

Planning for  
a connected  
world

Another  
profitable quarter  
as revenues  
more than triple  
Q2 2018

# Ranplan Wireless Interim report Q2 2019

1 APRIL - 30 JUNE 2019

# The period in summary

## Second quarter 2019

- Revenues rose by more than 200% to SEK 16.6 million, from SEK 5.0 million in the year-earlier period<sup>3</sup>
- Gross Margin, in this quarter affected by a mix change, amounted to 92.6%<sup>1,2</sup>
- EBITDA amounted to SEK 0.4 million<sup>1</sup> (-7.6)<sup>3</sup>
- Net Income for the period amounted to SEK 0.3 million<sup>1</sup> (-7.7)<sup>3</sup>
- Earnings per share for the quarter was SEK 0.02 (-0.39)<sup>3</sup>
- Cash and cash receivables at the end of June amounted to SEK 39.3 million<sup>4</sup>.

## First six months 2019

- Revenues almost tripled to SEK 29.4 million (11.7)<sup>3</sup>
- Gross Margin reached 96,8%<sup>3</sup>
- EBITDA amounted to SEK 0.6 million<sup>1</sup> (-10.9)<sup>3</sup>
- Net Income for the period amounted to SEK 0.5 million<sup>1</sup> (-11.1)<sup>3</sup>
- Earnings per share for the period was SEK 0.09 (-0.55)<sup>3</sup>
- Cash and cash receivables at the end of June 2019 amounted to SEK 39.3 million<sup>4</sup>.

## Significant events during the second quarter 2019

- Strategic reseller partnership and first purchase order with Massilatech, a Metco Group company, one of the largest telecommunications groups in the Middle East with offices in Iraq, Kuwait, Oman, Saudi Arabia and UAE
- Ranplan secured contracts with two of the larger US system integrators: CTS LLC and DPJJ LLC (Wireless Services)
- Ranplan was awarded the Judge's Special Prize in the "Best of Show Award" category for Ranplan Professional's 5G network planning capability at Interop in Tokyo and was also finalist at Small Cell Forum annual award in the category "Software and Services - Management, Automation and Orchestration"
- The Company announced the retirement of Ranplan CFO Chris Caswell and his replacement John Watson
- The company announced Alastair Williamson to step down as CEO and replaced by Per Lindberg who, in the capacity as interim CEO, will take up office on 1 September 2019
- At the AGM on 29 April in Stockholm, the Board of Directors obtained authorisation to (i) launch a long-term incentive program for employees and contractors by way of a directed issue of warrants (corresponding to a maximum share equivalent of 1 million), and (ii) increase the share capital by way of a long-term incentive program for employees and contractors by way of a directed issue of warrants and approval of transfer of warrants; and (iii) increase the share capital by way of a directed share issue (corresponding to a maximum of 20% of the current number of shares)
- Ranplan's four largest shareholders agree to extend the lock-up period for another 6 months up until 1 January 2020.

## Significant events after the end of the period

- On 31 July, the Board of Directors summoned shareholders to attend an extraordinary general meeting in Stockholm on 14 August at 4:30pm CET
- On behalf of major shareholders representing more than 74% of current votes outstanding, the Board of Directors proposes that (1) Tomas Isaksson be elected a new ordinary member of the Board, and (2) that Prof Jie Zhang be elected new Chairman of the Board, and (3) that the number of Board members, excluding the CEO, be reduced from 5 to 3.
- In July 2019 the Company entered into a credit line agreement valued at SEK 30 million with current Board of Director and interim designated CEO Per Lindberg
- Lars-Inge Sjöqvist decided to step down from the Board prior to the EGM.

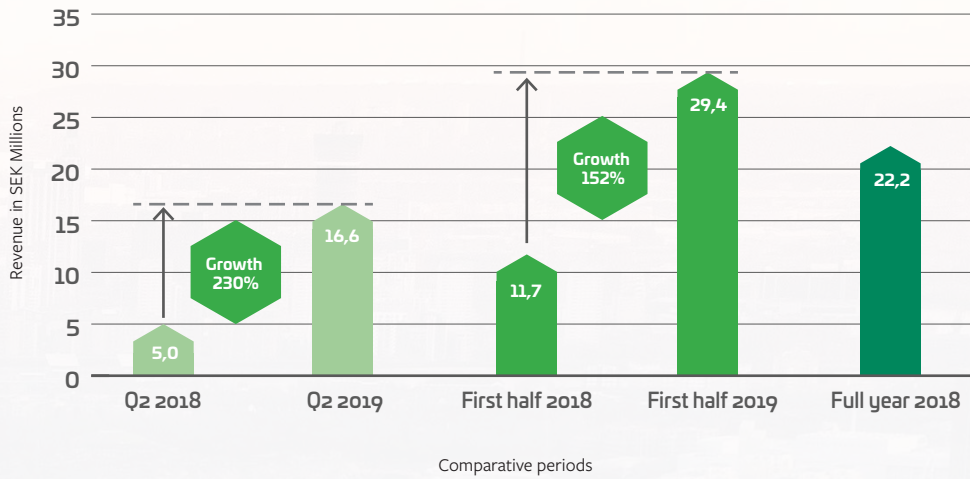
1. From Consolidated Financial Statements 3 months to 30 June 2019

