Translation reserve" and "Other reserves" in the Company's consolidated financial statements for the financial year ended 30 June 2015.

Net indebtedness

CLX's net indebtedness as of 31 July 2015 is presented in the table below.[1]

SEK thousand	31 July 2015
(A) Cash	–
(B) Cash equivalents	59,668
(C) Trading securities	–
(D) Liquidity (A)+(B)+(C)	**59,668**
(E) Current financial receivables	–
(F) Current bank debt	6,901
(G) Current portion of non-current debt	–
(H) Other current financial debt	–
(I) Current financial debt (F)+(G)+(H)	**6,901**
(J) Net current financial indebtedness (I)–(E)–(D)	**–52,767**
(K) Non-current bank loans	79,851
(L) Bond issues	–
(M) Other non-current financial debt	5,269
(N) Non-current financial indebtedness (K)+(L)+(M)	**85,120**
(O) Net financial indebtedness (J)+(N)	**32,353**

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

Credit facilities

On 22 June 2015, CLX entered into credit agreements with Danske Bank, Sverige Filial for a SEK 80,000,000 term loan facility and a SEK 100,000,000 multicurrency overdraft facility. For more information on the Company's credit facilities, see heading "*Liquidity arrangements*" in section "*Operating and financial review*".

Working capital statement

As of the date of the Offering Circular, CLX's assessment is that existing working capital is sufficient to meet the needs of the ongoing business over the next twelve months. Working capital in this section refers to CLX's ability to fulfil its payment obligations as payments fall due.

Significant events after 30 June 2015

The Company's results throughout July and August 2015 were in line with management expectations. Revenue increased for the period of July and August in 2015, as compared to the corresponding period in 2014. Cost of goods sold and services remained stable for the period of July and August in 2015, and were higher than in the corresponding period in 2014. The Company's gross margin and gross profit development was in line with current trends and management expectations, including in respect of the rate of expected margin compression in the Enterprise division. No major contracts were commenced or lost during the period. Since 30 June 2015, the Company's name has changed from Seitse 1 Holding AB to CLX Communications AB (publ). Moreover, an extraordinary shareholders' meeting of CLX resolved on 31 August 2015 on a bonus issue increasing the share capital of the Company with SEK 3,189,188.95 to SEK 3,243,243 and a share split 30:1 whereby each share in the Company was split into 30, increasing the number of shares in the Company to 32,432,430. For more information, see section "*Share capital and ownership structure*".

Board of directors, senior executives and auditors

Board of directors

The board of directors consists of six ordinary members, including the chairman, with no deputy directors, elected until the 2016 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 main shareholders.

Name	Position	Member since	Independent in relation to the Company	Independent in relation to the main shareholder
Erik Fröberg	Board member and 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 from the Royal Institute of Technology in Stockholm.

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 Aktiebolag (including subsidiaries). Board member of Carmenta Sverige AB (including subsidiaries), Cantaloupe AB, 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 in Apptus Technologies AB, Netcompany A/S, and System Verification Sweden Holding AB (including subsidiaries).

Shareholding in CLX: Owns no shares directly in CLX but 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 Seitse Intressenter AB, owns 34.33 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 via a wholly-owned company 12.74 percent of the shares in CLX and also 0.37 percent of the shares in Cantaloupe AB, which owns 50.22 percent of the shares and votes in CLX.

Charlotta Falvin, born 1966

Board member since 2015.

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

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

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

Shareholding 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 from the University of Karlstad.

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), Cantaloupe AB, Digital Route AB, HD Resources Sweden AB, System Verification Sweden Holding AB (including subsidiary), Varnish Software AB, XLENT Aktiebolag (including subsidiaries), and Kersgården AB. Deputy board member in Onside TV-Production AB (including group companies).

Previous assignments during the past five years: Board member of Addnode Group Aktiebolag (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 Seitse Intressenter AB, owns 34.33 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 from the Swedish School of Economics, Helsinki, Finland and a Master of Political Sciences degree, majoring in international politics from the 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: –

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, E. Öhman J:or Capital AB, Onside TV-Production AB (including group companies), HD1 Holding AB (including subsidiaries). Deputy board member of Affibody AB (including group companies).

Previous assignments during the past five years: –

Shareholding in CLX: –

Senior executives

Johan Hedberg, born in 1973

CEO

Employed since: 2008

Education: MSc in Engineering from 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 50.22 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 from the Royal Institute of Technology, Stockholm.

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: –

Robert Gerstmann, born in 1975

Managing Director, Enterprise division

Employed since: 2008

Education: MSc in Industrial Engineering and Management from Linköping Institute of Technology.

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 19.92 percent of the shares in Cantaloupe AB, which owns 50.22 percent of the shares and votes in CLX.

Johan Rosendahl, born in 1966

Managing Director, Operator division

Employed since: 2015

Education: MSc in Business and Economics from Linköping University.

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

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

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

Shareholding in CLX: –

Auditors

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. Erik Olin (born 1973) is the auditor in charge. Erik Olin is an authorized public accountant and a member of FAR (the Swedish trade organization 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 which the historic financial information in the Offering Circular covers.

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 heading "*Related party transactions*" in section "*Legal considerations and supplementary information*".

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 Offering Circular.

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

Corporate governance

Corporate governance

CLX is a Swedish public limited liability company. Prior to the listing of the Company's shares on Nasdaq Stockholm, corporate governance in CLX was based on Swedish law and internal rules and instructions. Once the Company is listed on Nasdaq Stockholm, CLX will also comply with Nasdaq Stockholm's Rule Book for Issuers and apply to the Swedish Corporate Governance Code (the "**Code**"). The Code applies to all Swedish companies with shares listed on a regulated market in Sweden and shall be fully implemented from the first annual general meeting held the year following the listing. The Code provides for the possibility for CLX 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 will apply the Code from the time of the listing of the shares 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 (Sw. *aktiebolagslagen (2005:551)*), 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, including declaration of dividends, 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 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 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 whom, 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 (Sw. *aktiebolagslagen (2005:551)*), the board of directors is responsible for the organization 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 organized.

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 under the heading "*Board of directors*" in section "*Board of directors, senior executives and auditors*".

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 fulfill 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 fulfill 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 under heading "*Senior executives*" in section "*Board of directors, senior executives and auditors*".

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.

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 in CLX.

The guidelines shall apply to the remuneration and other terms of employment for the CEO and other members of CLX's senior executives team. The senior executives team currently comprises 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, 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 allocated 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 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 SEK thousand	Salary	Variable salary	Other benefits	Pension	Total
Johan Hedberg, CEO	569	0	20	93	682
Other members of the senior executives[1]	3,409	0	107	681	4,197
Total	**3,978**	**0**	**127**	**774**	**4,879**

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 members of the 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 members of the senior executives have employment agreements that provide notice periods of 6 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 under the heading "*Auditors*" in section "*Board of directors, senior executives and auditors*".

In the twelve months 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. As per the date of this Offering Circular, the Company has issued a total of 32,432,430 shares, of which 30,000,000 are common shares and 2,432,430 are preference shares. Each share has a quota value of SEK 0.10. In connection with the listing of CLX's shares on Nasdaq Stockholm, all existing preference shares will be converted into common shares, which conversion is expected to take place on or around 8 October 2015. After such conversion, there will be 32,432,430 shares in the Company, all of which are common shares.

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.

Certain rights associated with the shares

The offered shares are all common 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 (Sw. *aktiebolagslagen (2005:551)*).

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 Financial Instruments Accounts Act (1998:1479) (Sw. *lag (1998:1479) om 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.

Share capital development

The table below shows historic changes in the Company's share capital since its foundation 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	0.050
2015-06-26	Issue of preference shares	81,081	4,054.05	1,081,081	54,054.05	0.050
2015-08-31	Bonus issue	–	3,189,188.95	1,081,081	3,243,243	0.30
2015-08-31	Split 30:1	31,351,349	–	32,432,430	3,243,243	0.10
2015-10-08[1]	Conversion of preference shares to common shares	–	–	32,432,430	3,243,243	0.10

1) The conversion is expected to be registered with the Swedish Companies Registration Office and Euroclear on or around 8 October 2015.

Ownership structure prior to and directly following the Offering

The table below sets forth the Company's ownership structure and holdings by the Company's shareholders at the date of this Offering Circular and directly after completion of the Offering (both with full exercise of the Over-allotment Option and without).

Shareholders	Shares held prior to the Offering		Shares held after the Offering (assuming the Over-allotment Option is not exercised)		Shares held after the Offering (assuming the Over-allotment Option is exercised in full)	
	Number	%	Number	%	Number	%
Cantaloupe AB[1]	16,286,730[2]	50.22 %	9,181,747[2]	28.31 %	8,115,999[2]	25.02 %
Seitse Intresssenter AB[3]	11,132,850[4]	34.33 %	6,164,230	19.01 %	5,418,937	16.71 %
Kjell Arvidsson AB[5]	4,130,850[6]	12.74 %	3,801,242	11.72 %	3,751,800	11.57 %
Other shareholders[7]	882,000	2.72 %	739,500	2.28 %	739,500	2.28 %
New shareholders	0	0 %	12,545,711	38.68 %	14,406,194	44.42 %
Total	**32,432,430**	**100.0** %	**32,432,430**	**100.00** %	**32,432,430**	**100.00** %

1) Cantaloupe AB is owned by the six founders of CLX: (i) Johan Hedberg, who is currently the CEO of CLX; (ii) Robert Gerstmann, who is currently a senior executive of CLX; (iii) Björn Zethraeus, who is currently responsible for Business Development in CLX and is a former board member of CLX; (iv) Kristian Männik, who is currently the CMO of CLX and is a former board member of CLX; (v) Henrik Sandell, who is currently the Head of operations of CLX and is a former board member of CLX; and (vi) Kjell Arvidsson, who is a Principal Selling Shareholder (via Kjell Arvidsson AB) in CLX, board member and senior executive of CLX. See heading "*Beneficial shareholdings*".
2) 1,255,650 of which are preference shares which will be converted into common shares in connection with the listing on Nasdaq Stockholm. Further, Cantaloupe AB has entered into an undertaking to, outside the Offering, sell 188,400 shares in the Company to certain board members and senior executives of CLX.
3) Seitse Intressenter AB is wholly-owned by Neqst 1 AB. Neqst 1 AB is partially indirectly owned by Erik Fröberg and Jonas Fredriksson, who are current board members of CLX. See heading "*Beneficial shareholdings*".
4) 858,300 of which are preference shares which will be converted into common shares in connection with the listing on Nasdaq Stockholm.
5) Kjell Arvidsson AB is owned by Kjell Arvidsson, one of the six founders of CLX and who is currently a board member and senior executive in CLX.
6) 318,480 of which are preference shares which will be converted into common shares in connection with the listing on Nasdaq Stockholm.
7) The other shareholders are employees of CLX that have received shares under a previous incentive program. There are five other selling shareholders, none of whom hold more than one percent of the shares in CLX.

Upon completion of the Offering, assuming the Over-allotment Option is exercised in full, the Principal Selling Shareholders, i.e. Cantaloupe AB[1], Seitse Intressenter AB[2] and Kjell Arvidsson AB[3] will own approximately 53.3 percent of the shares in CLX.

Cantaloupe AB will own 25.02 percent of the shares in CLX, Seitse Intressenter AB will own 16.71 percent of the shares in CLX and Kjell Arvidsson AB will own 11.57 percent of the shares in CLX. Accordingly, the Principal Selling Shareholders 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. The Principal Selling Shareholders may thereby be able to exercise control over the Company. However, such control is limited by virtue of the provisions of the Swedish Companies Act.

Beneficial shareholdings

As of the date of this Offering Circular, 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 currently the CEO of CLX. 19.92 percent of the shares are owned by Robert Gerstmann, who is currently a senior executive of CLX. 19.92 percent of the shares are owned by Björn Zethraeus, who is currently responsible for Business Development in CLX and is a former board member of CLX. 19.92 percent of the shares are owned by Kristian Männik, who is currently the CMO of CLX and is a former board member of CLX. 19.93 percent of the shares are owned by Henrik Sandell, who is currently the Head of operations of CLX and is a former board member of CLX. 0.37 percent of the shares are owned by Kjell Arvidsson, who is a Principal Selling Shareholder (via Kjell Arvidsson AB) in CLX, board member and senior executive of CLX.

As of the date of this Offering Circular, 100 percent of Seitse Intressenter 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 Erik Fröberg and Jonas Fredriksson, who are current board members of CLX, 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, together with Jonas Fredriksson, serves on the board of directors and as managing partner of Neqst Partner AB and its subsidiaries.

Based on the above shareholdings in Cantaloupe AB and Seitse Intressenter AB, the table below provides an overview of the total beneficial shareholding in CLX held indirectly by the shareholders of Cantaloupe AB and Seitse Intressenter AB, including the six founders of CLX and current and former members of management and board members, as of the date of this Offering Circular and directly after completion of the Offering (both with full exercise of the Over-allotment Option and without).

1) With address c/o Symsoft AB, P.O. Box 1219, SE-164 28 Kista, Sweden.
2) With address c/o Neqst, Birger Jarlsgatan 9, SE-111 45 Stockholm, Sweden.
3) With address Ringvägen 127 B 5tr, SE-116 61 Stockholm, Sweden.

Shareholders[1]	Total beneficial shareholding prior to the Offering Number of shares in CLX	%	Total beneficial shareholding after the Offering (assuming the Over-allotment Option is not exercised) Number of shares in CLX	%	Total beneficial shareholding after the Offering (assuming the Over-allotment Option is exercised in full) Number of shares in CLX	%
Shareholders in Cantaloupe AB						
Johan Hedberg	3,245,014	10.005 %	1,829,397	5.64 %	1,617,055	4.99 %
Robert Gerstmann	3,245,014	10.005 %	1,829,397	5.64 %	1,617,055	4.99 %
Björn Zethraeus	3,245,014	10.005 %	1,829,397	5.64 %	1,617,055	4.99 %
Kristian Männik	3,245,014	10.005 %	1,829,397	5.64 %	1,617,055	4.99 %
Henrik Sandell	3,245,984	10.01 %	1,829,944	5.64 %	1,617,538	4.99 %
Kjell Arvidsson[2]	60,690	0.19 %	34,214	0.11 %	30,243	0.09 %
Total	**16,286,730[3]**	**50.22 %**	**9,181,747[3]**	**28.31 %**	**8,115,999[3]**	**25.02 %**
Shareholders in Neqst 1 AB which owns 100 percent of the shares in Seitse Intressenter AB						
Erik Fröberg[4]	1,819,292	5.61 %	1,007,337	3.11 %	885,544	2.73 %
Jonas Fredriksson[5]	1,313,234	4.05 %	727,134	2.24 %	639,219	1.97 %
Other, direct or indirect, shareholders in Neqst 1 AB[7]	8,000,324	24.67 %	4,429,759	13.66 %	3,894,174	12.01 %
Total	**11,132,850[6]**	**34.33 %**	**6,164,230**	**19.01 %**	**5,418,937**	**16.71 %**

1) The parties described in the table hold no shares directly in CLX but hold shares in Cantaloupe AB or Neqst 1 AB, as applicable, unless otherwise indicated.
2) Kjell Arvidsson also indirectly holds 4,130,850 shares in CLX through Kjell Arvidsson AB, a Principal Selling Shareholder. In total, Kjell Arvidsson directly or indirectly holds 4,191,540 shares in CLX prior to the Offering, representing an interest of 12.92 percent in CLX.
3) 1,255,650 of which are preference shares which will be converted into common shares in connection with the listing on Nasdaq Stockholm. Further, Cantaloupe AB has entered into an undertaking to, outside the Offering, sell 188,400 shares in the Company to certain board members and senior executives of CLX.
4) Erik Fröberg holds indirectly, via a wholly-owned company, shares in Seitse Intressenter AB through Neqst Partner AB and Neqst 1 AB. In addition, Erik Fröberg has entered into an undertaking to acquire 175,000 shares in the Company from Cantaloupe AB, to a price not exceeding SEK 59 per share.
5) Jonas Fredriksson holds indirectly, via a wholly-owned company, shares in Seitse Intressenter AB through Neqst Partner AB and Neqst 1 AB.
6) 858,300 of which are preference shares which will be converted into common shares in connection with the listing on Nasdaq Stockholm.
7) 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.

