



Interim report

2017-01-01 – 2017-06-30

GWS Production AB (publ)

556776-4674

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Summary of interim report

“Mother company” or “GWS”, comprises of GWS Production AB with company number 556776-4674, without subsidiaries. “The Group” comprises the Mother company, including subsidiaries. At June 30, 2017, the Mother company owned 51% of the shares in Travelogix Ltd, 100% of the shares in GWS Production (Singapore) Pte Ltd, 99,99% of the shares in GWS do Brasil Soluções e Sistemas Tecnológicos em Segurança Ltda and 35% of the shares in Carefindy AB (minority interest).

THE GROUP

First six months (2017-01-01 to 2017-06-30)

- Net turnover amounted to 6 508 (4 424) TSEK.
- Result after financials and minority share amounted to -6 117 (-8 536) TSEK.
- Result per share* amounted to -0,43 (-0,59) SEK.

Second quarter (2017-04-01 to 2017-06-30)

- Net turnover amounted to 3 260 (2 653) TSEK.
- Result after financials and minority share amounted to -2 688 (-4 204) TSEK.
- Result per share* amounted to -0,19 (-0,29) SEK.
- The solidity** amounted to 77,1 (88,4) % at June 30, 2017.

THE MOTHER COMPANY

First six months (2017-01-01 to 2017-06-30)

- Net turnover amounted to 4 069 (3 340) TSEK.
- Result after financials amounted to -5 619 (-8 108) TSEK.
- Result per share* amounted to -0.39 (-0,57) SEK.

Second quarter (2017-04-01 to 2017-06-30)

- Net turnover amounted to 2 044 (1 829) TSEK.
- Result after financials amounted to -2 461 (-4 014) TSEK.
- Result per share* amounted to -0.17 (-0,28) SEK.
- The solidity** amounted to 79,4 (88,2) %.

Amounts within brackets regard corresponding period last year.

*Results per share: results are divided by average number of shares. Average number of shares for the first six months 2017: 14 365 407 (14 349 105) shares. Average number of shares for the second quarter 2017: 14 365 407 (14 365 407) shares. Total number of shares in GWS as at June 30, 2017: 14 365 407 (14 365 407) shares. The Company has issued 650 000 share options (2015/2019), of which, 427 885 have been signed for that can be converted to the same number of shares in the Company during March, 2019. The Company has also issued 40 000 share options (2015/2019), all signed for, which can be converted into the same number of shares from July 8th, 2019 to July 24th, 2019. The Company has also issued 670 000 share options (2016/2020), of which 670 000 have been signed for, which can be converted into the same number of shares in the Company during April, 2020.

**Solidity: Equity divided by total assets.

Significant events during first quarter, 2017.

- GWS transfers 65% of Carefindy shares to Rethinking Care Sweden AB, for additional information please see press release dated January 19, 2017, on the Company's web page.
- GWS receives government research grant from Vinnova for the project "Artificial intelligence for detecting global security risks. The grant will be around 2 million SEK and will be matched by an equal sum from GWS.

Significant events during second quarter, 2017.

- GWS signs partnership agreement with Lingmerths Resebyrå AB, a major agency located in southern Sweden.
- GWS adds insurance technology as focus area, for additional information please see press release dated April 26, 2017, on the Company's web page.
- Annual general meeting in GWS 29 May, 2017. Information about resolutions taken are published in a Press Release dated 29 May, 2017.
- GWS announces that all future regulatory press releases will be in in English.
- Extra general meeting in GWS 27 June, 2017. Information about resolutions taken are published in a Press Release dated 27 June.

Significant events after the second quarter, 2017.

- GWS and ERV sign a new agreement and extend their corporation.



COMMENTS BY OUR CEO, ANDREAS RODMAN

The second quarter of the year involved as before a lot of work with large customers and businesses. A job that takes time but where we start to see results.

Our cash flow has over time improved significantly. From minus 6 343 kSEK in the same period last year to minus 2 147 kSEK during the second quarter this year which gives us a greatly improved perseverance to realize the bigger businesses.

During the second quarter, we have also confirmed that the SDK initiative was correct. ERV became the first customer and the SDK solution also gives us a unique advantage to our competitors. Our software developer kit (SDK) means that you can include GWS services as a component of existing or new apps. The solution also provides the opportunity to work with multiple customers in parallel, without GWS having to add large internal development resources to each individual project. None of our competitors are offering a similar solution.

The agreement, with ERV, also shows that our customers have a high level of confidence in us and our services and would like to continue the initiated partnerships.

The need for safety while traveling, both at work and in private, continues to grow. In case of major events, it is often difficult for the person on the spot to get accurate and relevant information about what has happened and where to turn to for help. This applies to both natural disasters and terrorist acts.