2. Figures inside parentheses refer to the corresponding figures for the previous fiscal year throughout this Q2 report.

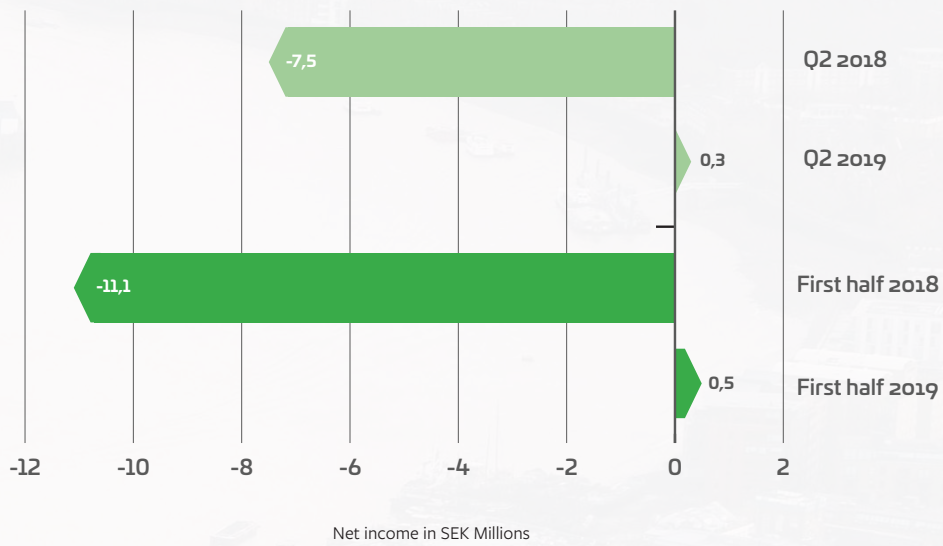
3. From Combined Financial Statements

4. From Consolidated Balance Sheet 30 June 2019

### Revenue development in 2019 vs 2018 (SEK Million)



### Net Income development in 2019 vs 2018 (SEK Million)





*"We are proud to report a second consecutive profitable quarter in 2019"*

Alastair Williamson,  
CEO Ranplan Group AB

## Words from the CEO

We are proud to report a second consecutive profitable quarter in 2019 with revenues of SEK 29.4 million for the first half of 2019 - a growth of 152% over the same period in 2018. A year after the IPO in late June 2018, the company operates at a considerably higher level which helps us demonstrate the leverage built into our business model.

**R**anplan revenues for the second quarter amounted to SEK 16.6 million<sup>1</sup>, with a gross margin of 92.6%<sup>1</sup>. On a comparative quarter-on-quarter basis for the first six months we have grown our revenues by 230% over the same period in 2018, from SEK 5.0 million<sup>2</sup> in Q2 2018 to SEK 16.6 million<sup>1</sup> in Q2 2019.

**Revenue increased for** the first six months to SEK 29.4 million<sup>1</sup>, representing a growth of 152% over the same period in 2018.

**The Company delivered** a profit from operations of SEK 0.3 million in Q2 2019<sup>1</sup> compared with losses from operations of SEK 7.7 million in Q2 2018<sup>1</sup>.

**We are especially** pleased to report a second consecutive profitable quarter. Profit for the first six months of 2019 amounted to SEK 0.5 million compared with losses from

operations of SEK 11.1 million in the same period in 2018. These figures lend credence to the strategic direction the company has decided to pursue.

**Cash and cash receivables** expected to be converted into cash within the next 12 months amounted to SEK 39.3 million<sup>3</sup> by the end of June 2019, slightly above the level of SEK 38.1 million<sup>4</sup> at the end of calendar 2018.

**The company maintained** a robust gross margin of 92.6% in the quarter just ended. The gross margin was lower than reported in previous quarters due to a sale of 3rd party product. Sales of Ranplan software at 99.4% remains unchanged, reflecting the pure licensing nature of our business model.