Cornerstone Investors

The Cornerstone Investors have undertaken to, directly or indirectly through subsidiaries, together acquire shares in the Offering corresponding to SEK 625 million, which, based on full subscription in the Offering and the midpoint of the price range in the Offering (SEK 56.50), corresponds to 11,061,942 shares and 76.8 percent of the number of shares included in the Offering and 34.1 percent of the total number of shares and votes in the Company. For a description of the Cornerstone Investors, see heading "*Description of the Cornerstone Investors*" in section "*Legal considerations and supplementary information*".

Authorizations

The annual general meeting, held on 7 September 2015, resolved to authorize 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 authorized 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 utilizes the authorization. The board of directors shall be authorized 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 authorization 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.

Warrants, convertible notes and share related incentive programs

As of the date of this Offering Circular, 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

The shareholders' agreements between the main shareholders of the Company will be dissolved in connection to the listing on Nasdaq Stockholm. As far as CLX's board of directors is aware, no other 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.

Lock-up arrangements, etc.

For information regarding lock-up arrangements of the Principal Selling Shareholders and other selling shareholders, members of the board of directors and senior executives with shareholdings, see heading "*Placing agreement*" in section "*Legal considerations and supplementary information*".

Dividends and dividend policy

General

Shareholders will be entitled to receive future dividends, including any dividends declared in respect of the twelve months ending 30 June 2016 and in respect of any subsequent period, provided 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 ended 30 June 2015, 2014 and 2013 no dividend was paid.

Dividend policy

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.

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 considerations

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 "*Tax considerations in Sweden*".

Articles of association

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)]

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 (Sw: *Post- och Inrikes Tidningar*), 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).

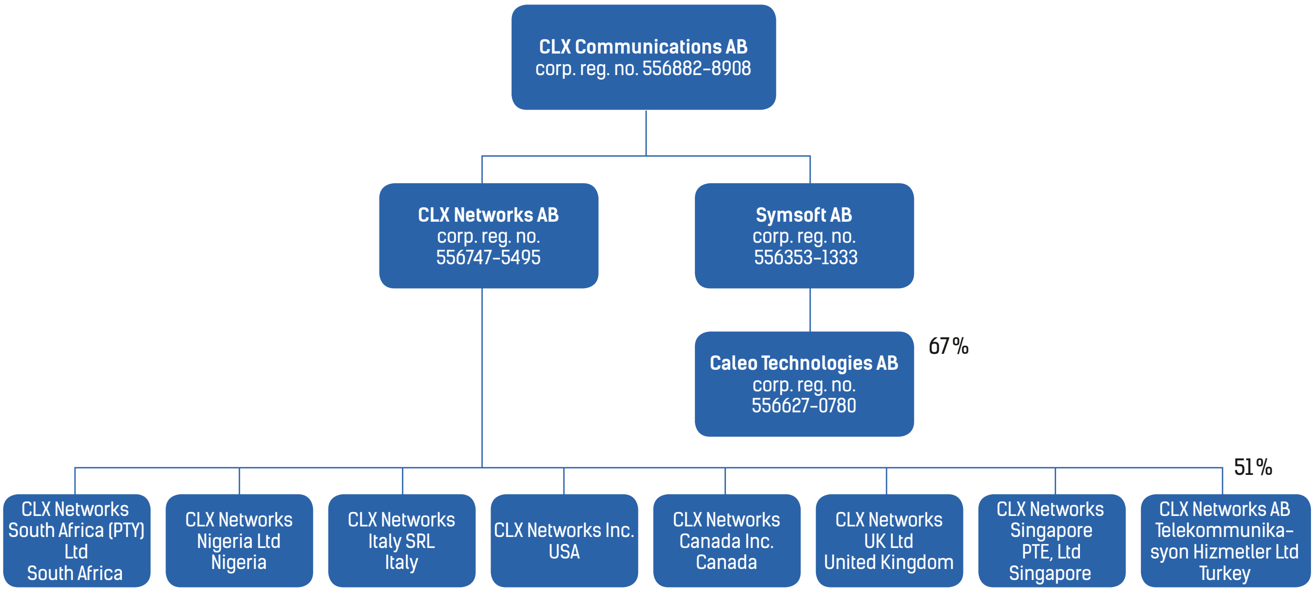
1) The above reflects the articles of association, which is expected to be registered with the Swedish Companies Registration Office on or around 8 October 2015 in connection with the listing of CLX on Nasdaq Stockholm, adopted by the extraordinary shareholder's meeting on 31 August 2015, in which the previous right to issue preference shares and the conversion clause has been removed.

Legal considerations and supplementary information

Legal group structure

The Company's business is conducted in accordance with the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). 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.

The Company is currently the parent company of eleven (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 three to twelve month contracts with automatic three to twelve 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

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, in January 2015 acquired a majority stake, of the outstanding shares and votes, of Caleo Technologies, a company specializing in billing, customer care and invoicing solutions for mobile operators and other communications service providers. CLX 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 contingent 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.

Credit facilities

On 22 June 2015, CLX entered into Credit Agreements with Danske Bank, Sverige Filial for a SEK 80,000,000 term loan facility and a SEK 100,000,000 multicurrency overdraft facility. For more information about the Company's credit facilities, see heading "*Credit facilities*" in section "*Operating and financial review*".

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 IPR 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 products 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.

Placing agreement

The Company, the Joint Global Coordinators and Joint Bookrunners and the Principal Selling Shareholders are expected to enter into a placing agreement (the "**Placing Agreement**") on or around 7 October 2015 on the placing of the shares.

Subject to certain conditions set forth in the Placing Agreement, the Joint Global Coordinators and Joint Bookrunners will agree, severally but not jointly, to procure purchasers for, or failing which, to purchase themselves, and the Principal Selling Shareholders will agree to sell to the Joint Global Coordinators and Joint Bookrunners the aggregate number of shares sold in the Offering, as set forth in the table below taking into account of the commitments of each Joint Global Coordinator and Joint Bookrunner as set forth in the table below, at an offer price per share to be set forth in the Placing Agreement and announced by the Company on or around 8 October 2015.

Joint Global Coordinators and Joint Bookrunners	Percentage of shares
Carnegie	60 %
Handelsbanken	40 %
Total	**100 %**

Pursuant to the Placing Agreement, the Company makes customary representations and warranties to the Joint Global Coordinators and Joint Bookrunners, primarily in relation to the information in the Offering Circular being correct, the Offering Circular and the Offering fulfilling the requirements of applicable laws and regulations and that there are no legal, or other, hindrances for the Company to enter into the Placing Agreement or for the completion of the Offering subject to Oracle's approval.

The Principal Selling Shareholders will pay fees to the Joint Global Coordinators and Joint Bookrunners based on a percentage of the gross proceeds of the shares sold in the Offering, including pursuant to the exercise of the Over-allotment Option. The fee shall be allocated in accordance with the commitments of each Joint Global Coordinator and Joint Bookrunner as set forth in the table above. In addition, the Principal Selling Shareholders may choose to pay a discretionary fee to the Joint Global Coordinators and Joint Bookrunners, the amount and allocation of which is to be determined within 30 days following the first day of trading of the Company's shares on Nasdaq Stockholm. The Company will also reimburse the Joint Global Coordinators and Joint Bookrunners for certain of their expenses in connection with the Offering.

The Company has agreed to indemnify the Joint Global Coordinators and Joint Bookrunners against certain losses and liabilities arising in connection with the Offering, including liabilities under the Securities Act. The Placing Agreement will provide that, upon the occurrence of certain events, such as general suspension of trading on Nasdaq Stockholm or certain other major stock exchanges or if there has been any breach of, or any event rendering untrue or incorrect in any respect, the representations and warranties given by the Company or the Principal Selling Shareholders under the Placing Agreement, or any failure to perform any covenants, in each case, which may reasonably be expected to result in a material adverse change in the condition, financial, operational, legal or otherwise, or in the earnings management, business affairs or business prospects of the Company and its subsidiaries, the Joint Global Coordinators and Joint Bookrunners may elect to terminate their several commitments under the Placing Agreement.

Lock-up arrangements

Pursuant to the Placing Agreement, the Company will agree with the Joint Global Coordinators and Joint Bookrunners that it will not, for a period of 365 days after the first day of trading of the shares on Nasdaq Stockholm, without the prior written consent of the Joint Global Coordinators and Joint Bookrunners, (i) issue, offer, pledge, sell, contract to sell or otherwise dispose of, directly or indirectly, any shares in the Company or any other securities which are convertible to or can be exercised or exchanged for such shares, or (ii) purchase or sell any option or other instruments or enter into swap, hedge or other agreements that would have similar economic consequences to the foregoing. The Company's undertaking is subject to certain customary exceptions.

In addition, pursuant to the Placing Agreement and specific lock-up agreements, the Principal Selling Shareholders and other selling shareholders, i.e. certain employees in CLX who wish to sell part of their respective share holdings previously received under an incentive program, members of the board of directors and senior executives with shareholdings will undertake, with certain exemptions, not to sell their respective holdings during a certain time period after trading on Nasdaq Stockholm has commenced. The Lock-up period for Seitse Intressenter AB apply from the date of the Placing Agreement, and will continue to and including the date on which the Company's interim report for the third quarter of the financial year ending 30 June 2016 has been announced, which is expected to be announced on or around 19 May 2016. The Lock-up period for Cantaloupe AB and for other selling shareholders and shareholding members of the board of directors and senior executives with shareholdings will apply from the date of the Placing Agreement and will continue to and including the date on which the Company's interim report for the first quarter of the financial year ending 30 June 2017 has been announced, which is expected to be announced on or around 15 November 2016. At the end of the respective Lock-up period, the shares in question may be offered for sale, which may affect the market price of the share. The Joint Global Coordinators and Joint Bookrunners may grant exemption from this undertaking.

In addition, Seitse Intressenter AB, Cantaloupe AB and Kjell Arvidsson AB have entered into an agreement that regulates the sale of their respective shares in CLX for a certain period after the listing. During this period, Seitse Intressenter AB, Cantaloupe AB and Kjell Arvidsson AB will coordinate sales of their respective shares in CLX.

Over-allotment Option

Pursuant to the Placing Agreement, the Selling Shareholders will grant an option to the Joint Global Coordinators and Joint Bookrunners to purchase up to 1,860,483 additional existing common shares from the Principal Selling Shareholders, solely to cover any potential over-allotment in connection with the Offering. The Over-allotment Option is exercisable for a period of 30 days after the first day of trading of the shares on Nasdaq Stockholm.

Admission to trading

CLX's board of directors has applied for the admission to trading of the Company's shares on Nasdaq Stockholm. On 11 September 2015 Nasdaq Stockholm's listing committee decided to admit the Company's shares to trading on Nasdaq Stockholm, subject to certain customary conditions, such as that the distribution requirements in respect of the Company's shares being fulfilled no later than on the first day of trading. In case the Company's board of directors ultimately resolves to list the Company's shares, trading in the Company's shares is expected to begin on or around 8 October 2015. Consequently, trading is expected to commence before the shares have been transferred to the acquirer's VP-account or securities depository account and in some cases before the contract note has been received. This means that trading is expected to commence before the terms and conditions have been fulfilled. Trading in the Company's shares made before the Offering becomes unconditional will be cancelled if the Offering is not completed.

Stabilization

In connection with the Offering, Carnegie, as the Stabilizing Manager, or its agents, on behalf of the Joint Global Coordinators and Joint Bookrunners, may engage in transactions that stabilize, maintain or otherwise affect the price of the shares for up to 30 days from the first day of trading of the shares on Nasdaq Stockholm. Specifically, the Stabilizing Manager may effect transactions with a view to supporting the market price of the shares at a level higher than that which might otherwise prevail. The Stabilizing Manager and its agents are not required to engage in any of these activities and, as such, there is no assurance that these activities will be undertaken; if undertaken, the Stabilizing Manager or its agents may end any of these activities at any time and they must be brought to an end at the end of the 30-day period mentioned above. Stabilization transactions, if undertaken, may be discontinued at any time without prior notice. In no event will transactions be effected at levels above the price set in the Offering. Within one week of the end of the stabilization period, the Stabilizing Manager will make public whether or not stabilization was undertaken, the date at which stabilization started, the date at which stabilization last occurred and the price range within which stabilization was carried out, for each of the dates during which stabilization transactions were carried out.

Interest of advisors

The Joint Global Coordinators and Joint Bookrunners provide financial advisory and other services for the Company and the Principal Selling Shareholders in connection with the Offering and the listing. From time to time, the 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 and Principal Selling Shareholders, for which the Joint Global Coordinators and Joint Bookrunners 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/or the Principal Selling Shareholders.

Subscription undertakings

The Cornerstone Investors have on 24 September 2015 agreed with the Joint Global Coordinators and Joint Bookrunners, the Principal Selling Shareholders and CLX to, directly or indirectly through subsidiaries, together acquire shares in the Offering corresponding to SEK 625 million. Based on full subscription in the Offering and the midpoint of the price range in the Offering (SEK 56.50), the Offering is secured to approximately 76.8 percent. The Cornerstone Investors will not receive any compensation for their respective undertakings. The Cornerstone Investors are however guaranteed allotment in accordance with their respective undertakings. The Joint Global Coordinators and Joint Bookrunners, the Principal Selling Shareholders and CLX's board of directors deem the Cornerstone Investors' credit worthiness sound and that they meet their respective undertakings. The Cornerstone Investors' undertakings are however not secured through a bank guarantee, blocked funds or pledge of collateral or similar arrangement. See section "*Risk factors—The undertakings of the Cornerstone Investors have not been secured*". The Cornerstone Investors' undertakings are associated with certain conditions relating to, among other things, that the Offering is completed within a certain time frame. In the event that any of these conditions are not fulfilled, there is a risk that the Cornerstone Investors do not fulfil their undertakings.

	Subscription undertaking (SEK million)	Number of shares 1)	Percent in the Offering 1)
Alecta pension insurance, mutual	100.0	1,769,911	12.29 %
Swedbank Robur Fonder AB	100.0	1,769,911	12.29 %
The First Swedish National Pension Fund	100.0	1,769,911	12.29 %
The Fourth Swedish National Pension Fund	100.0	1,769,911	12.29 %
Zenit Asset Management AB	75.0	1,327,433	9.21 %
Grenspecialisten Förvaltning AB	50.0	884,955	6.14 %
LMK Forward AB	50.0	884,955	6.14 %
RAM One AB	50.0	884,955	6.14 %
Total	**625.0**	**11,061,942**	**76.79 %**

1) Based on full subscription in the Offering and the midpoint of the price range in the Offering (SEK 56.50).

Description of the Cornerstone Investors

Alecta pension insurance, mutual

Alecta pension insurance, mutual, has been managing occupational pensions since 1917, aiming at maximizing the value of collectively agreed occupational pensions for both corporate clients and private customers. Alecta pension insurance, mutual, manages approximately SEK 720 billion on behalf of its owners, of whom approximately 2.1 million are private customers and 33,000 are corporate clients.

Swedbank Robur Fonder AB

Robur is one of Scandinavia's largest mutual fund managers and a wholly owned subsidiary of Swedbank. Robur offers savings products for private individuals and institutional clients through investment funds and discretionary investment management.

The First Swedish National Pension Fund

The First Swedish National Pension Fund is one of five national pension funds in the Swedish national income pension system. The First Swedish National Pension Fund manages a global portfolio consisting of equities, fixed income securities and alternative investments that include real estate, private equity funds and hedge funds. The First Swedish National Pension Fund invests to reach a high and a long-term sustainable return and as of 30 June 2015, the fund managed SEK 296 billion.

The Fourth Swedish National Pension Fund

The Fourth Swedish National Pension Fund is a Swedish government authority with the mission of contribution to the stability of the retirement pension system through the management of the fund capital. The fund is focused on creating long-term returns through active management and at the end of 2014 the fund had SEK 295 billion under management.

Zenit Asset Management AB

Zenit is an equity based hedge fund whose portfolio management is based on fundamental equity research of individual companies, complemented by a business oriented macro-analysis. Zenit has a global investment horizon with a focus on Europe and Scandinavia.

Grenspecialisten Förvaltning AB

Grenspecialisten Förvaltning AB is owned and managed by Martin Gren, co-founder of Axis Communications together with Mikael Karlsson and Keith Bloodworth. Axis Communications is a Nasdaq Stockholm listed company that manufactures networks cameras and has a market capitalization of approximately SEK 23 billion.