Through Safeture and Safeture Pro, GWS has repeatedly shown the importance of quickly analyzing what has happened, making relevant descriptions and communicating information to just the people who need it. We are continually expanding our content analytic capabilities internationally and to administer the growing analytic operations of the South America content team we have now registered a local company in Brazil.

During the quarter, GWS signed a partnership agreement with Lingmerth's Travel Agency one of the twenty largest travel agencies in Sweden. Lingmerth's has as a corporate philosophy to offer travelers

support through innovation and will therefore integrate the Safeture portfolio, including Safeture Go, Safeture Pro and Safeture Pro +, in their product range.

The agreement means that GWS has succeeded in establishing new contracts within outsourced business segments and consolidating its position as a leading provider of modern and personal travel safety.

GWS's board is important for our work. It is therefore very pleasing that we managed to recruit two new members in the second quarter to help the company grow.

Deep Parekh has worked in major companies such as Unilever and EY in the United States for the past 25 years. Parekh combines broad IT background with a strong market drive and solid international experience and, with his experience, can contribute to GWS's continued work towards InsurTech.

Charlotta Tönsgård has spent 8 years working for different companies in the mobile industry. Four of these she were stationed in South Korea responsible for sales APAC, she also worked at Blackberry doing mergers and acquisitions. Most recently she worked as CEO of Swedish company Min Doktor.

Lund, 2017-08-25

Andreas Rodman
CEO, GWS Production AB

About GWS Production AB

Global Warning System (GWS) offers mobile-based personal security services to companies and consumers to protect employees, family members and individuals when they travel abroad.

The Company was founded in 2009, triggered by the experience of the global SARS epidemic, the Indian Ocean tsunami and the Mumbai terror attacks, where people could have been warned earlier, and received more information. GWS vision is to prevent damages by providing correct information in real-time.

Strategy

- To grow responsibly by establishing a leading position globally.
- To establish our products, Safeture PRO – Business Solution, as the first choice for all corporate customers.
- To establish GWS as a key player within insurance technology.
- To create long-term value for the shareholders of GWS through generating profit to pay dividends, and to secure the development and growth of the company.

Vision & Mission

Our mission is to save lives and to prevent harm by making security information available to people no matter where they are. We achieve this by being the best to distribute reliable and fast security related information to individuals and organisations.

Research and development

Research and development are prioritized areas within GWS. The company invests continuously in research and development to maintain its technological lead. Thanks to a close cooperation with our customers we develop and adapt our products continuously. The knowledge bank that we create is used in our technical development in order to benefit our customers and keep our advantage in relation to our competitors.

Risks and uncertainties

A number of risk may have an influence on the company's business. No major changes in risk can be seen during 2017. A more detailed review of these can be found in the Financial Statements for 2016, available on the Company's web page.

Organisation/personal

The average number of employees in the Mother company for the first six months 2017 amounted to 16 (18). The corresponding figure for the Group amounted to 23 (21). The increase for the Group refers mainly to that we have increased marketing and sales, development and intelligence analysis.

Development in figures during second quarter, 2017.

Amount within brackets corresponds to the same period last year.

Turnover

Net turnover for the Group during Q2, 2017 amounted to 3 260 (2 653) TSEK, while the net turnover for the Mother company amounted to 2 044 (1 829) TSEK.

Result

The result for Q2, 2017 for the Group amounted to -2 688 (-4 204) TSEK after minority share of the result. The result for the Mother company amounted to -2 461 (-4 014) TSEK.

Liquidity

Cash in bank for the Group, as at June 30, 2017 amounted to 12 493 (27 514) TSEK, while cash in bank for the Mother company as at June 30, 2017 amounted to 11 893 (27 061) TSEK. Q2 cash-flow for the Group and the Mother company amounted to -2 147 (-6 343) TSEK respective -1 737 (-6 292) TSEK.

Investments

Q2 investments in intangible and tangible assets amounted to 1 466 (2 690) TSEK for the Group, and were mainly activated development costs. Corresponding investments in the Mother company amounted to 1 523 (2 564) TSEK, and were also mainly activated development costs.

Solidity

The solidity of the Group as at June 30, 2017 amounted to 77,1 (88,4) %, while the solidity for the Mother company amounted to 79,4 (88,2) %. Solidity is calculated as total equity to total assets.

The share

There is only one class of shares in GWS Production AB. The shares of the Company are listed on Nasdaq OMX First North in Stockholm under the abbreviation, "GWS". As at June 30, 2017 the Company had issued 14 365 407 (14 365 407) shares. The average number of shares during the second quarter of 2017 amounted to 14 365 407 (14 365 407) shares.

Share options

On April 9th, 2015, an extra general meeting decided for a directed issue of share options to employees and key personnel. The share options are issued at a price of 0,13 SEK per option. The subscription price for exercising the share options amounted to 16.56 SEK per share. 427 885 share options were subscribed until April 17th, 2015, which was the last date for subscription. The share options may be exercised during the period March 15th, 2019 – March 29th, 2019, to subscribe for new shares in the company. One (1) share option gives the right to subscribe for one (1) new share.