### Business Highlights

Ranplan secured seven new customers in Q2 2019 and won repeat business from several existing customers.

**Ranplan formed two** commercial technology partnerships in the US. We entered into a Preferred System Integrator relationship with Communications Technology Services LLC (CTS), one of the larger System Integrators in the US, and with DPJJ LLC (Wireless Services). Both System Integrators procured licenses from Ranplan to deliver RF planning services to their clients.

**The Company entered** into a strategic reseller partnership with and received its first purchase order from Massiltech, part of the Metco Group, one of the largest telecommunications groups in the Middle East with bases in Iraq, Kuwait, Oman,

1. From Consolidated Financial Statements 3 months to 31 June 2019  
2. From Combined Financial Statements

3. From Consolidated Balance Sheet 31 June 2019  
4. From Consolidated Balance Sheet 31 December 2018



Saudi Arabia, UAE. This partnership opens up an important market opportunity as Metco enjoys strong relationships with all the operators in the region.

### Conferences and Tradeshows

The Company exhibited at key tradeshows specifically 5G World and Small Cells Forum in London, CommunicAsia 2019 in Singapore, Interop in Tokyo and Mobile World Congress in Shanghai which served to increase brand awareness, generate new opportunities, open-up technology partnerships, as well as provide intelligence on emerging trends. We were honoured to be awarded the Judge's Special Prize in the category "Best of Show Award" for Ranplan Professional's 5G NR planning capability at Interop in Tokyo. We were also finalist at the Small Cells Forum in the category Software and Services - Management, Automation and Orchestration, positioning Ranplan as the thought leader in its field of expertise and hence increasing its visibility in the marketplace.

### Research and Development

Research and Development at the absolute frontier is at the heart of the Company. We take great pride in our contribution to society at large in this regard. In the second quarter, Ranplan was awarded a grant from the UK's Geospatial Commission for a joint research project alongside the University of Warwick on project COCKPIT 5G, a government funded 5G and AI research project. The aim of this project is to investigate where black-spots are in the UK to support and optimise the roll-out of 5G to improve both urban and rural coverage. Findings will be used to enhance connectivity for businesses, AI (Artificial Intelligence), driverless cars and manufacturing.

### Summary

We are inspired by our financial and operational achievements in the first half of the year. As new business opportunities emerge, we will – often in close dialogue with existing and prospective customers – enhance our organisational capabilities.

**True to our** values, I would personally like to thank our team of dedicated employees with whom our success is intrinsically linked. Our past performance, our recent advance and our future success hinge critically on the people we employ, how well they interact, and what level of motivation they display.

**It is against** this backdrop – as well as a successful listing of the company's shares on Nasdaq First North – that I look forward to handing over the CEO baton.

Alastair Williamson  
CEO Ranplan Group AB

<sup>1</sup> From Consolidated Financial Statements  
<sup>2</sup> From Combined Financial Statements

# Market

**80%**

of mobile traffic is in buildings 2016<sup>1</sup>

**60%**

of users unsatisfied with indoor coverage 2018<sup>2</sup>

**Only 2%**

of commercial buildings have indoor wireless networks 2017<sup>3</sup>

**600%**

In-building Mobile Data Traffic growth by 2020<sup>1</sup>

**4.6 Billion**

4G (LTE) Subscribers by 2022<sup>4</sup>

**\$1.7 Billion**

In-building public safety network spend in 2021<sup>5</sup>

**3.5 Billion**

Wireless IoT connected devices by 2023<sup>2</sup>

**1 Billion 5G**

Subscribers by 2023<sup>3</sup>

1. <https://www.voltimum.com.au/articles/building-mobile-data-traffic-grow>
2. <https://telecom.economictimes.indiatimes.com/news/ericsson-doubles-its-2023-forecast-for-iot-connections/64556042>
3. Ericsson Mobility Report, 2017
4. <https://www.ericsson.com/en/mobility-report/future-of-mobile-subscriptions>
5. <https://www.abiresearch.com/press/abi-research-forecasts-public-safety-das-spend-dou/>



## RANPLAN ADDRESSABLE MARKET IN 2023

Mobile  
Communication  
\$140 million

Public  
Safety  
\$133 million

Industrial IoT  
and Smart City  
\$50 million

## THE SOLUTION

- Ranplan's suite of wireless network planning tools enable mobile operators and telecommunication equipment vendors to accurately and at a lower cost plan and design wireless networks both in-building and in outdoor urban environments
- Develop existing solutions to support 3G, 4G (LTE), 5G, Wi-Fi, NB-IoT, LoRa, Sigfox, P25, TETRA technologies, and any future technologies
- Secure additional government-backed research and development funding for commercialisation into related and complementary core solutions.