LMK Forward AB

LMK Forward AB is a wholly-owned subsidiary to LMK Industri (Lars Mikael Karlsson) AB, a Nordic privately owned investment company with investments in several companies, including Hotel Kungsträdgården, Lapland Respors and Axis Communications (divested in 2015). The basis of LMK Industri's financial assets originates from Axis Communications, where Mikael Karlsson was one of the co-founders alongside Martin Gren. LMK Industri's investments are focused on contributing to the creation of new successful Swedish companies, primarily within energy and IT. LMK Industri is, through its investments in funds managed by Neqst Partner AB, already a minor indirect shareholder of CLX Communications AB.

RAM One AB

RAM One is a global long / short equity hedge fund. The fund invests in clearly predefined sectors with a core of Nordic companies. Typically, more than 50 percent of the portfolio invested in the Nordic region. RAM One's objective is to generate the highest possible returns over the long term with a balanced risk level.

Related party transactions

In the course of the Group's normal business, intra-group transactions occur, including purchases and sales regarding the 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-organizations

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 note loans 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 Seitse Intressenter AB, a wholly-owned company of Neqst 1 AB, and in 2014 transferred from Seitse Intressenter 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 to. The Company has also been given an irrevocable right to acquire the licenses MI Carrier has, 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 ended 30 June 2015, 2014 and 2013, CLX paid SEK 160,000, SEK 140,000 and SEK 162,000, respectively, to MI Carrier.

Shareholder loan

On 16 April 2012, CLX entered into loan agreements with its parent company[1)], whereby the parent company provided shareholder loans to CLX of SEK 315,000,000. The agreement provided for an annual interest rate 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 301,540,294. The agreement provided for an annual interest rate 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 ended 30 June 2015, 2014 and 2013.

1) Cantaloupe AB, formerly CLX Networks Holding AB.

Shareholder loans from the parent company to CLX

Financial year	Outstanding amount 1 July	Loans granted	Amount of amortization including interest paid	Interest paid	Outstanding amount 30 June
2012/2013	0	SEK 315 million	–	SEK 38.059 million	SEK 339.186 million
2013/2014	SEK 339.186 million	–	SEK 70.248 million	SEK 32.572 million	SEK 301.510 million
2014/2015	SEK 301.510 million	–	SEK 319.850 million	SEK 19.311 million	SEK 0.971 million[1)]

1) The remaining amount of SEK 0.971 million, including accrued interest, was repaid on 8 July 2015.

Other related party transactions

Neqst Partner AB, which indirectly controls Seitse Intressenter AB, provides consulting services to CLX from time to time. During the financial year ended 30 June 2015 CLX paid approximately SEK 230,000 to Neqst Partner AB for the consulting services. During the financial years 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.

Costs related to the Offering

CLX's costs associated with the listing on Nasdaq Stockholm and the Offering are expected to amount to approximately SEK 16.5 million. Such costs primarily relate to costs for auditors, attorneys, printing of the Offering Circular, costs related to management presentations, etc. CLX will not receive any proceeds from the sale of shares by the Principal Selling Shareholders.

Documents available for inspection

CLX's, and its subsidiaries', articles of association and annual reports as of and for the financial years ended 30 June 2015, 2014 and 2013, including auditors' report, are available for inspection during office hours at the Company's head office at Kista Science Tower, Färögatan 33, Kista, Sweden. CLX's annual report and articles of associasion are also available in electronic form on CLX's website, www.clxcommunications.com.

Above referenced annual report or information, or information referenced to, on the Company's website is not a part of and have not been and is not incorporated in this Offering Circular.

Tax considerations in Sweden

Below is a summary of certain Swedish tax issues related to the Offering and the admission for trading of the shares in CLX on Nasdaq Stockholm for private individuals and limited liability companies that are resident in Sweden for tax purposes, unless otherwise indicated. The summary is based on current legislation and is only intended to provide general information concerning the shares in CLX as from the admission for trading on Nasdaq Stockholm.

The summary does not cover:

- situations where shares are held as current assets in business operations;
- 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 private 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.

Further, special tax rules apply to certain categories of companies. The tax consequences for each individual shareholder, to some extent, depend on the holder's particular circumstances. Each shareholder is advised to consult an independent tax advisor concerning the tax consequences that could arise from the Offering and the admission for trading of the shares in CLX on Nasdaq Stockholm, including the applicability and effect of foreign tax legislation (including regulations) and provisions in tax treaties for the avoidance of double taxation.

Private 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. 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. 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.

Employees' acquisition of shares

Employees who are subscribing for and are allotted shares in connection with the Offering for a price below the market value may be subject to benefits taxations. Exemption from benefits taxations applies if the employees (including members of the board of directors, deputy members of the board of directors and existing shareholders), on the same terms and conditions as others, acquire not more than 20 percent of the total number of shares offered and the employee does not acquire shares for more than SEK 30,000.

Limited liability companies

For limited liability companies (Sw. *aktiebolag*) all income, including taxable capital gains and dividends, is taxed as income from business at a rate of 22 percent.

Deductible capital losses on shares may only be off set 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.

Shareholders 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 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.

Selling and transfer restrictions

General

No action has been, or will be, taken by CLX in any country or jurisdiction other than Sweden that would, or is intended to, permit a public offering of the shares, or the possession or distribution of the Offering Circular or any other offering material, in any country or jurisdiction where action for that purpose is required.

Persons into whose hands the Offering Circular comes are required by CLX, the Principal Selling Shareholders and the Joint Global Coordinators and Joint Bookrunners to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver shares or have in their possession or distribute such offering material, in all cases at their own expense. None of CLX, the Principal Selling Shareholders or the Joint Global Coordinators and Joint Bookrunners accept any legal responsibility for any violation by any person, whether or not a prospective purchaser of any of the shares, of any such restrictions.

United States

The shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States for offer or sale as part of their distribution and may not be offered or sold, directly or indirectly, in or into the United States, except pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws of the United States. There will be no public offering of shares in the United States.

The shares may only be resold: (i) in the United States to QIBs in reliance on Rule 144A under the Securities Act or pursuant to another exemption from the registration requirements of the Securities Act; and (ii) outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and in accordance with applicable law. Any offer or sale of shares in the United States will be made by broker dealers who are registered as such under the Exchange Act. Terms used above shall have the meanings given to them by Regulation S and Rule 144A under the Securities Act.

Each purchaser of the shares within the United States purchasing pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act will be deemed to have represented and agreed that it has received a copy of the Offering Circular and such other information as it deems necessary to make an informed investment decision and that:

i. the purchaser is authorized to consummate the purchase of the shares in compliance with all applicable laws and regulations;
ii. the purchaser acknowledges that the shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer;
iii. the purchaser (i) is a QIB, (ii) is aware that the sale to it is being made to it pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act, and (iii) is acquiring such shares for its own account or for the account of a QIB;
iv. the purchaser is aware that the shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the Securities Act;
v. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such shares, such shares or any other economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) in compliance with Regulation S, or (iii) in accordance with Rule 144 (if available), in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction;
vi. the shares are "restricted securities" within the meaning of Rule 144(a)(3) and no representation is made as to the availability of the exemption provided by Rule 144 for resale of any shares;
vii. the purchaser will not deposit or cause to be deposited such shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such shares are "restricted securities" within the meaning of Rule 144(a)(3);
viii. the purchaser acknowledges that CLX shall not recognise any offer, sale, pledge or other transfer of such shares made other than in compliance with the above-stated restrictions;
ix. if it is acquiring any of such shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the forgoing acknowledgements, representations and agreements on behalf of each such account; and
x. the purchaser acknowledges that CLX and the Joint Global Coordinators and Joint Bookrunners and their respective affiliates will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the shares outside the United States in compliance with Regulation S will be deemed to have represented and agreed that it has received a copy of the Offering Circular and such other information as it deems necessary to make an informed investment decision and that:

i. the purchaser is authorized to consummate the purchase of the shares in compliance with all applicable laws and regulations;
ii. the purchaser acknowledges that the shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the

United States, and are subject to significant restrictions on transfer;
iii. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the shares, was located outside the United States at the time the buy order for the shares was originated and continues to be located outside the United States and has not purchased such shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such shares or any economic interest therein to any person in the United States;
iv. the purchaser is not an affiliate of CLX or a person acting on behalf of such affiliate;
v. the shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S;
vi. the purchaser is aware of the restrictions on the offer and sale of the shares pursuant to Regulation S described in this document;
vii. the purchaser acknowledges that CLX shall not recognise any offer, sale, pledge or other transfer of such shares made other than in compliance with the above-stated restrictions;
viii. if it is acquiring any of such shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the forgoing acknowledgements, representations and agreements on behalf of each such account; and
ix. the purchaser acknowledges that CLX and the Joint Global Coordinators and Joint Bookrunners and their respective affiliates will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

European Economic Area

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive other than Sweden (each, a "**Relevant Member State**"), no offer of the shares may be made to the public in that Relevant Member State, except that offers of the shares may be made under the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:

i. to any legal entity that is a "qualified investor" (as defined in the Prospectus Directive);
ii. to fewer than 100, or if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Joint Global Coordinators and Joint Bookrunners for any such offer; or
iii. in any other circumstances falling within Article 3(2) of the Prospectus Directive.

This provides that no such offer of shares results in a requirement for the publication by CLX of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For purposes of this paragraph, the expression an "offer of the shares may be made" in relation to any of the shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the shares to be offered so as to enable an investor to decide to purchase or subscribe for the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Each person in a Relevant Member State, other than persons receiving offers contemplated in the Swedish language Prospectus in Sweden, who receives any communication in respect of, or who acquires shares under, the Offering will be deemed to have represented, warranted and agreed to and with each of the Joint Global Coordinators and Joint Bookrunners, the Principal Selling Shareholders and CLX that:

i. it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and
ii. in the case of any shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the shares acquired by it in the Offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State, other than qualified investors, as that term is defined in the Prospectus Directive; or (ii) where shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those shares to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of this provision, the expression an "offer" in relation to shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and any shares to be offered so as to enable an investor to decide to acquire the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (together with any applicable implementing measures in each Relevant Member State, including 2010 PD Amending Directive, the expression "2010 PD Amending Directive" means Directive 2010/73/EU).

United Kingdom

Any offer or sale of the shares may only be made to persons in the United Kingdom who are "qualified investors" or otherwise in circumstances that do not require publication by the Company of a prospectus pursuant to section 85(1) of the U.K. Financial Services and Markets Act 2000.

Any investment or investment activity to which this Offering Circular relates is available only to, and will be engaged in only with persons who: (i) are investment professionals falling within Article 19(5); or (ii) fall within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc."), of the U.K. Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or (iii) other persons to whom such investment or investment activity may lawfully be made available (together, "relevant persons"). Persons who are not relevant persons should not take any action on the basis of this Offering Circular and should not act or rely on it.

Definitions and 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.
A2P messages	Mobile text messages, primarily SMS, sent by applications or systems to mobile phones.
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.
CAGR	Compound annual growth rate.
Cantaloupe AB	Cantaloupe AB, formerly CLX Networks Holding AB, is CLX's present parent company. Cantaloupe AB is owned by the six founders of CLX (including senior executives and certain current and former board members of CLX.)
Carnegie	Carnegie Investment Bank AB (publ).
Carrier-grade	An expression used in the telecommunications market to describe system, hardware or software that is very reliable and proven capacity. Carrier-grade solutions are developed and tested to meet or exceed 99.999 percent availability.
Cloud/cloud-based service	IT services that are provided over the Internet.
CLX, the Company or the Group	CLX Communications AB (publ) reg. no 556882-8908, the group in which CLX is the parent Company or a subsidiary of the group, as the context may require.
CLX Networks	CLX Networks AB, a wholly-owned subsidiary of CLX.
Code	The Swedish Corporate Governance Code.
Cornerstone Investors	Alecta pension insurance, mutual, Swedbank Robur Fonder AB, the First Swedish National Pension Fund, the Fourth Swedish National Pension Fund, Zenit Asset Management AB, Grenspecialisten Förvaltning AB, LMK Forward AB and RAM One AB.
e-SIM	Embedded SIM Specification from GSMA providing a de-facto standard mechanism for remote provisioning and management of mobile connections for connected things.
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.
Handelsbanken	Handelsbanken Capital Markets, a part of Svenska Handelsbanken AB (publ).
IDC	International Data Corporation.
IFRS	International Financial Reporting Standards, as adopted by the European Union.
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.
IP	Internet Protocol, which is the communication protocol used to send information over the Internet.
ISP	Internet Service Provider.
Joint Global Coordinators and Joint Bookrunners	Carnegie and Handelsbanken.
Lock-up period	The certain period of time after trading on Nasdaq Stockholm has commenced, during which the Principal Selling Shareholders and other selling shareholders, i.e. certain employees in CLX who wish to sell part of their respective shareholding previously received under an incentive program, members of the board of directors and senior executives with shareholdings will undertake, with certain exemptions, not to sell their respective holdings of shares in CLX. See more under the heading "*Lock-up arrangements*" in section "*Legal considerations and supplementary information*".
MNO	Mobile network operators.
MVNO	Mobile virtual network operators.
Nasdaq Stockholm	The regulated market operated by Nasdaq Stockholm AB.
Offering	The offer of shares as set out in this Offering Circular.
Offering Circular	This offering circular.
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.

Over-allotment Option	An option granted by the Principal Selling Shareholders to the Joint Global Coordinators and Joint Bookrunners to purchase up to 1,860,483 additional common shares from the Principal Selling Shareholders, corresponding to 14.8 percent of the total number of shares in the Offering, to a price corresponding to the offering price, solely to cover any potential over-allotment in connection with the Offering, exercisable for a period of 30 days.
Over-the-air	Method for distributing updates or configurations of software through mobile networks, which thereby remove the need for physical handling of this process.
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.
Placing Agreement	The agreement on placing of shares which the Company, the Joint Global Coordinators and Joint Bookrunners and the Principal Selling Shareholders are expected to enter into on 7 October 2015. See more under the heading "*Placing agreement*" in section "*Legal consideration and supplementary information*".
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 Selling Shareholders	Cantaloupe AB, Kjell Arvidsson AB and Seitse Intressenter AB. See more under the section "*Important information to investors*" and under the heading "*Ownership structure prior to and directly following the Offering*" in section "*Share capital and ownership structure*".
Prospectus	The Swedish version of the Offering Circular that has been approved by the Swedish Financial Supervisory Authority.
QIB	Qualified Institutional Buyer, as defined in Rule 144A under the Securities Act.
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 U.S. Securities Act of 1933, as amended.
SEK	Swedish kronor.
SIM-connected devices	The connected devices within IoT with embedded SIM cards which connects to the operator's mobile network.
SLA	Service Level Agreements, the agreements which formally regulates the level of service (for example access, quality and responsibilities) regarding supplied services.
SME	Small- and medium-sized enterprises.
Symsoft	Symsoft AB, a wholly-owned subsidiary to CLX.
Things	Physical objects embedded with software that enables the objects to connect with manufacturers, operators and other connected objects.
USD	U.S. dollar.

Historical financial information for the financial years 2012/2013, 2013/2014 and 2014/2015[1)]

1) All amounts are in SEK thousand if the context do not indicate otherwise.