On June 17th, 2015, a general meeting decided for a direct issue of 40 000 share options of series 2015/2019 directed to Sven Holmgren, Hans Skalin, Paul Degerlund, and Wolter Mannerfelt. The share options are issued at the price of 0.31 SEK per option. The share options give the holder a right to subscribe for 40 000 new shares in the company. The options may be exercised during the period July 8th, 2019 – July 24th, 2019. The subscription price for exercising the options amounts to 31.11 SEK per share.

On May 25th, 2016, a general meeting decided for a direct issue of 670 000 share options of series 2016/2020 to employees and key personnel, as well as to employees of Travelogix Ltd. The share options are issued at a price of 0.09 SEK per option. The subscription price for exercising the share options amount to 37.05 SEK per option. The share options may be exercised during the period April 15th, 2020 – April 29th, 2020. One (1) share option gives the right to subscribe for one (1) new share.

Biggest shareholders

The schedule below shows the five biggest shareholders, and the number of shares they own in GWS Production AB, as at June 30, 2017.

Algora AB ¹	3 488 174	24,28 %
Emirates Advanced Investment Trading LLC	960 374	6,69 %
Academic Medical Group AB ^{2 3}	692 340	4,82 %
Lundaklostret AB	678 119	4,72 %
Andreas Rodman	577 500	4,02 %
Others (about 1 155 shareholders)	7 968 900	55,47 %
Totalt	14 365 407 pcs	100,0 %

¹ Algora AB is owned to 100 % by the chairman of the board, Lars Lidgren, (private, related party and family).

² Academic Medical Group AB is owned by the chairman of the board Lars Lidgren, 55,7 % through Algora AB, 2,8 % is owned through Seagles Aktiebolag. Board member Sven Holmgren owns 1,97 % (through related party), board member Hans Skalin 2,6 % (through related party) and Andreas Rodman 9,45 % (private) in Academic Medical Group AB.

³ Academic Medical Group AB purchased in June 2015 the shares from its subsidiary AM e-Consulting AB.

Related party transactions

The chairman of the board, Lars Lidgren, has through his company Seagles AB invoiced the Company 120 TSEK for management services during the first six months 2017.

Mathia Nalappan, board member of GWS Production AB, has received 100 TSEK as remuneration for management services during the first six months 2017.

Other information

General accounting principles

The Interim Report has been established in accordance with Årsredovisningslagen (1995:1554) and BFNAR 2012:1, Årsredovisning och koncernredovisning (K3). General accounting principles applied is coherent with the accounting principles used when establishing the financial statements 2016.

Going concern

GWS is for the time being operating at a loss and, hence, has a negative cash-flow. The negative cash flow is paid from equity. The board estimates that GWS will need additional financing during 2018 for continued operations and further growth. The management of the company and the board are working to secure additional funding for GWS.

Audit

The Interim Report has not been audited by the Company's auditors.

Report dates

The company establish and publish a financial report every quarter. Upcoming reports are planned as per below:

- | | |
|---|------------|
| • Q3 report 2017 | 2017-11-24 |
| • Year-end report for 2017 | 2018-02-27 |
| • Publishing of Financial Statements 2017 | 2018-04-20 |
| • Annual general meeting for 2017 | 2018-05-29 |

Certified Adviser

Sedermåra Fondkommission is the Certified Adviser of GWS.

Submission of Interim Report

Lund August 25, 2017

GWS Production AB (publ)

The board

Lars Lidgren – chairman of the board

Sven Holmgren – board member

Mathia Nalappan – board member

Deep Parekh – board member

Hans Skalin – board member

Charlotta Tönsgård – board member

Andreas Rodman – managing director

For further information please contact MD Andreas Rodman, +46 (0) 708 – 10 13 16, andreas.rodman@globalwarningsystem.com

THE GROUP (The Group comprises the Mother company, including subsidiaries. At June 30, 2017, the Mother company owned 51% of the shares in Travelogix Ltd, 100% of the shares in GWS Production (Singapore) Pte Ltd, 99,99% of the shares in GWS do Brasil Soluções e Sistemas Tecnológicos em Segurança Ltda and 35% of the shares in Carefindy AB (minority interest)).