# Ranplan Group

Ranplan is a leading provider of wireless network planning tools for in-building networks.

**R**anplan is a software company that markets a suite of solutions that allow mobile operators and telecommunication equipment vendors to cost effectively and accurately plan, design and optimise 4G (LTE), 5G and Wi-Fi wireless networks in buildings and in outdoor urban environments.

**The purpose of** an in-building wireless network is to provide enhanced network coverage and/or capacity when the existing outdoor network is not able to adequately service the demand. Coverage may be poor due either to high penetration losses caused by the building structure or the latest materials used that are designed to improve thermal performance of the building. In dense urban environments, adjacent buildings may create an RF barrier that blocks coverage from nearby outdoor networks. Tall buildings typically have poor coverage on upper floors since outdoor antennas, many floors below, are specifically designed to suppress energy radiating above the horizon. Capacity may be an issue in venues such as stadiums and convention centres where many thousands of users may be trying to simultaneously access the network.

**Today, over 80 %** of mobile data traffic is generated in buildings with only approximately 2 % of commercial buildings having a dedicated in-building (cellular)

wireless network. Research also shows that in-building wireless networks could increase the value of the property by 28 % on average. With the roll out of 4G (LTE) and 5G technologies, the need to build in-building wireless networks has increased and will continue to increase. In addition, the need for more accurate network planning to maintain customer satisfaction is expected to drive the growth in the wireless network planning tool market.

**Ranplan Group AB** has been listed on Nasdaq First North Stockholm since June 2018, trading with the ticker RPLAN, ISIN: SE0011178201.

**Ranplan's operational ambition** is to increase its position in the fast-emerging wireless market by providing quality software to enable mobile operators and telecommunications equipment vendors to plan wireless networks more accurately and cost effectively. Given the market climate is beneficial and that the company is delivering on its strategy, the company's aspiration is to increase sales to over USD 25 Million in 2022, with the aim of reaching an EBITDA margin of approximately 40 %.



# Strong growing market

The deployment of 3G and in particular 4G (LTE) mobile networks has resulted in an explosion of mobile data consumption enabled through smartphones with access to internet. This will be further fueled by the deployment of 5G.

**W**ith 5G technology on the horizon even more data will be consumed by users. The mobile communication sector will continue to be the largest market for Ranplan. Mobile operators are striving to provide complete coverage and capacity within buildings, and the emerging need to densify mobile networks to cope with the increase in mobile data increases the demand for Ranplan solutions.

**The public safety** market is evolving as older wireless networks used by the emergency services such as the police, ambulance and fire services are being migrated over to 4G (LTE). The need for excellent in-building wireless coverage is critical for the emergency services, leading to significant requirement for our products for planning and designing the wireless networks. This is a market that is set to grow significantly over the next few years.

**In the smart** city segment many cities are building wireless networks that enable connectivity to control a variety of applications such as traffic control, parking systems, smart lighting, as well as providing Wi-Fi access for citizens. Ranplan's solutions are well suited for making smart cities a reality.

**The industrial IoT** is also an addressable market as enterprises are increasing automation of production facilities using new IoT technologies to connect machine to machines. The demand to design and plan these wireless networks is a growth area for Ranplan.

*Ranplan's solutions are  
well suited for planning a  
range of 5G environments*

# Financial disclosure

In the following pages Ranplan will show the development of the consolidated Ranplan Group, the combined financials of the group and the parent company financials.

## Comments to the consolidated financial development

Ranplan Group AB, a Swedish company was legally set up in April 2018 and acquired the existing Ranplan operating companies as of that date.

The financial data shown below represents a full consolidation of the newly formed Ranplan Group.

The results of Q2 cover trading activity of the 3 months April to June 2019.

## Income Statement

For the second quarter in a row, in Quarter 2 2019 Gross Profit exceeded all costs which resulted in a positive operating result. This positive result came earlier than planned in the company budget for 2019.

Ranplan revenues for the second quarter amounted to SEK 16.6 million, with a gross margin of 92.6 %.

For the first time since the Ranplan Group was formed, the second quarter included revenue from non Ranplan software. Sales of 3rd Party Product were SEK 1.6 million and sales of Ranplan software were SEK 15.0 million in Quarter 2.

The gross profit on Ranplan software was 99.4 % in Quarter 2, very similar to Quarter 1 level.

The gross profit on 3rd Party Product was 29.6 %. Due to the inclusion of 3rd Party Product sales in the quarter, the gross profit % for all sales at 92.5 % was lower than in Quarter 1.