Consolidated income statement

kSEK	Note	July 1, 2014– June 30, 2015 (12 months)	July 1, 2013– June 30, 2014 (12 months)	February 1, 2012– June 30, 2013 (17 months)
Revenue	5	**844 394**	**605 531**	**478 510**
Other operating income	6	29 624	13 789	19 230
Work performed by the entity and capitalized		3 304	3 824	5 804
Cost of goods sold and services		-592 519	-372 637	-252 635
Other external costs	7,8	-58 307	-40 441	-44 951
Personnel costs	9	-124 737	-102 278	-121 138
Depreciation/amortization of property, plant and equipment and intangible assets	15,16	-4 446	-2 048	-1 181
Other operating expenses	6	-8 624	-29 509	-20 911
Operating profit		**88 689**	**76 231**	**62 728**
Profit from financial items				
Financial income	10	890	640	612
Financial expenses	11	-19 809	-32 801	-38 384
Profit before tax		**69 770**	**44 070**	**24 956**
Income tax expense	12	**-16 835**	**-10 769**	**-7 722**
Profit for the year		**52 935**	**33 301**	**17 234**
Attributable to:				
Owners of the Parent company		53 198	33 315	17 234
Non-controlling interests		-263	-14	0
Earning per share, SEK	13			
Basic		53,20	33,32	17,23
Diluted		53,08	33,32	17,23
Basic after share split		1,77	1,11	0,57

Consolidated statement of comprehensive income

kSEK	Note	July 1, 2014– June 30, 2015 (12 months)	July 1, 2013– June 30, 2014 (12 months)	February 1, 2012– June 30, 2013 (17 months)
Profit for the year		**52 935**	**33 301**	**17 234**
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss:				
Exchange differences on translation of translation of foreign operations		156	38	-82
Items that may be subsequently reclassified to profit or loss, total		**156**	**38**	**-82**
Total comprehensive income for the year		**53 091**	**33 339**	**17 152**
Attributable to:				
Owners of the Parent		53 391	33 353	17 152
Non-controlling interests		-300	-14	0

Consolidated balance sheet

Assets

kSEK	Note	June 30, 2015	June 30, 2014	June 30, 2013
Non-current assets				
Intangible assets	15			
Goodwill		56 799	45 438	44 487
Capitalized development expenditure		9 101	9 042	5 603
		65 900	**54 480**	**50 090**
Property, plant and equipment				
Equipment	16	4 698	1 702	1 391
		4 698	**1 702**	**1 391**
Financial assets				
Derivatives	18	2 600	0	0
		2 600	**0**	**0**
Deferred income tax assets	12	228	4 435	832
Total non-current assets		**73 426**	**60 617**	**52 313**
Current assets				
Inventories		215	43	2 903
		215	**43**	**2 903**
Current receivables and other assets				
Accounts receivables	17	135 317	74 757	50 701
Current tax receivables		6 191	251	1 763
Derivatives	18	1 210	0	194
Other receivables		7 195	5 896	2 828
Receivables on ultimate parent company		0	38 000	58 248
Prepaid expenses and accrued income	19	39 645	73 264	50 698
		189 558	**192 168**	**164 432**
Cash and cash equivalents	20	**70 974**	**55 876**	**60 968**
Total current assets		**260 747**	**248 087**	**228 303**
Total assets		**334 173**	**308 704**	**280 616**

Equity and liabilities

kSEK	Note	June 30, 2015	June 30, 2014	June 30, 2013
Equity				
Equity	21	54	50	50
Other contributed capital	22	174 999	63 003	63 003
Translation reserve	23	71	-122	-160
Other reserves	4	-468	0	0
Accumulated losses including profit for the year		-138 079	-191 277	-224 592
Equity attributable to owners of the company		**36 577**	**-128 346**	**-161 699**
Non-controlling interests		4 879	0	0
Total equity		**41 456**	**-128 346**	**-161 699**
Non-current liabilities	24			
Liabilities to credit institutions		79 851	0	0
Liabilities to ultimate parent company		971	301 510	339 186
Other non-current liabilities		5 269	0	0
Derivatives	18	0	737	183
Deferred income tax liabilities	12	8 162	6 548	6 015
		94 253	**308 795**	**345 384**
Current liabilities				
Advances from customers		9 624	3 633	4 934
Accounts payables		90 455	46 692	27 226
Current tax liabilities		2 707	8 702	9 776
Derivatives	18	415	4 250	1 315
Other current liabilities		3 862	3 637	5 078
Accrued expenses and prepaid income	25	91 401	61 341	48 602
		198 464	**128 255**	**96 931**
Total equity and liabilities		**334 173**	**308 704**	**280 616**

Consolidated statement of changes in equity

	Share capital	Other contributed capital	Translation reserve	Other reserves	Accumulated losses incl. profit for the year	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Opening balance at 1 February 2012	**50**	**0**	**0**		**0**	**50**	**0**	**50**
Profit for the year					17 234	17 234	0	17 234
Other comprehensive income:								
Translation differences			-82			-82	0	-82
Total other comprehensive income			**-82**		**0**	**-82**	**0**	**-82**
Total comprehensive income			**-82**		**17 234**	**17 152**	**0**	**17 152**
Transactions with owners:								
Contribution from ultimate parent company, net of tax (note 22)		63 003			0	63 003	0	63 003
Acquisition of subsidiaries under common control (note 28)			-78		-241 826	-241 904	0	-241 904
Total transactions with owners	**0**	**63 003**	**-78**		**-241 826**	**-178 901**	**0**	**-178 901**
Closing balance at 30 June 2013	**50**	**63 003**	**-160**	**0**	**-224 592**	**-161 699**	**0**	**-161 699**

	Share capital	Other contributed capital	Translation reserve	Other reserves	Accumulated losses incl. profit for the year	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Opening balance at 1 July 2013	**50**	**63 003**	**-160**		**-224 592**	**-161 699**	**0**	**-161 699**
Profit for the year					33 315	33 315	-14	33 301
Other comprehensive income:								
Translation differences			38			38	-1	37
Total other comprehensive income			**38**		**0**	**38**	**-1**	**37**
Total comprehensive income			**38**		**33 315**	**33 353**	**-15**	**33 338**
Other changes in equity:								
Acquistions of subsidiary						0	15	15
Sum other changes in equity	**0**	**0**	**0**		**0**	**0**	**15**	**15**
Closing balance at 30 June 2014	**50**	**63 003**	**-122**	**0**	**-191 277**	**-128 346**	**0**	**-128 346**

	Share capital	Other contributed capital	Translation reserve	Other reserves	Accumulated losses incl. profit for the year	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Opening balance at 1 July 2014	**50**	**63 003**	**-122**		**-191 277**	**-128 346**	**0**	**-128 346**
Profit for the year					53 198	53 198	-263	52 935
Other comprehensive income:								
Translation differences			193			193	-37	156
Total other comprehensive income			**193**		**0**	**193**	**-37**	**156**
Total comprehensive income			**193**		**53 198**	**53 391**	**-300**	**53 091**
Changes in values of assets and liabilities:								
Put option Caleo Technologies AB (note 4)				-468		-468	0	-468
Total value changes				**-468**	**0**	**-468**	**0**	**-468**
Transactions with owners:								
New share issue	4	149 996			0	150 000	0	150 000
Refunding of conditional shareholders contribution (note 22)		-38 000			0	-38 000	0	-38 000
Total transactions with owners	**4**	**111 996**	**0**		**0**	**112 000**	**0**	**112 000**
Other changes in equity:								
Acquistions of subsidiary						0	5 179	5 179
Sum other changes in equity	**0**	**0**	**0**		**0**	**0**	**5 179**	**5 179**
Closing balance at 30 June 2015	**54**	**174 999**	**71**	**-468**	**-138 079**	**36 577**	**4 879**	**41 456**

Consolidated cash flow statement

kSEK	Note	July 1, 2014– June 30, 2015 (12 months)	July 1, 2013– June 30, 2014 (12 months)	February 1, 2012– June 30, 2013 (17 months)
Cash flows from operating activities				
Operating profit		88 690	76 231	62 728
Adjustments for non-cash items:				
Depreciation		4 446	2 048	1 181
(Recovery of provision)/provision expense for impairment of receivables		-14 350	12 678	2 414
Derivatives		-7 782	3 683	1 304
Other		242	-82	249
Interest received		290	640	611
Interest paid		-19 810	-56 969	-14 198
Income tax paid		-22 944	-13 411	-16 203
Cash-flows from operating activities before changes in working capital		**28 782**	**24 818**	**38 086**
Changes in working capital				
Decrease(+)/Increase(-) in inventories		-172	2 860	-2 216
Decrease(+)/Increase(-) in accounts receivables		-45 062	-36 734	-8 712
Decrease(+)/Increase(-) in other short-term receivables		33 371	-25 496	-9 983
Decrease(-)/Increase(+) in accounts payables		43 561	19 467	8 047
Decrease(-)/Increase(+) in other short-term liabilities		34 459	9 951	21 377
Cash-flows from operating activities		**94 939**	**-5 134**	**46 599**
Investing activities				
Acquisition of subsidiaries	27	-2 555	0	31 223
Acquisition of operations	27	0	-1 999	0
Acquisition of intangible assets		-3 304	-3 824	-5 804
Acquisiton of equipment		-3 952	-945	-787
Received payment of receivable towards ultimate parent company		0	20 231	0
Loan to ultimate parent company		0	0	-10 210
Cash-flows from investing activities		**-9 811**	**13 463**	**14 422**
Financing activities				
Amortization to ultimate parent company	29	-150 539	-13 490	0
Proceeds from loans received		79 851	0	0
Contribution from non-controlling interests		507	15	0
Cash-flow from financing activities		**-70 181**	**-13 475**	**0**
Cash-flows for the year		**14 947**	**-5 146**	**61 021**
Cash and cash equivalents at the beginning of the financial year		**55 876**	**60 968**	**50**
Effects of exchange rate changes on the balance of cash held in foreign currencies		**151**	**54**	**-103**
Cash and cash equivalents at the end of the financial year	20	**70 974**	**55 876**	**60 968**

Notes to the consolidated financial statements

Note 1 General information

CLX Communications AB (the “Parent Company”), Corporate Registration No. 556882-8908, is a limited liability company incorporated in Sweden domiciled in Kista. The address to the headquarter is Färögatan 33, 164 51 Kista. The Parent Company and it’s subsidiaries (the “Group’s” or “CLX’s”) business consist of mobile messaging services for enterprises, and development and sales of software that support such messaging services. The composition of the Group is disclosed in note 14.

CLX Communications AB was founded (under the name Seitse 1 Holding AB) on 1 February 2012 and subsequently decided to extend its first financial year to 30 June 2013. Consequently, the historical financial information for the fiscal year ended June 30, 2013 is not directly comparable with the audited historical financial information for the years ended 30 June 2015 and 2014. To enable a comparison of the company’s results for the fiscal year ended June 30, 2014, the company has developed selected revised historical financial information for the segments for the twelve month period ended 30 June 2013.

The ultimate Parent company of CLX Communications AB is CLX Networks Holding AB, Corporate Registration No. 556798-5261, domiciled in Kista (the “Ultimate Parent Company”).

The financial statements for the parent company and the group were approved for issuance by the Board of Directors on September 1, 2015. The income statements and balance sheets for the Group and Parent company are subject for adoption at the Annual General Meeting on September 7, 2015.

Note 2 Significant accounting principles

This is CLX Communications AB’s first consolidated financial statements. The consolidated financial statements for CLX have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the EU and the interpretations of the IFRS Interpretations Committee (IFRIC). In addition, the Group applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board’s recommendation RFR 1 “Supplementary rules for Group accounting”.

The consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments that are measured at fair value. The significant accounting principles applied in the preparation of these consolidated financial statements are described below.

New and revised standards and interpretations not yet effective

The following new and revised standards and interpretations which are issued but not yet effective have not been early adopted by the Group. The new and revised standards which may have an effect on the consolidated financial statements, when applied for the first time, are described below.

IFRS 15 Revenue from contracts with customers was issued on 28 May 2014 and will replace IAS 18 Revenue and IAS 11 Construction contracts. IFRS 15 establish a single model for revenue recognition for almost all revenue arising from contracts with customers, except for leasing agreements, financial instruments and insurance contracts. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognised when the customer obtains control of a good or service. Application of IFRS 15 is mandatory for annual reporting periods beginning on or after 1 January 2018, with earlier application permitted. The standard is not yet adopted by the EU.

IFRS 9 Financial instruments was issued on July 24, 2014 and will replace IAS 39 Financial instruments: Recognition and Measurement. IFRS 9 has been issued in phases, the version issued in July 2014 replaces all previous versions. The standard provides new requirements for classification and measurement of financial instruments, derecognition, impairment and general hedge accounting. The ‘macro-hedging’ part has been removed to a separate project. IFRS 9 is mandatory for periods beginning January 1, 2018. The standard is not yet adopted by the EU.

Management has not yet performed a detailed analysis of the application of IFRS 15 and IFRS 9 and can therefore not quantify the effects. According to management, other new and revised IFRSs and Interpretations will not have any significant impact on the consolidated financial statements, when adopted for the first time.

Consolidated Financial Statements

The consolidated financial statements comprise the Parent Company and all companies over which the Parent Company has control (subsidiaries). Control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with another company and has the ability to affect the returns through its power over that company. Control is normally achieved when the parent company directly or indirectly owns shares representing more than

50% of the voting rights.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. When necessary, adjustments have been made to the financial statements of subsidiaries to bring their accounting principles into line with the Group's accounting principles. All intra-group transactions, balances and unrealized gains and losses attributable to intra-group transactions have been eliminated in full on consolidation.

Transactions with non-controlling interests

'Changes in the Parent Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions, i.e. as transactions with the Group's owners. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and allocated to shareholders of the Parent Company.

When the Parent Company loses control of a subsidiary, the gain or loss on the sale is calculated as the difference between:

i) the aggregate of the fair value of the consideration received and the fair value of any retained interests and

ii) the previous carrying amount of the subsidiary's assets (including goodwill), liabilities and any non-controlling interests.

The fair value of any investment retained in the former subsidiary at the date when control ceases is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 "Financial Instruments: Recognition and Measurement" or, when applicable, as the cost on initial recognition of an investment in an associate or a jointly-controlled entity.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred or obligations assumed and the equity interests issued in exchange for control of the acquiree. Acquisition-related costs are recognised in the income statement as incurred.

The consideration transferred by the Group in a business combination also includes the fair value of any assets and liabilities resulting from a contingent consideration arrangement. Changes in the fair value of contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustment against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed at the acquisition date. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. All other subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

At the acquisition date, the identifiable assets acquired and the liabilities assumed, as well as any contingent assets, are recognised at their fair value, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefits arrangements are recognised and measured in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee benefits", respectively.
- Liabilities or equity instruments related to share-based payments arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquire are measured in accordance with IFRS 2 "Share-based Payment" at the acquisition date.
- Assets (or disposal groups) that are classified as held-for-sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that standard.

When the sum of the consideration transferred, the amount of any non-controlling interests, and the acquisition-date fair value of any previous held equity interests in the acquiree exceed the identifiable net assets acquired, goodwill is recognised. If, after reassessment, this difference is negative, it is recognised directly in profit or loss as a bargain purchase gain.

For each business combination, any previous non-controlling interest in the acquiree is measured either at fair value or at the non-controlling interest's proportional share of the recognised amounts of the acquiree's identifiable net assets.

The transfer of CLX Networks AB and Symsoft AB, were treated as common controlled transactions. Business combinations under common control have been accounted for in the consolidated accounts prospectively, from the date the parent company, CLX Communications AB, obtained the ownership interest. The difference between the consideration paid by the Parent company and the amounts at which the assets and liabilities are recorded in the consolidated financial statements, being at historical cost, was recognised directly in equity.

Goodwill

Goodwill arising when preparing the consolidated financial statements represents the excess of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. Goodwill is carried at cost as established at the date of acquisition of the subsidiary less accumulated impairment losses, if any. For the purpose of impairment testing, goodwill is allocated to each of the cash-generating units that is expected to benefit from the synergies of the acquisition. These units are the Group's operating segments.

Goodwill is tested for impairment annually. If the recoverable amount of a cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then the carrying amount of goodwill attributable to other assets in a unit is reduced. A recognised impairment loss for goodwill is not reversed in subsequent periods.

Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results excluding amortization and depreciation (EBITDA) are regularly reviewed by the entity's chief operating decision maker. Segment reporting is disclosed in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the function assessing the operating segments performance and which is responsible for allocating resources of the operating segments. The group's management team has been identified as the chief operating decision-maker. The accounting principles of the reported segments agree with the accounting principles applied by the Group.

Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is stated net of value added taxes, discounts, returns and similar allowances. The Group recognises revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity and when the specific criteria have been met for each of the Group's activities as described below.

The Group's revenue mainly consist of management of messages for enterprise communication, sale of initial software licences and upgrades, hardware and support.

Sale of services

Revenue from sale of services on open charge accounts are recognised in the accounting period when the services are rendered.

Revenue from sale of services to fixed prices are recognised by applying the percentage of completion method. Under this method, revenue and costs are recognised by reference to the stage of completion of the contracts at the balance sheet date. The stage of completion is determined by reference to the contract costs incurred to date compared to the estimated total cost. An expected loss on a service contract is immediately recognised as an expense. When the outcome of a service contract cannot be reliable estimated, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable, and contract costs are recognised as an expense in the period in which they are incurred.