On a comparative year-on-year basis for the second quarter of 2019 revenues grew by 230 % over the same period in 2018, from

SEK 5.0 million in 2018 to SEK 16.6 million in 2019 and by 30% over the previous three months. Excluding 3rd Party Product sales, sales of Ranplan software increased by 17 % over the previous three months and 198 % over the same quarter in 2018.

In Quarter 2, 55% of sales were in APAC, 24% in America and 21 % in EMEA.

Operating costs for Quarter 2 2019 increased over Quarter 1 levels reflecting increased staffing levels, high travel and marketing activity. Employee costs represented 73 % of all costs.

R&D costs in Q2 at SEK 7.2 million increased over Q1 levels due to increased use of external developers and travel to support APAC customers.

Sales costs increased due to marketing costs, headcount increases, major activity in APAC with associated high travel costs and sales commissions.

Other Operating Income represents mainly the subsidy paid by the UK government for Ranplan's R&D activity. The level of Other Operating income was exceptionally high in Quarter 2 due to an adjustment to the value of accrued income from the UK government. The 2018 subsidy level has now been finalised at over SEK 5 million whereas only SEK 4 million had been accrued. For FY 2019 we now expect the subsidy to be at least SEK 5 million so Quarter 2 2019 includes a one-off upward effect to both 2018 and the 2019 numbers.

Other Expenses relate to withholding taxes on revenue and exchange losses.

## Balance Sheet

There was no investment in fixed assets in the quarter.

Trade Receivables increased in Q2 due to higher sales. Collections from customers in Q2 were significant.

Other Receivables at the end Q2 mainly represents the 2018 and 2019 R&D Tax Credit due from the UK government. The 2018 Tax Credit payment of over SEK 5 million will be received in the second half of 2019.

Cash reduced by over SEK 9 million in Q2 due to increased Trade and Other Receivables. In August 2019 the company entered into a long term credit line agreement with the current Board member and designated interim CEO Per Lindberg.

## Personnel

The total number of full time equivalents in the Group on 30 June 2019 increased by 6 to 70 during the period.

## Risk factors

The Ranplan Group is exposed to several global and Group specific risks that can impact operations and the financial performance, as well as the financial position of the Group. The foreseeable risks are identified and monitored centrally on the basis of established policies. Risk management in the Group aims at positioning the Group to be able to correctly respond to possible risk events. Below is a non-exhaustive list of risks, without regards to their level of significance, which the Group consider to be material. Further details can be found in the IPO prospectus, available on the company's website.

- Risks related to an early stage of development and future financing
- Staff
- Risks related to product quality
- Competition
- Risks related to customers
- Risks related to intellectual property and business secrets
- The market price of the company's shares.

# Group consolidated financials

GROUP CONSOLIDATION INCOME STATEMENT (KSEK)	JUL-SEP 2018	OCT-DEC 2018	JAN-MAR 2019	APR-JUN 2019
Net Sales	5,101	5,461	12,794	16,581
Cost of Sales	-230	-107	-90	-1,235
<b>Gross profit</b>	<b>4,871</b>	<b>5,354</b>	<b>12,704</b>	<b>15,346</b>
R&D expenses	-5,527	-7,570	-6,062	-7,172
Selling expenses	-5,671	-5,050	-5,205	-7,389
Administrative expenses	-1,723	-3,517	-2,201	-3,149
Other Operating income	989	1,091	1,041	2,737
Other expenses	-436	-387	-107	-30
<b>Operating Result</b>	<b>-7,497</b>	<b>-10,079</b>	<b>170</b>	<b>344</b>
Financial income and expenses	-37	0	0	0
<b>Income after financial items</b>	<b>-7,534</b>	<b>-10,079</b>	<b>170</b>	<b>344</b>
<b>Net Income for the period</b>	<b>-7,534</b>	<b>-10,079</b>	<b>170</b>	<b>344</b>

GROUP CONSOLIDATION BALANCE SHEET (KSEK)	31 DEC 2018	31 MAR 2019	30 JUN 2019
<b>Net Tangible fixed assets</b>			
Equipment, tools, fixtures and fittings	302	299	270
<b>Net Fixed Assets</b>	<b>302</b>	<b>299</b>	<b>270</b>
<b>Current assets</b>			
Trade Receivables	9,982	15,049	21,536
Other Receivables	6,837	8,985	12,721
Cash & Cash equivalents	21,263	14,856	5,078
<b>Total Current Assets</b>	<b>38,082</b>	<b>38,891</b>	<b>39,335</b>
<b>Total Assets</b>	<b>38,384</b>	<b>39,190</b>	<b>39,605</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
Share Capital	805	805	805
Other paid-in Capital	50,656	50,656	50,656
Retained Earnings (incl result for period)	-19,825	-19,549	-19,824
<b>Total Equity</b>	<b>31,636</b>	<b>31,912</b>	<b>31,637</b>
<b>Current liabilities</b>			
Trade Payables	1,970	3,609	2,966
Other Payables	4,778	3,669	5,003
<b>Total current Liabilities</b>	<b>6,748</b>	<b>7,278</b>	<b>7,968</b>
<b>Total Equity &amp; Liabilities</b>	<b>38,384</b>	<b>39,190</b>	<b>39,605</b>

<b>GROUP CONSOLIDATION CHANGE OF EQUITY (KSEK)</b>						
	<b>SHARE CAPITAL</b>	<b>OTHER PAID-IN CAPITAL</b>	<b>TRANSLATION DIFFERENCES</b>	<b>RETAINED EARNINGS</b>	<b>TOTAL EQUITY</b>	
<b>Starting balance 2019-01-01</b>	805	50,656	518	-20,343	31,635	
Result of the period	-	-	-	514	<b>514</b>	
Translation differences	-	-	-512	-	<b>-512</b>	
<b>Ending balance 2019-06-30</b>	<b>805</b>	<b>50,656</b>	<b>5</b>	<b>-19,829</b>	<b>31,637</b>	

<b>GROUP CONSOLIDATION CASH FLOW ANALYSIS (KSEK)</b>	<b>JAN-MAR 2019</b>	<b>APR-JUN 2019</b>
<b>Operating activities</b>		
Operating Result	170	344
Adjustment for Depreciation	18	24
	<b>188</b>	<b>368</b>
Paid interest	0	0
	<b>188</b>	<b>368</b>
Increase in trade receivables	-5,067	-6,487
Increase in other receivables	-2,148	-3,735
Increase in trade payables	1,639	-643
Increase in other payables	-1,110	1,334
<b>Cash from operating activities</b>	<b>-6,498</b>	<b>-9,165</b>
<b>Investing Activities</b>		
Acquisition of tangible assets	0	0
Acquisition of tangible assets	0	0
<b>Cash flow from investing activities</b>	<b>0</b>	<b>0</b>
<b>Financing Activities</b>		
Proceeds from issues of shares	0	0
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>
<b>Cash flow for the period</b>	<b>-6,498</b>	<b>-9,165</b>
Cash at beginning of period	21,263	14,855
Exchange rate differences	90	-612
<b>Cash and cash equivalents at end of period</b>	<b>14,855</b>	<b>5,078</b>

## Notes to the consolidated financial information

### Summary of significant accounting policies

This interim report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general regulations BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3).

### Important estimates and judgments regarding the accounting

Estimates and judgments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations regarding future events which are seen to be reasonable under the circumstances in place. Company management deems that there is no significant information or judgments in the accounts regarding future developments or other important sources of uncertainty in the estimates undertaken at balance sheet date which would imply a significant risk of a major adjustment in the reported values of the assets and liabilities during the foreseeable future.

## Comments to the parent company financial statements

### Parent Company Financial Statements

The accounts set out below relate to the group parent company Ranplan Group AB which was registered in March 2018 and is the owner of all Ranplan operating companies.

### Income Statement

The administrative expenses in Q2 relate to Directors fees and other fixed costs required to operate the listed company.

### Balance Sheet

The shares in subsidiaries represent the cost of acquiring the activity of Ranplan Holdings Ltd. Group Receivables represent advances made to Group subsidiaries to fund operations.

### Change in Equity

This schedule reflects the losses caused by costs in the six months to 30 June 2019.

<b>PARENT COMPANY INCOME STATEMENT (KSEK)</b>	<b>JAN-MAR 2019</b>	<b>APR-JUN 2019</b>
Marketing		-108
Administration	-512	-910
<b>Operating Result</b>	<b>-512</b>	<b>-1,017</b>
Interest Expense	0	0
Earnings before Tax	-512	-1,017
<b>Net Income for the period</b>	<b>-512</b>	<b>-1,017</b>