Revenue from separate support contracts

Revenue from separate support contracts are recognised on a straight-line basis over the contract period.

Revenue from separate upgrades of software licences

Revenue from separate upgrades of software licenses is recognised when the software is delivered. In cases, when adaption will be made after the initial delivery, revenue is recognised as for sale of services to fixed prices.

Sale of goods

Revenue from sale of hardware is recognised when the goods are delivered.

Dividend and interest income

Dividend income is recognised when the shareholder's right to receive payment has been established.

Interest income is recognised over the term using the effective interest method.

Lease agreement

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Other lease agreements are classified as operational leases.

The Group as lessee

Assets held under financial leases are initially recognised as non-current assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between interest and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. The interest expense is recognised directly in the income statement, unless it is directly attributable to the acquisition of an asset which requires a significant time to complete for its intended use or sale, then the interest expense is capitalized in accordance with the Group's principles for borrowing costs (see below). The non-current assets are depreciated over the shorter of the asset's useful life and the lease term.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Foreign currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('functional currency'). The consolidated financial statements are presented in Swedish kronor (SEK), which is the parent company's functional currency and presentation currency.

Foreign currency transactions are, in each entity, translated into the entity's functional currency using the exchange rates prevailing at the dates of the transactions. At the end of each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences are recognised in the income statement in the period which they arise, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investments hedges.

For the purpose of presenting the consolidated financial statement, the assets and liabilities of the Group's foreign subsidiaries are translated into Swedish kronor using the exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rate for the period, unless the exchange rate has fluctuated significantly during that period, in which case the exchange rates at the dates of transaction are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the Group's translation reserve. On disposal of a foreign subsidiary, such translation differences are recognised in the income statement as a part of the capital gain or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign entity are treated as though these were assets and liabilities held by this entity and translated at the rate of exchange prevailing at the end of each reporting period.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit of loss in the period in which they are incurred.

Employee benefits

Employee benefits which include salaries, bonuses, holiday pay, paid sick leave, etc. and pensions are recognised as the related service is rendered. Pensions and other post-employment benefits are classified as defined contribution or defined benefit pension plans. The Group only has defined contribution pension plans.

Defined contribution plan

For defined contribution pension plans, the Group pays fixed contributions into a separate, independent legal entity and the Group has no legal or constructive obligations to pay further contributions. Payments are recognised as an expense when employees have rendered the services entitling them to the contributions, this usually corresponds to when the contributions are due.

Taxes

The tax expense comprises current and deferred tax.

Current tax

Current tax is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the income statements because of items of income or expense that are taxable or deductible in other periods and items that never are taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax are recognised according to the so called balance-sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are not recognised if the temporary difference refer to goodwill or arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits available against which the temporary difference can be utilised and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that is it no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or announced by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax asset against current tax liability and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority and the Group has an intention to settle the balances on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognised in the income statement, except when the tax relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses.

Cost include the purchase price, costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating and estimated cost of dismantling and removing the asset and restoring the site on which it is located. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliable. All other repairs and maintenance are recognised in the income statement in the period in which they are incurred.

Depreciation on property, plant and equipment is recognised so as to write off the cost of the asset, less estimated residual value at the end of over their useful lives, using a straight-line method. Depreciation of an asset begins when it is available for use. The estimated useful life for equipment is 5 years.

The assets' useful lives, residual values and depreciation methods are reviewed at the end of each reporting period. The effect of changes are recognised prospectively.

The carrying amount of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset or the component. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment or a component is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement as other operating revenue or other operating expenses.

Intangible assets

Internally-generated intangible assets – research and development expenditure

Internally-generated intangible assets arising from the Group's product development are recognised if, and only if, all of the following have been demonstrated:

- there is a technical feasibility of completing the intangible asset so that it will be available for use or sale,
- it is the Group's intention to complete the intangible asset and use or sell it,
- there is an ability to use or sell the intangible asset,
- the Group can demonstrate how the intangible asset will generate probable future economic benefits,
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- there is an ability to measure reliably the expenditure attributable to the intangible asset during its development.

Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the income statement in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. The estimated useful life is 3 years. Estimated useful lives and amortization methods are reviewed at least at the end of each financial year, and the effect of any changes in estimates are recognized prospectively.

Intangible assets separately acquired

Intangible assets with finite useful lives that are separately acquired are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful lives of 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of changes in estimate being accounted for on a prospective basis. Depreciation of an asset begins when it is available for use.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill when they meet the definition of an intangible asset and their fair value can be reliable estimated. The cost for such an asset is initially the fair value at the acquisition date. It is amortised over the expected useful life which is 3 years.

Subsequent to initial recognition, intangible assets acquired in a business combination are carried at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

Impairment of property, plant and equipment and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amount of its property,plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at lease annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

When an impairment loss is reversed, the asset's (cash-generating unit) value is increased to the revalued recoverable value, but the increased carrying amount can not exceed the carrying amount that would be determined if no impairment had been made of the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in income.

Financial instruments

A financial asset and a financial liability is recognised when the Group becomes party to the contractual provisions of the instruments. A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. A financial liability, or a part of a financial liability is derecognised when the obligations are discharged, cancelled or they expire.

At the end of each reporting period, financial assets are assessed for indicators of impairment. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty or a default in payment of due amounts.

Financial assets and financial liabilities which are subsequent not measured at fair value through profit or loss, are at the initial recognition measured at fair value plus/minus transaction costs. Financial assets and financial liabilities which are subsequent measured at fair value through profit or loss, are at the initial recognition measured at fair value. The subsequent recognition of financial instruments at amortised cost or to fair value depends on the initial classification in accordance with IAS 39.

On initial recognition, a financial instrument is classified in one of the following categories:

Financial assets:

a) Fair value through profit or loss
b) Loans and receivables
c) Held-to-maturity investments
d) Available-for-sale financial assets

Financial liabilities:

a) Fair value through profit or loss
b) Other financial liabilities measured at amortised cost

Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

The fair value of financial assets and financial liabilities in active markets are determined by quoted market prices.

The fair value of other financial assets and financial liabilities are determined in accordance with general accepted valuation models, such as discounting of future cash flows and the use of information from current transaction in the market.

For all financial assets and financial liabilities, the carrying amount is considered as a reasonable approximation of fair value, if not disclosed otherwise in the following notes.

Amortised cost

Amortised cost is the amount at which the financial asset or the financial liability is measured at initial recognition minus amortisation payments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and minus any reduction for impairment.

The effective interest rate is the rate that exactly discounts estimated future cash through the expected life to the net carrying amount of the financial asset or the financial liability on initial recognition.

Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amount presented in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, bank deposits and other short-term highly liquid investments that are readily convertable to known amounts of cash and which are subject to an insignificant risk of changes in value. An investment qualify as cash equivalents only when it has a maturity of three months or less from the date of acquisition. Cash and cash equivalents are categorised as “Loans and receivables”, thus is measured at amortised cost. Since bank deposits are payable upon demand, amortised cost corresponds to the nominal amount. Short-term investments are categorised as “Fair value through profit or loss” in sub-category “Held for trading”, thus they are measured at fair value and the changes in value are recognised in the income statement.

Account receivables

Account receivables are categorised as “Loans and receivables”. Loans and receivables are measured at amortised cost, however, since the expected duration is considered short, accounts receivables are measured at their nominal amount less any impairment. Impairments of accounts receivables are recognised as operating costs.

Accounts payables

Accounts payables are categorised as “Other financial liabilities”. Other financial liabilities are measured at amortised cost, however, since the expected duration is considered short, accounts payables are measured at their nominal amount.

Liabilities to credit institutions and other borrowings

Interest bearing loans to credit institutions, overdraft facilities and other borrowings are categorised as “Other financial liabilities” which are measured at amortised cost in accordance with the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value or amortisation of borrowings is recognised in the income statement over the period of the borrowings.

Derivatives

The Group enters into derivative transactions to manage foreign exchange risks. The Group does not apply hedge accounting, thus the derivative instruments are categorized as “Fair value through profit or loss”, in the sub-category “Held for trading”. Derivatives with positive carrying amounts are presented as assets on line item “Derivatives” in the balance sheet, and derivatives with negative carrying amounts are presented as liabilities on line item “Derivatives” . Changes in the fair value of derivatives are recognised in either the net financial income/expenses or the operating profit, depending on the instrument’s purpose.

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value represent the estimated selling price, less estimated costs of completion and cost necessary to make the sale.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount.

The recognised amount is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

A provision for onerous contract is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Note 3 Critical accounting estimates and judgements

Listed below are the key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, and the key judgments that management has made in applying the Group's accounting policies.

Impairment testing of goodwill

In the calculation of cash generating units' recoverable value for the assessment of possible goodwill impairment, several assumptions of parameters have been made. These are disclosed in note 15. However, it is managements view, that considerable changes in conditions would be necessary for these assumptions and estimations to have a significant impact on goodwill.

Recognition of revenue from sale of services at fixed prices

CLX uses the percentage of completion method in accounting for its fixed price projects to deliver services, thus the Group continuously makes provisions for possible risks and deviations.These judgements are based on historical experience and other factors which have assessed to be reasonable under the existing circumstances. Actual results may differ from these judgements if other obligations are made or other conditions exist.

Part of the Group's revenue are generated from large and complex projects at fixed prices and the percentage of completion method is used. Under this method, revenue and costs are recognised by reference to the stage of completion of the contracts at the balance sheet date. The stage of completion is determined by reference to the total services incurred to date compared to the estimated total services to be performed. Total costs for each project constitutes the basis for the assessment of the proportion of services provided. If the assessment of the percentage of completion is incorrect, this may result in an incorrect accounting of the Group's profit or loss. The Group's sensitivity analysis shows that a change in the assessment of the percentage of completion by 10 % may impact revenue by 7 056 kSEK during the financial year 2014/15 (4 810 kSEK during 2013/14).

Accounts receivable

Accounts receivable are reported net of provisions for doubtful receivables. The net value corresponds to the value expected to be obtained. The expectations are based on circumstances known at the closing date. An amended financial position of a significant customer could result in a different valuation The Group monitors customer financial stability and the conditions under which they operate in order to estimate the probability of payment of individual claims. Total provision for doubtful debts on 2015-06-30 amounted to 743 kSEK (15,092 kSEK) or 0.5% (20.1%) of total accounts receivable.

The Group's assessment is that the payment will be received for accounts receivable that are past due but not reserved, since the customer's payment history is good. Valuation of doubtful receivables is made monthly. The valuation shall be based on the risks regarding past due percentage.

Note 4 Financial risk management and financial instruments

The Group is exposed, through its operations, to different types of financial risks such as market risk, liquidity risk and credit risk. Market risks comprises mainly 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 has delegated the daily risk management to the company's CFO. The Board 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 max 80% of the forecasted cash flows of EUR and USD over the coming 18 months. According to the Group's financial policy, the exposure shall be reduced through the use of derivatives. The Group currently only use forward contracts, but the policy also allows currency options. Currency futures mature according to the table below. At the balance-sheet date 60% (88%, 2013: 49%) of cash flows (12 months) in EUR, and 0% (7%, 2013: 22%) of cash flows (12 months) in USD were economically hedged. However hedge accounting in accordance with IAS 39 is not applied.

The table below discloses nominal net amounts of the material transaction exposures. The exposure is based on the Group's cash flows in the significant currencies.

Currency (1 000)	July 1, 2014– June 30, 2015	July 1, 2013– June 30, 2014	February 1, 2012– June 30, 2013
EUR	34 121	25 089	22 494
USD	3 165	6 072	12 199
GBP	-2 809	-2 849	-3 980

The net carrying amount on monetary assets and liabilities subject to revaluation on the balance-sheet date is:

Currency (1 000)	June 30, 2015	June 30, 2014	June 30, 2013
EUR	6 250	3 797	3 190
USD	1 240	4 402	2 638
GBP	-748	-510	-877

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. This risk is defined as translation exposure and isn't hedged according to the Group's finance policy. The Group consider translation exposure to be immaterial, since it is below 3 MSEK in total.

In "Sensitivity analysis to market risks" below, the impact of changes in the significant foreign currencies against the Swedish krona is disclosed.

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. The loans are at floating rate STIBOR90 +1.25 %, which means that the Group's future financial costs are affected by changes in market interest rates. 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 finance policy the interest risk is not hedged.

In "Sensitivity analysis to market risks" below the impact of changes in the interest rates is disclosed.

Sensitivity analysis to market risks

The sensitivity analysis to *currency risks* discloses the Group's sensitivity to an increase or a decrease of 10% of the SEK against the most important currencies. The *transaction exposure* shows the impact on the Group's profit after tax by a change in the exchange rates. This also includes outstanding monetary assets and liabilities in foreign currencies at the balance date, including loans between group companies where the currency effect will impact the consolidated income statement. *Translation exposure* shows the impact on the Group's profit after tax and equity a change in the exchange rates.

The sensitivity analysis to interest risk presents the Group's sensitivity to an increase or a decrease of 1 % of the interest rate. The interest sensitivity is based on the impact on the profit after tax that a change in the market rate gives both on interest income and interest costs including unrealized fair value changes of derivatives. As the Group doesn't account for any fair value changes directly in other comprehensive income or in equity, the corresponding effects impact equity.

kSEK	2014/15 (12 months) Impact on profit/loss	2013/14 (12 months) Impact on profit/loss	2012/13 (17 months) Impact on profit/loss
Transaktionsexponering			
EUR +10%	31 573	23 073	19 700
USD +10%	2 641	4 093	8 190
GBP +10%	-3 687	-3 269	-4 078
Interest rates			
Financial expenses + 1%	-808	-3 015	-3 392
Financial income + 1%	0	0	0

Liquidity risk and refinancing risk

Liquidity risk refers to the risk that the Group will encounter difficulty to meet its obligations related to the Group's financial liabilities. Refinancing risk refers to the risk that the Group cannot obtain sufficient funding at a reasonable cost. To reduce liquidity risk and refinancing risk the Group has at its disposal undrawn committed credit facilities amounting to 100 MSEK.

The maturity analysis of the Group contractual obligations related to the Group's and the parent company's financial liabilities excluding derivatives are presented in the tables below. The amounts in the tables are undiscounted cash flows including interest payments where appropriate, thus these amounts are not possible to reconcile with the balance sheet. Interest payments are based on the conditions prevailing on the balance date. Amounts in foreign currencies are converted into SEK at exchange rates prevailing on the balance date.

The Group's loan agreements are subject to covenants, see note 24.

June 30, 2015	Not later than 3 months	3–12 months	1–5 years	Later than 5 years	Total
Liabilities to credit institutions	7 667	22 500	56 333	0	86 500
Liabilities to ultimate parent company				971	971
Other non-current liabilities				5 269	5 269
Account payables	90 455				90 455
Totalt	**98 122**	**22 500**	**56 333**	**6 240**	**183 195**

June 30, 2014	Not later than 3 months	3–12 months	1–5 years	Later than 5 years	Total
Liabilities to ultimate parent company	7 538	22 613	120 604	301 510	452 265
Account payables	46 692				46 692
Totalt	**54 230**	**22 613**	**120 604**	**301 510**	**498 957**

June 30, 2013	Not later than 3 months	3–12 months	1–5 years	Later than 5 years	Total
Liabilities to ultimate parent company	8 480	25 439	135 674	339 186	508 779
Account payables	27 226				27 226
Totalt	**35 706**	**25 439**	**135 674**	**339 186**	**536 005**

The timing of the contractual payment obligations related to the Group's derivatives are presented in the table below.

The amounts in these tables are undiscounted values and include interest payments where appropriate, which means that the amounts are not possible to reconcile with the balance sheet. The table is based on net flows for derivatives settled on a net basis and gross flows for the derivatives settled on a gross basis.

Interest payments are calculated on the basis of conditions prevailing on balance date. Amounts in foreign currency are converted into Swedish kronor at financial year-end rates.

June 30, 2015	Not later than 3 months	3–12 months	1–5 years	Later than 5 years	Total
Forward exchange agreement	-382	1 079	2 001	0	2 698
Put option Caleo Technologies AB				600	600
Totalt	**-382**	**1 079**	**2 001**	**600**	**3 298**

June 30, 2014	Not later than 3 months	3–12 months	1–5 years	Later than 5 years	Total
Forward exchange agreement	-1 539	-2 711	-737	0	-4 987
Totalt	**-1 539**	**-2 711**	**-737**	**0**	**-4 987**

June 30, 2013	Not later than 3 months	3–12 months	1–5 years	Later than 5 years	Total
Forward exchange agreement	-144	-977	-183	0	-1 304
Totalt	**-144**	**-977**	**-183**	**0**	**-1 304**

Credit risk and counterparty risk

Credit risk refers to the risk that the counterparty in a transaction causes a loss for the Group by not fulfilling its contractual obligations. The Group's exposure to credit risk is primarily attributable to accounts receivables. To limit the Group's credit risk, a credit risk analysis is made of each new customer. The financial situation of existing customers is also constantly monitored to identify warning signals in an early stage.

Credit risk also arises when the company's surplus liquidity is invested in different types of financial instruments. Excess liquidity can according to the finance policy be invested in interest-bearing bank accounts or in interest-bearing securities. According to the financial policy the credit risk in investments shall be limited by investments only with counterparties with a very high rating. Further the finance policy stipulates that investments must be spread on several counterparties or issuers.

Accounts receivable are spread on a large number of customer and no single customer has a significant part of the total accounts receivable. Accounts receivable are not concentrated to a specific geographical area. The Group therefore believes that the concentration risks are limited.

The Group's maximum exposure to credit risk is represented by the carrying amount of all financial assets and is disclosed in the table below.

	June 30, 2015	June 30, 2014	June 30, 2013
Accounts receivables	135 317	74 757	50 701
Derivatives	3 810	0	194
Ultimate parent company recievables	0	38 000	58 248
Cash and cash equivalents	70 974	55 876	60 968
Maximum exposure to credit risk	**210 101**	**168 633**	**170 111**

Categories of financial instruments

The carrying amounts of financial assets and liabilities per category in IAS 39 are presented in the table below.

June 30, 2015	Fair value through profit or loss (Held for trading)	Loans and receivables	Other liabilities	Carrying amount
Financial assets				
Accounts receivable		135 317		135 317
Derivatives	3 810			3 810
Cash and cash equivalents		70 974		70 974
	3 810	**206 291**	**0**	**210 101**
Financial liabilities				
Skulder till kreditinstitut, långfristiga			79 851	79 851
Other non-current liabilities			5 269	5 269
Liabilties to ultimate parent company			971	971
Derivatives	415			415
	415	**0**	**86 091**	**86 506**

June 30, 2014	Fair value through profit or loss (Held for trading)	Loans and receivables	Other liabilities	Carrying amount
Financial assets				
Accounts receivable		74 757		74 757
Derivatives	0			0
Ultimate parent company recievables		38 000		38 000
Cash and cash equivalents		55 876		55 876
	0	**168 633**	**0**	**168 633**
Financial liabilities				
Liabilties to ultimate parent company			301 510	301 510
Derivatives	4 987			4 987
	4 987	**0**	**301 510**	**306 497**

June 30, 2013	Fair value through profit or loss (Held for trading)	Loans and receivables	Other liabilities	Carrying amount
Financial assets				
Accounts receivable		50 701		50 701
Derivatives	194			194
Ultimate parent company recievables		58 248		58 248
Cash and cash equivalents		60 968		60 968
	194	**169 917**	**0**	**170 111**
Financial liabilities				
Liabilties to ultimate parent company			339 186	339 186
Derivatives	1 498			1 498
	1 498	**0**	**339 186**	**340 684**

Net gains and net losses from financial assets and liabilities by category in IAS 39 are presented below.

2014/15 (12 months)	Fair value through profit or loss (Held for trading)	Loans and receivables	Other liabilities	Total
Operating profit				
Other operating income	3 434			3 434
	3 434			**3 434**
Net financial income/expense				
Put option Caleo Technologies AB	600			600
Exchange rate differences		37		37
	600	**37**	**0**	**637**

2013/14 (12 months)	Fair value through profit or loss (Held for trading)	Loans and receivables	Other liabilities	Total
Operating profit				
Other operating expenses	-4 804			-4 804
	-4 804	**0**	**0**	**-4 804**
Net financial income/expense				
Exchange rate differences		12		12
	0	**12**	**0**	**12**

2012/13 (17 months)	Fair value through profit or loss (Held for trading)	Loans and receivables	Other liabilities	Total
Operating profit				
Other operating expenses	-1 304			-1 304
	-1 304	**0**	**0**	**-1 304**
Net financial income/expense				
Exchange rate differences				0
	0	**0**	**0**	**0**

Financial instruments measured at fair value

Financial assets and liabilities which are measured at fair value in the balance sheet, or where the fair value is disclosed, are classified in one of three levels based on the information used to measure fair value.

Level 1 – Financial instruments whose fair value is determined based on observable (unadjusted) quoted prices in an active market for identical assets or liabilities. A market is considered active if quoted prices from a stock exchange, broker, industry group, pricing service or supervisory body are readily and regularly available and those prices represent actual and regularly occurring market transactions at arm's length.

Level 2 - Financial instruments whose fair value is determined with valuation techniques based on other observable market data than quoted prices for the asset or liability included in level 1, either directly (as prices) or indirectly (derived from prices). Examples of observable data in level 2 are:

- Quoted prices on similar assets or liabilities, and
- Data that can be the basis of a judgment of a price, like market interest rates and yield curves.

Level 3 - Financial instruments whose fair values are determined with valuation techniques where significant input is based on unobservable data.

Financial assets and liabilities measured at fair value in the balance sheet comprise of derivatives and options regarding acquisition of remaning shares in a subsidiary.

The Group's classification of financial assets and liabilities measured at fair value in the balance sheet or whose fair value is disclosed, is presented below. There have not been any significant transfers between the levels during the periods.

For remaining financial assets and liabilities, the carrying amounts are a fair approximation of their fair values as the maturity and/or interest maturity are shorter than three months, thus this implies that a discounting based on prevailing market conditions does not have any significant impact.

Derivatives

Foreign currency derivatives is measured in level 2. The valuation is performed by discounting of the future cash flows based on the contractual forward rate and the forward rate prevailing on the balance date.

Call option/put option

Call option referring to the acquisition of the remaining shares in subsidiaries are measured in level 3. The liability for the put option referring to the acquisition of the remaining shares in subsidiaries are measured in level 2 to the present value of future payment.

Additional purchase price

Additional purchase price referring to acquisition of shares in subsidiaries are measured in level 3.

Offsetting

The Group has no instruments that are offset in the balance sheet. There are netting agreements with all derivative counterparties. The table below presents amounts not offset in the balance sheet but within scope of such agreements.

June 30, 2015	**Amounts recognized in balance sheet**	**Financial instruments, nettning agreement**	**Net amount**
Assets			
Derivatives	3 210	-415	2 795
Liabilities			
Derivatives	-415	415	0
Total	**2 795**	**0**	**2 795**

June 30, 2014	**Amounts recognized in balance sheet**	**Financial instruments, nettning agreement**	**Net amount**
Assets			
Derivatives	0	0	0
Liabilities			
Derivatives	-4 987	0	-4 987
Total	**-4 987**	**0**	**-4 987**

June 30, 2013	**Amounts recognized in balance sheet**	**Financial instruments, nettning agreement**	**Net amount**
Assets			
Derivatives	194	-194	0
Liabilities			
Derivatives	-1 498	194	-1 304
Total	**-1 304**	**0**	**-1 304**

Managing capital

The objectives of the Group's capital management is to safeguard the Group's ability to continue its business to generate a reasonable return to shareholders and benefits to other stakeholders.

Net debt is borrowings less cash and cash equivalents. Total capital consists of total shareholders ' equity and net debt.

The company's financial goal is that the net debt shall be below 2 times EBITDA during the last 12 months. The table below discloses the net debt at year end:

	June 30, 2015	June 30, 2014	June 30, 2013
Borrowings	80 822	301 510	339 186
Less: Cash and cash equivalents	-70 974	-55 876	-60 968
Net debt	**9 848**	**245 634**	**278 218**
2 x EBITDA	**186 270**	**156 558**	**127 818**

The increase/decrease in net debt is mainly due to a share-holder contribution from CLX Networks Holding AB.

Note 5 Segment information

The Group's reportable segments consists of Enterprise division and Operator division.

- Enterprise division revenues consist of fees for handling messages for enterprises The costs consist mainly of fees to telecom operators and staff salaries.
- Operator division revenues consist mainly of software licenses, including upgrades, and support. The costs consist mainly of salaries to staff.
- Corporate mainly comprises parent company operations.

There are no differences between the accounting principles for the Group and the segments. Sales between segments are carried out at market terms.

Segment revenues and results

Segment revenues and results 2014/15 (12 months)	Enterprise division	Operator division	Corporate	Eliminations	Total
External revenues	704 040	140 354	0	0	844 394
Internal revenue	7 794	14 253	150	-22 197	0
Other operating income	17 678	11 946	0	0	29 624
Total revenue	**729 513**	**166 553**	**150**	**-22 197**	**874 018**
Work performed by the entity and capitalized	0	3 304	0	0	3 304
Cost of goods and services sold	-579 316	-16 761	0	3 557	-592 519
Other expenses	-95 823	-108 056	-6 429	18 640	-191 668
EBITDA	**54 374**	**45 040**	**-6 279**	**0**	**93 135**
Depreciation and amortization					-4 446
Financial income					890
Financial expense					-19 809
Profit before tax					**69 770**
Other segment information as of June 30 2015					
Segment intangible assets and equipment	45 596	25 002	0	0	70 597
Segment assets	261 368	173 686	1 259	-102 140	334 173
Segment liabilities	155 279	67 788	171 790	-102 140	292 717

Segment revenues and results 2013/14 (12 months)	Enterprise division	Operator division	Corporate	Eliminations	Total
External revenues	465 119	140 412	0	0	605 531
Internal revenue	11 890	10 591	0	-22 481	0
Other operating income	9 684	4 105	0	0	13 789
Total revenue	**486 693**	**155 108**	**0**	**-22 481**	**619 320**
Work performed by the entity and capitalized	0	3 824	0	0	3 824
Cost of goods and services sold	-357 474	-20 213	0	5 050	-372 637
Other expenses	-74 242	-115 400	-15	17 431	-172 228
EBITDA	**54 977**	**23 317**	**-15**	**0**	**78 279**
Depreciation and amortization					-2 048
Financial income					640
Financial expense					-32 801
Profit before tax					**44 070**
Other segment information as of June 30 2014					
Segment intangible assets and equipment	44 534	11 648	0	0	56 182
Segment assets	218 834	111 655	69 497	-91 282	308 704
Segment liabilities	102 460	41 413	353 059	-59 882	437 050

Segment revenues and results 2012/13 (17 months)	Enterprise division	Operator division	Corporate	Eliminations	Total
External revenues	313 583	164 927	0	0	478 510
Internal revenue	15 224	8 607	0	-23 831	0
Other operating income	10 726	8 504	0	0	19 230
Total revenue	**339 533**	**182 038**	**0**	**-23 831**	**497 740**
Work performed by the entity and capitalized	0	5 804	0	0	5 804
Cost of goods and services sold	-234 986	-19 975	0	2 326	-252 635
Other expenses	-60 353	-148 147	-5	21 505	-187 000
EBITDA	**44 194**	**19 720**	**-5**	**0**	**63 909**
Depreciation and amortization					-1 181
Financial income					612
Financial expense					-38 384
Profit before tax					**24 956**
Other segment information as of June 30 2013					
Segment intangible assets and equipment	42 524	8 957	0	0	51 481
Segment assets	165 289	95 682	38 109	-18 464	280 616
Segment liabilities	69 845	37 875	353 059	-18 464	442 315

Segment revenues and results 2012/13 (12 months)	Enterprise division	Operator division	Corporate	Eliminations	Total
External revenues	276 405	139 586	0	0	415 991
Internal revenue	11 069	5 475	0	-16 544	0
Other operating income	9 294	5 803	0	0	15 097
Total revenue	**296 767**	**150 864**	**0**	**-16 544**	**431 087**
Work performed by the entity and capitalized	0	4 150	0	0	4 150
Cost of goods and services sold	-206 922	-17 626	0	1 990	-222 558
Other expenses	-47 089	-119 683	-5	14 554	-152 223
EBITDA	**42 755**	**17 705**	**-5**	**0**	**60 456**

Revenues from services and products

kSEK	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Messaging	704 040	465 119	313 583
Initial software licenses and upgrades	61 056	73 440	93 711
Hardware	5 398	8 148	14 420
Support	73 414	58 824	56 796
Others	486	0	0
Total	**844 394**	**605 531**	**478 510**

Revenues from external customers by region[1]

kSEK	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
EU excluding Sweden	453 901	289 740	197 224
Sweden	73 868	42 506	54 768
Outside of EU	316 625	273 285	226 518
Total	**844 394**	**605 531**	**478 510**

[1] Revenues from external customers are based on where the customers are located.

Non-current assets[2]

kSEK	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Sweden	69 498	55 201	51 476
Canada	797	845	0
Other countries	303	136	5
Total	**70 598**	**56 182**	**51 481**

[2] Non-current assets exclude financial instruments and deferred tax assets.

Information about major customers

No single customer contributed 10 % or more to the Group's revenue for 2014/15, 2013/14 or 2012/13.

Note 6 Other operating income and other operating expenses

Other operating income

kSEK	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Exchange gains	26 057	12 912	19 152
Derivatives	3 434	0	0
Other	133	877	78
Total	**29 624**	**13 789**	**19 230**

Other operating expenses

kSEK	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Exchange losses	-17 143	-11 668	-15 417
Derivatives	0	-4 804	-1 304
Other	8 519	-13 037	-4 190
Total	**-8 624**	**-29 509**	**-20 911**

Note 7 Fees to auditors

kSEK	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Deloitte AB			
Audit fee	826	266	237
Audit related services	565	0	0
Tax services	80	0	0
Other fees	25	0	82
Total	**1 496**	**266**	**319**

Audit fees refer to the auditor's reimbursement for the execution of the statutory audit. This work includes the audit of the annual report and annual accounts, the administration of the Board of Directors and the CEO, and fees for advice offered in connection with the audit assignment. Audit related fees primarily involve assurance related services other than the statutory audit.

Audit related services refer primarily to advisory services related to a change to a new accounting framework.