<b>PARENT COMPANY BALANCE SHEET (KSEK)</b>	<b>31 DEC 2018</b>	<b>31 MAR 2019</b>	<b>30 JUN 2019</b>
<b>Assets</b>			
<b>Financial Assets</b>			
Shares in subsidiaries	3,396	3,396	3,396
<b>Net Financial Assets</b>	<b>3,396</b>	<b>3,396</b>	<b>3,396</b>
<b>Current assets</b>			
Group Receivables	28,375	36,941	44,341
Other Receivables	228	678	602
Cash	19,272	10,400	1,614
<b>Total Current Assets</b>	<b>47,875</b>	<b>48,019</b>	<b>46,557</b>
<b>Total Assets</b>	<b>51,271</b>	<b>51,415</b>	<b>49,953</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share Capital	805	805	805
Other paid-in Capital	50,656	50,656	50,656
Retained Earnings (incl result for period)	-746	-1,259	-2,276
<b>Total Equity</b>	<b>50,715</b>	<b>50,202</b>	<b>49,185</b>
<b>Current Liabilities</b>			
Trade payables	56	1,213	413
<b>Other Payables</b>			355
Group Payables	500	0	0
<b>Total Current Liabilities</b>	<b>556</b>	<b>1,213</b>	<b>768</b>
<b>Total Equity &amp; Liabilities</b>	<b>51,271</b>	<b>51,415</b>	<b>49,953</b>

<b>PARENT COMPANY CHANGE OF EQUITY (KSEK)</b>				
	<b>SHARE CAPITAL</b>	<b>SHARE PREMIUM</b>	<b>OTHER EQUITY</b>	<b>TOTAL</b>
<b>Starting balance 2019-01-01</b>	<b>805</b>	<b>50,656</b>	<b>-746</b>	<b>50,715</b>
Result of the period	-	-	-1,529	<b>-1,529</b>
<b>Ending balance 2019-06-30</b>	<b>805</b>	<b>50,656</b>	<b>-2,275</b>	<b>49,185</b>

## Comments to the combined financial statement

### Income Statement

The comparison of the last 6 quarters shows how the significant increase in Revenue in 2019 over 2018 flows through to the Operating Result as costs grow at a slower rate.

The geographic split of Q2 2019 Revenue was 55% APAC, 24% America and 21% EMEA whereas sales in Q1 2019 had APAC at 80%.

### Gross Margin

In Q2 2019 Ranplan introduced a second product group, 3rd Party Product.

The trend in Gross Margin by product group is shown in the Key Figures.

Gross Margin % on Ranplan software continued at a very high levels in 2019 and is a significant improvement over 2017 which was 90.6%.

### Costs

R&D costs in Q2 at SEK 7.2 million increased over Q1 levels due to increased use of external developers and travel to support APAC customers.

Sales costs increased due to marketing costs, headcount increases, major activity in APAC with associated high travel costs and sales commissions.

### Other Operating Income

Other Operating income in Q2 2019 was exceptionally high due to a correction of the expected subsidy rate for both FY 2018 and 2019. The subsidy for the remaining 2 quarters of 2019 will be approx. SEK 1.2 million per quarter.

### Depreciation

Ranplan does not capitalise its own or third party software or computer devices (laptops, desk tops, servers). The only Fixed Assets in the Balance Sheet relate to office furniture and improvements made in offices (walls, cabling, kitchens etc), which are written off over 24 months. Depreciation for 2019 was very low reflecting the low value of fixed assets.

### Interest expenses

Ranplan has no external loans. There were no interest expenses in Q2.

### Income Taxes/Withholding taxes

Ranplan pays no income taxes and will not do so for some time. On sales to certain countries (China/Brazil etc) the buyer deducts a withholding passed to its local government. These withholdings may be recovered in the future but Ranplan does not recognise the asset and writes off the withholding but shows it on the Income statement line "Other Expenses" "Övriga rörelsekostnader".

### EBITDA

Operating income in the Income statement is almost identical to EBITDA and EBIT, the only adjustment being SEK 24k for depreciation in Q2 2019.

### Balance Sheet

The Quarter end Balance Sheets at end June 2019, March 2019 and December 2018 are the same as for the Consolidated Accounts.

# Combined financial statements

## – income statement

(KSEK)	JAN-MAR 2018	APR-JUN 2018	JUL-SEP 2018	OCT-DEC 2018	JAN-MAR 2019	APR-JUN 2019
Net Sales	6,652	5,020	5,101	5,461	12,794	16,581
Cost of Sales	0	-370	-230	-107	-90	-1,235
<b>Gross profit</b>	<b>6,652</b>	<b>4,650</b>	<b>4,871</b>	<b>5,354</b>	<b>12,704</b>	<b>15,346</b>
R&D expenses	-4,998	-5,528	-5,527	-7,570	-6,062	-7,172
Selling expenses	-4,072	-3,890	-5,671	-5,050	-5,205	-7,389
Administrative expenses	-1,857	-3,605	-1,723	-3,517	-2,201	-3,149
Other Operating income	961	1,002	989	1,091	1,041	2,737
Other expenses	-57	-259	-436	-387	-107	-30
<b>Operating Result</b>	<b>-3,372</b>	<b>-7,630</b>	<b>-7,497</b>	<b>-10,079</b>	<b>170</b>	<b>344</b>
Financial income and expenses		-119	-37			
<b>Income after financial items</b>	<b>-3,372</b>	<b>-7,749</b>	<b>-7,534</b>	<b>-10,079</b>	<b>170</b>	<b>344</b>
<b>Net Income for the period</b>	<b>-3,372</b>	<b>-7,749</b>	<b>-7,534</b>	<b>-10,079</b>	<b>170</b>	<b>344</b>