Note 8 Leases

Operational leases – lessee

The Group has operating leases relating to office rents, office equipment, and cars. The total expensed lease payments under operating leases amounts to 7 905 TSEK (7 102) (and 4 143 2012/13). The future lease payments under non-cancellable operating leases are as follows:

Period of maturity:	**2014/15 (12 months)**	**2013/14 (12 months)**	**2012/13 (17 months)**
Minimum lease payments			
Within one year	3 528	3 481	4 736
Later than one year but not later than five years	124	30	258
	3 652	**3 511**	**4 994**

Note 9 Personnel costs

Average number of employees

Average number of employees 2014/15 (12 months)	Women	Men	Total
Parent company			
Sweden	0	0	0
Parent company, total	**0**	**0**	**0**
Subsidiaries			
Sweden	11	97	108
Canada	2	6	8
UAE	1	9	10
UK	3	4	7
USA	2	3	5
Subsidiaries, total	**19**	**119**	**138**
Group, total	**19**	**119**	**138**

Average number of employees 2013/14 (12 months)	Women	Men	Total
Parent company			
Sweden	0	0	0
Parent company, total	**0**	**0**	**0**
Subsidiaries			
Sweden	12	98	110
Canada	0	1	1
UAE	2	9	11
USA	1	3	4
Subsidiaries, total	**15**	**111**	**126**
Group, total	**15**	**111**	**126**

Average number of employees 2012/13 (17 months)	Women	Men	Total
Parent company			
Sweden	0	0	0
Parent company, total	**0**	**0**	**0**
Subsidiaries			
Sweden	11	84	95
UAE	1	7	8
USA	1	3	4
Subsidiaries, total	**13**	**94**	**107**
Group, total	**13**	**94**	**107**

Board members and other senior executives

	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Parent company			
Women:			
Board of Directors	2	0	0
Other senior executives including CEO	0	0	0
Men:			
Board of Directors	4	8	8
Other senior executives including CEO	0	0	0
Parent company, total	**6**	**8**	**8**
Group			
Women:			
Board of Directors	0	0	0
Other senior executives including CEO	0	0	0
Men:			
Board of Directors	8	6	6
Other senior executives including CEO	4	2	2
Group, total	**12**	**8**	**8**

Salaries and other remuneration

Costs for employee benefits	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Parent company			
Salaries and other remuneration	0	0	0
Social security contributions	0	0	0
Pension costs	0	0	0
Subsidiaries			
Salaries and other remuneration	88 298	71 302	82 515
Social security contributions	20 521	18 636	24 565
Pension costs	8 483	7 174	11 194
Total salaries and remuneration in the Group	**88 298**	**71 302**	**82 515**
Total social security contributions in the Group	**20 521**	**18 636**	**24 565**
Total pension costs in the Group	**8 482**	**7 174**	**11 194**
Group, total	**117 301**	**97 112**	**118 274**

Salaries and other remuneration allocated between senior executives and other employees	**2014/15 (12 months)**	**2013/14 (12 months)**	**2012/13 (17 months)**
Parent company			
Salaries and other remuneration to senior executives (0 persons)	0	0	0
Salaries and other remuneration to other employees	0	0	0
Group			
Salaries and other remuneration to senior executives	4 168	3 418	4 272
Pension costs to senior executives	774	744	1 042
Salaries, other remunerations and pensions costs to senior executives, Group total	**4 942**	**4 162**	**5 314**

Remuneration to senior executives

2014/15 (12 months)	Wages	Remunerations	Variable remuneration	Other benefits	Pension costs	Total
Chairman of the Board (Erik Fröberg)	0	13	0	0	0	13
Board member (Björn Zethraeus)	577	0	0	1	42	620
Board member (Henrik Sandell)	564	0	0	2	123	689
Board member (Robert Gerstmann)	579	0	0	69	122	770
Board member (Kristian Männik)	564	0	0	35	118	717
Board member (Charlotta Falvin)	0	13	0	0	0	13
Board member (Helena Nordman-Knutson)	0	13	0	0	0	13
Board member (Johan Stuart)	0	13	0	0	0	13
Board member (Jonas Fredriksson)	0	13	0	0	0	13
Board member (Kjell Arvidsson)	559	0	0	0	193	752
CEO (Johan Hedberg)	569	0	0	20	93	682
Other senior executives (2 persons)	566	0	0	0	83	649
Total remunerations to senior executives	**3 978**	**63**	**0**	**127**	**774**	**4 942**

2013/14 (12 months)	Wages	Remunerations	Variable remuneration	Other benefits	Pension costs	Total
Board member (Björn Zethraeus)	526	0	0	41	52	619
Board member (Erik Fröberg)	0	0	0	0	0	0
Board member (Jonas Fredriksson)	0	0	0	0	0	0
Board member (Henrik Sandell)	511	0	0	65	126	702
Board member (Kjell Arvidsson)	501	0	0	1	195	697
Board member (Johan Hedberg)	500	0	0	65	124	689
Board member (Robert Gerstmann)	531	0	0	83	125	739
Board member (Kristian Männik)	513	0	0	82	121	716
CEO (Johan Hedberg)	0	0	0	0	0	0
Other senior executives (0 persons)	0	0	0	0	0	0
Total remunerations to senior executives	**3 082**	**0**	**0**	**336**	**744**	**4 162**

2012/13 (17 months)	Wages	Remunerations	Variable remuneration	Other benefits	Pension costs	Total
Board member (Björn Zethraeus)	672	0	0	102	143	917
Board member (Erik Fröberg)	0	0	0	0	0	0
Board member (Jonas Fredriksson)	0	0	0	0	0	0
Board member (Henrik Sandell)	669	0	0	107	174	950
Board member (Kjell Arvidsson)	622	0	0	1	189	812
Styreleseledamot (Johan Hedberg)	643	0	0	82	179	904
Board member (Robert Gerstmann)	590	0	0	89	177	856
Board member (Kristian Männik)	596	0	0	99	180	875
CEO (Johan Hedberg)	0	0	0	0	0	0
Other senior executives (0 persons)	0	0	0	0	0	0
Total remunerations to senior executives	**3 792**	**0**	**0**	**480**	**1 042**	**5 314**

Board members who are also senior executives recieve salary for their work as senior executives.

Pensions

The CEO's and other executives retiring age is 65 years. The pension premium shall amount to 4.7% for base salary lower than 7.5 income base amounts (SEK 58 100 for 2015), and 32% for parts of base salary exceeding 7.5 income base amounts. The pensionable salary is the base salary.

Severance pay agreements

Between the company and the CEO there is a termination period of 6 months. Upon termination no severance is paid.

Not 10 Financial income

kSEK	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Interest income	260	627	510
Exchange gains, financial	0	0	101
Call option, Caleo Technologies AB	600	0	0
Other	30	13	1
Total	**890**	**640**	**612**

Not 11 Financial costs

kSEK	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Interest expense	-458	-228	-325
Interest expense, ultimate parent company	-19 311	-32 572	-38 059
Exchange loss, financial	-40	-1	0
Total	**-19 809**	**-32 801**	**-38 384**

Not 12 Taxes

	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Current tax			
Current tax on profit for the year	-11 041	-13 838	-2 909
Deferred tax			
Deferred tax related to temporary differences	-5 794	3 069	-4 813
Total	**-16 835**	**-10 769**	**-7 722**

Reconciliation of income tax expense

	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Profit before tax	69 770	44 070	24 956
Income tax expense calculated at Swedish tax rate (22 %) (26.3% 2012/13)	-15 350	-9 695	-6 563
Effect of different tax rates of foreign subsidiaries	-46	0	0
Current tax related to imputed income on off-setting to untaxed reserves	-34	-72	-20
Effect of expenses that are non-deductible in determining taxable profit	-318	-313	-516
Effect of income that is exempt from taxation	1	0	1
Change in unrecognized tax loss carry forwards	-128	32	-245
Revaluation of deffered tax according to change in tax rate	0	0	1 016
Paid foreign current tax for which compensation has not been obtained	-960	-721	-1 870
Other	0	0	475
Total	**-16 835**	**-10 769**	**-7 722**
Income tax expense recognised in profit or loss	**-16 835**	**-10 769**	**-7 722**

Current tax recognised directly in equity amounts to 0 kSEK (0) (and -9 997 2012/13) and relates to partly taxable conditional shareholders' contribution. Deferred tax recognised directly in equity amounts to 132 kSEK (0) (and 0 2012/13) and relates to putoption Caleo Technologies AB. Current tax recognised in other comprehensive income amounts to 0 kSEK (0) (and 0 2012/13). Deferred tax recognised in other comprehensive income amounts to 0 kSEK (0) (and 0 2012/13).

Deferred tax asset and deferred tax liability

Deferred tax assets and deferred tax liabilities relate to the following:

	June 30 2015	June 30 2014	June 30 2013
Deferred tax asset			
Recognized tax losses carry forwards	71	17	14
Derivatives	0	1 098	287
Bad debt reserve	157	3 320	531
Deferred tax asset	**228**	**4 435**	**832**
Deferred tax liability			
Capitalized development expenditure	1 825	1 770	1 233
Derivatives	615	0	0
Untaxed reserves	5 722	4 778	4 782
Deferred tax liability	**8 162**	**6 548**	**6 015**

Deferred tax assets are measured at the amount it is probable that sufficient taxable profits will be available to allow the benefit of the deferred tax asset to be utilized. There are no essential unused tax losses carry forward.

The tax rate for calculating deferred tax amount to 22% all years.

Changes in recognized deferred tax assets and tax liabilities are as follows:

Deferred tax assets	**Unused tax losses carry forwards**	**Option and derivative instruments**	**Bad debts reserve**	**Total**
As at 1 februari 2012	**0**	**0**	**0**	**0**
Recognized in profit and loss	14	482	531	1 027
Acquisition	0	-195	0	-195
As at 30 juni 2013	**14**	**287**	**531**	**832**
As at 1 juli 2013	**14**	**287**	**531**	**832**
Recognized in profit and loss	3	811	2 789	3 603
As at 30 juni 2014	**17**	**1 098**	**3 320**	**4 435**
As at 1 juli 2014	**17**	**1 098**	**3 320**	**4 435**
Recognized in profit and loss	54	-1 098	-3 163	-4 207
As at 30 juni 2015	**71**	**0**	**157**	**228**

Deferred tax assets	**Unused tax losses carry forwards**	**Option and derivative instruments**	**Bad debts reserve**	**Total**
As at 1 februari 2012	**0**	**0**	**0**	**0**
Recognized in profit and loss	1 233	0	4 606	5 839
Acquisition	0	0	176	176
As at 30 juni 2013	**1 233**	**0**	**4 782**	**6 015**
As at 1 juli 2013	**1 233**	**0**	**4 782**	**6 015**
Recognized in profit and loss	537	0	-4	533
As at 30 juni 2014	**1 770**	**0**	**4 778**	**6 548**
As at 1 juli 2014	**1 770**	**0**	**4 778**	**6 548**
Recognized in profit and loss	55	747	785	1 587
Recognized directly in equity	0	-132	0	-132
Acquisition	0	0	159	159
As at 30 juni 2015	**1 825**	**615**	**5 722**	**8 162**

Note 13 Earnings per share

Basic and diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Profit for the year attributable to the owners of the Parent company	53 198	33 315	17 234
Weighted average number of shares outstanding during the year, basic	1 000 000	1 000 000	1 000 000
Basic and diluted earnings per share, SEK	**53,20**	**33,32**	**17,23**

Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows:

	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Profit for the year attributable to the owners of the Parent company	53 198	33 315	17 234
Interest expense on preference shares	-62	0	0
Adjusted profit for the year attributable to the owners of the Parent company	**53 136**	**33 315**	**17 234**
Weighted average number of shares, basic	1 000 000	1 000 000	1 000 000
Dilution effect from preference shares	81 081	0	0
Weighted average number of shares outstanding during the year, diluted	1 001 111	1 000 000	1 000 000
Diluted earnings per share, SEK	**53,08**	**33,32**	**17,23**

Basic earnings per share after share split

The earnings used in the calculation of diluted earnings per share after share split are as follows:

	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
Profit for the year attributable to the owners of the Parent company	53 198	33 315	17 234
Weighted average number of shares, basic	1 000 000	1 000 000	1 000 000
Weighted average number of shares, basic after share split	30 000 000	30 000 000	30 000 000
Basic earnings per share, SEK	**1,77**	**1,11**	**0,57**

For more information about the share split, see note 30.

Note 14 Composition of the Group

The Group has the following subsidiaries as of June 30, 2015:

Name	Identity no. and place of incorporation and operation	Principal activity	Ownership (%)
CLX Networks AB	556747-5495, Sweden	Development and sales of enterprise communications	100 %
CLX Networks South Africa (PTY) Ltd	2013/128948/07, South Africa	Procurement of messaging services	100 %
CLX Networks Nigeria Limited	1210794, Nigeria	Procurement of messaging services	99,99 %
CLX Networks Italy S.R.L.	4265200230, Italy	Procurement of messaging services	100 %
CLX Networks Inc.	20-3937075, USA	Sales and procurement of messaging services	100 %
CLX Networks Canada	9294-4933, Canada	Development, sales and procurement of messaging services	100 %
CLX Networks UK LTD	09068965, UK	Procurement of messaging services	100 %
CLX Networks Singapore PTE. LTD.	201423573W, Singapore	Sales and procurement of messaging services	100 %
CLX Networks AB Telekomünikasyon LTD. ŞTİ.	866349, Turkey	Sales and procurement of messaging services	51 %
Symsoft AB	556353-1333, Sweden	Development and sales of cloud platforms	100 %
Caleo Technologies AB	556627-0780, Sweden	Development of billing support systems (BSS)	67 %

The Group has the following subsidiaries as of June 30, 2014:

Name	Identity no. and place of incorporation and operation	Principal activity	Ownership (%)
CLX Networks AB	556747-5495, Sweden	Development and sales of enterprise communications	100 %
CLX Networks Italy S.R.L.	4265200230, Italy	Procurement of messaging services	100 %
CLX Networks Inc.	20-3937075, USA	Sales and procurement of messaging services	100 %
CLX Networks Canada	9294-4933, Canada	Development, sales and procurement of messaging services	100 %
CLX Networks AB Telekomünikasyon LTD. ŞTİ.	866349, Turkey	Sales and procurement of messaging services	51 %
Symsoft AB	556353-1333, Sweden	Development and sales of cloud platforms	100 %

The Group has the following subsidiaries as of June 30, 2013:

Name	Identity no. and place of incorporation and operation	Principal activity	Ownership (%)
CLX Networks AB	556747-5495, Sweden	Development and sales of enterprise communications	100 %
CLX Networks Inc.	20-3937075, USA	Sales and procurement of messaging services	100 %
Symsoft AB	556353-1333, Sweden	Development and sales of cloud platforms	100 %

The Group has no significant non-controlling interests.

Note 15 Intangible assets

	Goodwill	Capitalized development expenditure	Total
Cost at 1 February 2012	**0**	**0**	**0**
The Group's formation (note 28)	44 487	0	44 487
Capitalised development costs	0	5 804	5 804
Cost at 30 June 2013	**44 487**	**5 804**	**50 291**
Accumulated amortisations at 1 February 2012	**0**	**0**	**0**
Amortisation	0	-201	-201
Accumulated amortisation at 30 June 2013	**0**	**-201**	**-201**
Carrying amount at 30 June 2013	**44 487**	**5 603**	**50 090**
Cost at 1 July 2013	**44 487**	**5 804**	**50 291**
Acquisitions (note 27)	951	998	1 949
Capitalised development costs	0	3 824	3 824
Cost at 30 June 2014	**45 438**	**10 626**	**56 064**
Accumulated amortisation at 1 July 2013	**0**	**-201**	**-201**
Amortisation	0	-1 383	-1 383
Accumulated amortisation at 30 June 2014	**0**	**-1 584**	**-1 584**
Carrying amount at 30 June 2014	**45 438**	**9 042**	**54 480**
Cost at 1 July 2014	**45 438**	**10 626**	**56 064**
Acquisitions (note 27)	11 307	0	11 307
Capitalised development costs	0	3 329	3 329
Currency adjustments	54	0	54
Cost at 30 June 2015	**56 799**	**13 955**	**70 754**
Accumulated amortisation at 1 July 2014	**0**	**-1 584**	**-1 584**
Amortisation	0	-3 270	-3 270
Accumulated amortisation at 30 June 2015	**0**	**-4 854**	**-4 854**
Carrying amount at 30 June 2015	**56 799**	**9 101**	**65 900**

The total amount of research and development expenditure recognised as an expense during the period amounts to 30 930 kSEK (28 221) and 38 500 kSEK for the period 2012/13 (17 months).

Impairment test for goodwill

The carrying amount of goodwill has been allocated to the following cash-generating units:

Goodwill for each cash-generating unit	**2015-06-30**	**2014-06-30**	**2013-06-30**
CLX Networks AB	42 009	42 009	42 009
Symsoft AB	2 478	2 478	2 478
Caleo Technologies AB	11 307	0	0
Voltari, Inc.	1 005	951	0
Balance at year-end	**56 799**	**45 438**	**44 487**

The cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The recoverable amount of a cash-generating unit is determined based on value in use calculation which uses cash flow projections based on financial budgets approved by the management covering a five-year period. In the assessment of future cash flows assumptions are made about sales growth, operating margin, and discount rate. The estimated growth rate and the forecasted operating margin is based on the company's budgets and forecasts for each unit. For CLX Networks AB and Symsoft AB a discount rate of 10.0% (10.0%) (and 10.0% per June 30, 2013) before taxes is used, which reflect specific risks related to the asset. For Caleo Technologies AB a discount rate of 12.0% is used. After the five-year period the applied growth rate amount to 2% (2%) (and 2% per June 30 2013) for CLX Networks AB and Symsoft AB, and 3% for Caleo Technologies AB, which coincides with the Group's long-term assumption of inflation and long-term market growth.

As no major changes in in market interest rates have taken place during the period February 1, 2012 - June 30, 2015, and no other factors that to any significant extent affect the risk premium in technology companies changed during this period, the Company does not believe that there is any reason to use different discount rates for the different years. The Company also believes that Symsoft and CLX Networks AB should be assigned the same risk premium, based on the fact the two companies both can be categorized as technology companies in a growth phase, but with strong and stable cash flows.

Caleo Technologies AB is in an earlier phase of development, which justifies a somewhat higher risk premium.