### Notes to the combined financial information

The Combined results represent the activity of the Ranplan Group before and after the creation of Ranplan Group AB. For Q1 2018 the statement represents the consolidation of the 4 Ranplan companies Ranplan Holdings Ltd, Ranplan Wireless Network Design Ltd, Ranplan America LLC and Ranplan China.

For Q2 2018 the results include Ranplan Group AB for the 2 months May and June 2018. For Q3 and Q4 2018 and Q1 and Q2 2019, the results include all 5 current Ranplan companies and are based on the same local currency accounts as in the Consolidated Accounts.

### Summary of significant accounting policies

This interim report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general regulations BFAR 2012:1 Annual Report and Consolidated Financial Statements (K3).

KEY FIGURES		JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC	JAN-MAR	APR-JUN
		2018	2018	2018	2018	2019	2019
Net Sales	kSEK	6,652	5,020	5,101	5,461	12,794	16,581
Software Sales	kSEK	6,652	5,020	5,101	5,461	12,794	14,960
3rd Party Product Sales	kSEK						1,621
Depreciation	kSEK	54			207	18	24
EBITDA		-3318	-7,630	-7,497	-9,872	188	368
Gross Profit	%	100,0%	92,6%	95,5%	98,0%	99,3%	92,6%
Gross Profit Software	%	100,0%	92,6%	95,5%	98,0%	99,3%	99,4%
Gross Profit 3rd Party Product	%						29,6%
Number of employees at period end	FTE	55	58	58	64	64	70

## Definition of key figures

### EBITDA

Income before interest, tax, depreciation (including impairment) and amortization. EBITDA is a measure that the Group regards as relevant for investors who want to understand earnings generation before investments in non-current assets.

## The Share

SHARE DATA	OCT-DEC	JAN-MAR	APR-JUN
	2018	2019	2019
Number of shares at period end	20,116	20,116	20,116
Share price at end of period, SEK	4,78	7,14	17,00
Earnings per share, SEK	-0,50	0,01	0,02

SHAREHOLDERS AS OF 30 JUNE 2019	%	SHARES
Jinxing Xue	40 %	8 084 887
Hongbing Li and Qimei Wu	13 %	2 624 070
Per Lindberg	11 %	2 125 750
Jie Zhang and Joyce Yuhau Wu	10 %	2 067 996
Other	26 %	5 213 109
Total	100 %	20 115 812



The Board of Directors and CEO hereby assure that this Interim report Q2 2019 provides a true and fair overview of the performance of the parent company's and the Group's operations, financial position and earnings, and that it describes the significant risks and factors of uncertainty to which the Parent Company and the companies included in the Group are exposed.

The English version of this report takes precedence over the Swedish version, should any differences be found.

Stockholm, 14th of August 2019

---

Mats Andersson, Chairman of the board

---

Per Lindberg, Board member

---

Alastair Williamson, CEO

---

Jie Zhang, Board member

---

Wendy Yang, Board Member

## Other information

### Auditor's review

This interim report has not been reviewed by the company's auditors.

### Certified Adviser

FNCA Sweden AB

Address: Humlegårdsgatan 5, 102 48 Stockholm, Sweden

Telephone: +46 8 528 00 399

### Questions regarding this interim report are answered by:

Board member Per Lindberg

E-mail address: per.lindberg@ranplanwireless.com

Telephone: +46 (0) 79340 7592

## Financial calendar

Extraordinary general meeting – August 14 2019  
Interim report Q3 - November 20 2019

### Contact

Ranplan Group AB

Address: Lutzengatan 7, 11520 Stockholm, Sweden

Operative office: Upper Pendrill Court, Ermine Street North, Papworth Everard, Cambridge, CB23, UK

Telephone: +44 1223-606-756

### Follow us:



### Subscribe for corporate news:

[ranplanwireless.com/investors/subscription](http://ranplanwireless.com/investors/subscription)