An increase in the discount rate by 2% for Symsoft AB and CLX Networks AB would not result in any impairment need.

Note 16 Equipment

Cost at 1 February 2012	**0**
The Group's formation (note 28)	15 034
Additions	787
Disposals	-805
Cost at 30 June 2013	**15 016**
Accumulated depreciation at 1 February 2012	**0**
The Group's formation (note 28)	-13 446
Disposals	801
Depreciation	-980
Accumulated depreciation at 30 June 2013	**-13 625**
Carrying amount at 30 June 2013	**1 391**
Cost at 1 July 2013	**15 016**
Acquisitions	158
Additions	948
Cost at 30 June 2014	**16 122**
Accumulated depreciation at 1 July 2013	**-13 625**
Acquisitions	-130
Depreciation	-665
Accumulated depreciation at 30 June 2014	**-14 420**
Carrying amount at 30 June 2014	**1 702**
Cost at 1 July 2014	**16 122**
Acquisitions	235
Additions	4 124
Disposals	-186
Cost at 30 June 2015	**20 295**
Accumulated depreciation at 1 July 2014	**-14 420**
Depreciation	-1 177
Accumulated depreciation at 30 June 2015	**-15 597**
Carrying amount at 30 June 2015	**4 698**

Note 17 Accounts receivables

kSEK	June 30 2015	June 30 2014	June 30 2013
Accounts receivables, gross amount	136 060	89 849	53 115
Allowance for doubtful debts	-743	-15 092	-2 414
Accounts receivables, net after allowance for doubtful debts	**135 317**	**74 757**	**50 701**

It is management's assessment that the carrying amount of accounts receivables, net after allowance for doubtful debts corresponds to fair value.

Movement in the allowance for doubtful debts

	June 30 2015	June 30 2014	June 30 2013
Balance at beginning of year	-15 092	-2 414	-1 103
Write-off of allowance	4 772	1 094	1 103
Additional allowance for doubtful debts during the year	-743	-13 772	-2 414
Amounts recovered during year	10 320	0	0
Total	**-743**	**-15 092**	**-2 414**

During 2013/14 a significant allowance related to receivables towards two customers was recognized, one of the customers had filed for bankruptcy. In 2014/15 the full amount was collected from this customer as the bankruptcy estate had been acquired, corresponding to the main portion of the amounts recoverd during the year.

Age of accounts receivables

	June 30 2015	June 30 2014	June 30 2013
Not overdue	105 458	61 457	41 702
Due 30 days	18 348	5 923	7 518
Due 31-60 days	7 455	2 834	2 671
Due 61-90 days	2 250	1 285	73
Due over 90 days	2 549	18 350	1 151
Totalt	**136 060**	**89 849**	**53 115**

The Group's assessment is that the payment will be obtained for accounts receivables that are past due but not written down since the customers payment historically is good.

Note 18 Derivatives

	June 30 2015	June 30 2014	June 30 2013
Currency exchange forwards			
-asset	3 210	0	194
-liability	415	4 987	1 498
Call option Caleo Technologies AB			
-asset	600	0	0
Total	**3 395**	**-4 987**	**-1 304**

For further information regarding the derivative instruments, please see note 4.

Note 19 Prepaid expenses and accrued income

	June 30 2015	June 30 2014	June 30 2013
Prepaid rent	656	889	1 220
Accrued interest income	16	214	295
Accrued income	31 284	67 925	46 100
Other	7 689	4 236	3 083
Total	**39 645**	**73 264**	**50 698**

Note 20 Cash and cash equivalents

	June 30 2015	June 30 2014	June 30 2013
Liquid assets with banks and other credit institutions	70 974	55 876	60 968
Totalt	**70 974**	**55 876**	**60 968**

Note 21 Share capital

At the beginning of year 2014/15, 2013/14 and 2012/13 the share capital amounted to 1 000 000 shares and a value per share of 0.05 SEK.

On June 17, 2015 it was resolved on a new share issue in which the principal owner CLX Networks Holding AB ("Parent") subscribed for 81 081 preference shares against payment through set-off of the parent company's receivable from CLX Communications AB, 150 000 000 SEK. Through the rights issue the share capital increased by 4 054,05 kronor to a total of 54 054,05 SEK. The preference shares have priority over ordinary shares to receive funds as dividend, or the like, until a 150 million kronor, plus an annual adjustment factor of three (3) percent has been paid to the owners of preference shares. In case of a public offering of shares in CLX Communications AB, then all preference shares will be converted into ordinary shares, meaning that all shares in the company have the same right to dividends.

Note 22 Other contributed capital

In 2012/13 a conditional shareholders contribution was received totalling 73 000 kSEK, which was partly treated as taxable income hence corresponding tax effect (9 997 kSEK) has reduced the carrying amount of the received contribution. As of June 30th 2015 the conditional shareholders contribution of 38 000 kSEK has been refunded in full and the remaining conditional shareholders contribution of 35 000 kSEK was converted to an unconditional shareholders contribution. For the financial year 2014/15 other paid-in capital has increased by 149,996 kSEK through premiums on the issue of 81 081 preference shares, see note 21 for additional disclosure.

Note 23 Translation reserve

Translation reserves relate to currency exchange differences on translation of foreign operations to SEK, which is recognized in other comprehensive income.

Note 24 Non-current liabilities

	June 30 2015	June 30 2014	June 30 2013
Bank loan	79 851	0	0
Liabilities to ultimate parent company (note 29)	971	301 510	339 186
Deferred purchase consideration Caleo Technologies AB (note 27)	4 669	0	0
Liabilitiy put option Caleo Technologies AB (note 4)	600	0	0
Derivatives	0	737	183
Deferred tax liabilities (note 12)	8 162	6 548	6 015
Total	**94 253**	**308 795**	**345 384**

The bank loan carries a variable interest rate which currently is STIBOR90 with a margin of 1.25% with a minimum interest of 1.25%, and is amortized with 6 700 kSEK per quarter. The credit agreements contain standard provisions and commitments, including a provision on the ownership change and requirements for the maintenance of a maximum net debt / EBITDA ratio (earnings before interest, tax, depreciation and amortization) and a minimum equity ratio. See Note 26 for the collateral related to the bank loan.

The liabiltiy to the ultimate parent company has no maturity date with an interest rate of 10 % for the period between April 17th 2012 through December 31st 2014 and an interest rate of 3 % for the period between January 1st 2015 and June 30th 2015.

The Group has an overdraft facility amounting to 100 000 kSEK (40 000) (and 40 000 per June 30, 2013). The overdraft facility was not utilized at either June 30, 2015, June 30, 2014 or June 30, 2013.

Note 25 Accrued expenses and prepaid income

	June 30 2015	June 30 2014	June 30 2013
Accrued salaries	9 169	6 149	5 013
Accrued vacation pays	8 327	7 919	7 605
Accrued social costs	6 021	5 185	7 333
Deferred income, other	48 152	31 838	21 380
Deferred income, support	4 826	4 109	4 479
Accrued costs for listing	4 623	0	0
Other	10 283	6 141	2 791
Total	**91 401**	**61 341**	**48 602**

Note 26 Pledged asses and contingent liabilities

	June 30 2015	June 30 2014	June 30 2013
Pledged assets			
Corporate mortgages	45 000	45 000	45 000
Restricted funds and guarantees	5 630	548	3 496
Pledged capital insurance	0	0	226
Shares in Symsoft AB and CLX Networks AB	211 986	0	0
Totalt	**262 616**	**45 548**	**48 722**

Corporate mortgages and shares in Symsoft AB and CLX Networks AB are generally pledged towards the Group's commitment to Danske Bank Sweden. Blocked funds in bank accounts are pledged for payment guarantees the companies have set out.

Note 27 Business combinations

On 28 February 2014 the Group acquired the assets of Voltari Inc. for 1 999 kSEK. This acquisition was aimed at reinforcing the Group's position in the North American market.

On 8 January 2015 the Group acquired 66.67% of the share capital of Caleo Technologies AB for 4 669 kSEK. This acquisition was aimed at obtaining solutions and expertise in BSS area.

Total consideration	2014/15 Caleo Technologies AB	2013/14 Voltari, Inc.
Paid consideration	4 669	1 999
Contingent consideration	4 669[1)]	0
Consideration to transfer, total	**9 338**	**1 999**

[1)] According to the agreement on contingent consideration, the parent company shall pay the sellers an additional 4,669 kSEK on July 8, 2016 if a number of conditions relating to earnings and staff are met. Management believes that it is probable that the contingent consideration will be paid.

Acquisition related expenses amount to less than 1 MSEK and has been recognised as other expenses in the profit and loss statement.

Assets acquired and liabilities recognised at the date of acquisition

	2014/15 Caleo Technologies AB	2013/14 Voltari, Inc.
Non-current assets		
Intangible assets		1 011
Property, plant and equipment	182	29
Current assets		
Inventories		0
Accounts receivables	1 149	0
Other current receivables	849	8
Cash and equivalents	2 114	0
Non-current liabilities		
Deferred tax liabilities	-159	0
Current liabilities		
Accounts payables	-201	0
Current income tax liabilities	-12	0
Other current liabilities	-1 222	0
Identified assets and liabilities, net	**2 700**	**1 048**
Consideration to transfer, total	**9 338**	**1 999**
Estimated purchase price relating to non-controlling interests in the method of full goodwill	4 669	0
Goodwill	**11 307**	**951**

Goodwill arose from the acquisition of Caleo Technologies AB because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workable workforce of the companies. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Goodwill arose for similar reasons at the acquisition of staff and operating activities from Voltari,Inc

Only the goodwill arising from the asset acquisition is expected to be deductible for tax purposes.

Net cash flow on acquisition

	2014/15 Caleo Technologies AB (66,7%)	2013/14 Voltari Inc.
Agreed consideration	4 669	1 999
Paid compensation	**-4 669**	**-1 999**
Cash and cash equivalents acquired reported in investing activities	2 114	0
Total cash flow, net	**-2 555**	**-1 999**

Impact of the acquisition on the Group's profit or loss

The acquisition of Caleo Technologies AB has not had any material impact on the Group's profit for the reporting period.

Note 28 Business combinations involving entities under common control

The parent company's acquisition of the subsidiaries Symsoft AB and CLX Networks AB from the ultimate parent company on April 16th 2012 are considered to be acquired under so-called Common Control.

IFRS 3 Business Combinations has therefore not been applied. Instead, the parent company used the ultimate parent company's original acquisition values of the transferred subsidiaries. As a consequence goodwill amounts related to Symsoft AB and CLX Networks AB are represented by goodwill amounts recognized by the ultimate parent company and no new goodwill was recognized as a result of this transaction under common control.

For the Group, this has meant that the difference between what the parent company paid and the ultimate parent company's acquisition values have been recognized directly in equity. The Group's equity has also been affected by the fact that the equity in the acquired subsidiaries changing between the different acqusition dates.

The effect on the Group's equity at the acquisition date April 16th, 2012 becomes (kSEK):

		Translation reserve	Retained earnings incl. net income	Total equity attributable to parent company shareholders
By the parent company paid purchase price of shares in subsidiaries	349 950			
Net asset value as of acqustion date	108 046			
Total effect on the Group's equity at the group's formation		**-78**	**-241 826**	**-241 904**

Net cash flow on acquisition

	2012/13
Agreed consideration	349 950
Received vendor note	-315 000
Offsetting against receivable towards parent company	-34 950
Paid compensation	**0**
Cash and cash equivalents acquired reported in investing activities	31 223
Total cash flow, net	**31 223**

Note 29 Transactions with related parties

Transactions between the Company and its subsidiaries have been eliminated on consolidation and thus not included in this note. Details of transactions between the Group and other related parties are disclosed below.

Purchase of goods and services

	2014/15 (12 months)	2013/14 (12 months)	2012/13 (17 months)
MI Carrier Services AB	160	140	162
Total	**160**	**140**	**162**

MI Carrier Services AB has performed some consultancy services within the area of telecom licensing. The company is owned by the founders to CLX Networks AB. Sales and purchases of goods and services are based on current market terms and conditions.

Receivables from related parties

	June 30 2015	June 30 2014	June 30 2013
CLX Networks Holding AB	0	38 000	58 248
Total	**0**	**38 000**	**58 248**

Debts to related parties

	June 30 2015	June 30 2014	June 30 2013
Loan from CLX Networks Holding AB	971	301 510	339 186
Totalt	**971**	**301 510**	**339 186**

Loans from CLX Networks Holding AB has no expiration date and has had 10% interest rate during the period April 17, 2012 - December 31, 2014 and 3% interest rate during the period 1 January, 2015 - June 30, 2015.

Disclosures regarding remuneration to senior executives are presented in note 9.

Note 30 Significant events after the financial year

After the financial year, the Company changed its name from Seitse 1 Holding AB to CLX Communications AB.

After the financial year, an extraordinary general meeting of the company on 31 August 2015 it was resolved to increase the company's share capital with 3 189 188.95 SEK to 3 243 243 SEK and to split each existing share into 30 new shares, which increased the number of shares in the company to 32 432 430 (30 000 000 basic shares and 2 432 430 preference shares).

No other significant events occurred after the financial year.

Auditor's report regarding historical financial information for the financial years 2012/2013, 2013/2014 and 2014/2015

Deloitte.

To the Board of Directors of CLX Communications AB (publ), org.nr 556882-8908

The Auditor's Report on historical financial statements

We have audited the consolidated financial statements for CLX Communications AB (publ) on pages F-1–F-43, which comprise the consolidated balance sheet as of 30 June 2015 (30 June 2013 (17 months) and 30 June 2014) and the consolidated income statement, cash flow statement and statement of changes in equity for the years then ended, and a summary of significant accounting policies and other explanatory notes.

The Board of Directors' and the Managing Director's responsibility for the financial statements
The Board of Directors and the Managing Director are responsible for the preparation and the fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU and the Annual Accounts Act and additional applicable framework. This responsibility includes designing, implementing and maintaining internal control relevant to preparing and appropriately presenting financial statements that are free from material misstatement, whether due to fraud or error. The Board is also responsible for the preparation and fair presentation in accordance with the requirements in the Commission Regulation (EC) No 809/2004.

The auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with FAR´s Recommendation RevR 5 Examination of Prospectuses. This recommendation requires that we comply with ethical requirements and have planned and performed the audit to obtain reasonable assurance that the financial statements are free from material misstatements. An audit in accordance with FAR´s Recommendation RevR 5 Examination of Prospectuses involves performing procedures to obtain audit evidence corroborating the amounts and disclosures in the financial statements. The audit procedures selected depend on our assessment of the risks of material misstatements in the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the company's preparation and fair presentation of the financial statements as a basis for designing audit procedures that are applicable under those circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also involves evaluating the accounting policies applied and the reasonableness of the significant accounting estimates made by the Board of Directors and the Managing Director and evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion
In our opinion the financial statements give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU/Annual Accounts Act and additional applicable framework of the financial position of CLX Communications AB (publ) as of 30 June 2015 (30 June 2013 (17 months) and 30 June 2014) and its financial performance, statement of changes in equity and cash flows for these years.

Stockholm 25 September 2015

Signature on Swedish original

Erik Olin

Authorised Accountant

This page has intentionally been left blank.

Addresses

The Company

CLX Communications AB (publ)

Kista Science Tower
P.O. Box 1206
SE-164 28 Kista
Sweden
Tel: +46 8 32 75 11
www.clxcommunications.com

Joint Global Coordinators and Joint Bookrunners

Carnegie Investment Bank AB (publ)

Regeringsgatan 56
SE-103 38 Stockholm
Sweden

Handelsbanken Capital Markets

Blasieholmstorg 11–12
SE-106 70 Stockholm
Sweden

Legal advisors to the Company

As to Swedish law

Advokatfirman Lindahl KB

Mäster Samuelsgatan 20
P.O. Box 1065
SE-101 39 Stockholm
Sweden

As to U.S. law

Latham & Watkins (London) LLP

99 Bishopsgate
London EC2M 3XF
United Kingdom

Legal advisor to Joint Global Coordinators and Joint Bookrunners

As to Swedish law

Gernandt & Danielsson Advokatbyrå KB

Hamngatan 2
SE-111 47 Stockholm
Sweden

Auditors

Deloitte AB

Rehnsgatan 11
SE-113 79 Stockholm
Sweden

Ineko Finanstryck 243228, 2015


CLX