Statement of income - summary

(TSEK)	Q2 2017	Q2 2016	6 months 2017	6 months 2016
Revenue				
Net turnover	3 260	2 653	6 508	4 424
Own work activated	1 355	1 562	2 175	3 073
Other income	47	5	67	150
Total revenue	4 662	4 220	8 750	7 647
Operating costs	-6 578	-7 868	-13 252	-15 193
Depreciation	-929	-644	-1 822	-1 200
Operative result	-2 845	-4 292	-6 324	-8 746
Financials				
Finance net	4	-4	4	-52
Result after financials	-2 841	-4 296	-6 320	-8 798
Minority share of the result	153	92	203	262
Loss for the period	-2 688	-4 204	-6 117	-8 536
<i>Result per share (SEK)</i>	<i>-0,19</i>	<i>-0,29</i>	<i>-0,43</i>	<i>-0,59</i>

Statement of financial position - summary

(TSEK)	2017-06-30	2016-12-31
Assets		
Fixed assets		
Intangible assets	13 628	13 257
Tangible assets	309	344
Financial assets	1 069	950
Total fixed assets	15 006	14 551
Current assets		
Short term receivables	4 500	2 669
Cash and bank	12 493	18 534
Total current assets	16 993	21 203
Total assets	31 999	35 754
Equity and liabilities		
<i>Restricted equity</i>		
Share capital	1 149	1 149
Fund for development costs	5 262	3 280
<i>Non restricted equity</i>		
Share premium	81 656	81 725
Retained earnings	-59 498	-40 175
Result for the period	-6 117	-17 592
Minority interest	2 230	2176
Total equity	24 682	30 563
Total short term liabilities	7 317	5 191
Total equity and liabilities	31 999	35 754

Statement of cash flow - summary

(TSEK)	Q2 2017	Q2 2016	2017-01-01 2017-06-30	2016-01-01 2016-06-30
Operating activities				
Operative result	-2 845	-4 292	-6 324	-8 746
Adjustment for depreciation	929	644	1 822	1 200
Interest received /paid	4	6	4	18
Cash flow from changes in working capital	1 231	-1 028	743	-697
Cash flow from operating activities	-681	-4 670	-3 755	-8 225
Cash flow from investing activities	-1 466	-1 720	-2 286	-6 509
Cash flow from financing activities	0	47	0	2 218
Cash flow of the period	-2 147	-6 343	-6 041	-12 516
Cash at the beginning of the period	14 640	33 857	18 534	40 030
Cash at the end of the period	12 493	27 514	12 493	27 514

Changes in equity - summary

First 6 months 2017

(TSEK)	Share capital	Fund for development costs	Share premium	Ret. earnings incl. Loss of the period	Minority interest	Total equity
2017-01-01	1 149	3 280	81 725	-57 767	2 176	30 563
Reallocation	-	1 982	-69	-1 731	257	439
Loss for the period	-	-	-	-6 117	-203	-6 320
2017-06-30	1 149	5 262	81 656	-65 615	2 230	24 682

Twelve months 2016

(TSEK)	Share capital	Fund for development costs	Share premium	Ret. earnings incl. Loss of the period	Minority interest	Total equity
2016-01-01	1 140	-	79 591	-36 931	-	43 800
Travelogix	-	-	-	36	2 176	2 212
Issue of new shares	9	-	*2 074	-	-	2 083
Share options	-	-	60	-	-	60
Reposting	-	3 280	-	-3 280	-	0
Loss for the period	-	-	-	-17 592	-	-17 952
2016-12-31	1 149	3 280	81 725	-57 767	2 176	30 563

*Cost for issuing new shares amounting to 181 TSEK has reduced Share premium.

THE MOTHER COMPANY

Statement of income - summary

(TSEK)	Q2 2017	Q2 2016	2017-01-01 2017-06-30	2016-01-01 2016-06-30
Revenue				
Net turnover	2 044	1 829	4 069	3 340
Own work activated	1 355	1 563	2 175	3 009
Other income	47	6	68	103
Total revenue	3 446	3 398	6 312	6 452
Operating costs	-5 149	-6 898	-10 457	-13 610
Depreciation	-762	-521	-1 478	-969
Operative result	-2 465	-4 021	-5 623	-8 127
Financials				
Finance net	4	7	4	19
Result after financials	-2 461	-4 014	-5 619	-8 108
Result before tax	-2 461	-4 014	-5 619	-8 108
Loss for the period	-2 461	-4 014	-5 619	-8 108
<i>Result per share (SEK)</i>	<i>-0,17</i>	<i>-0,28</i>	<i>-0,39</i>	<i>-0,57</i>

Statement of financial position - summary

(TSEK)	2017-06-30	2016-12-31
Assets		
Fixed assets		
Intangible assets	8 495	7 671
Tangible assets	95	117
Financial assets	5 834	5 747
Total fixed assets	14 424	13 535
Current assets		
Short term receivables	3 661	2 008
Cash and bank	11 893	17 826
Total current assets	15 554	19 834
Total assets	29 978	33 369
Equity and liabilities		
<i>Restricted equity</i>		
Share capital	1 149	1 149
Fund for development costs	5 262	3 210
<i>Non restricted capital</i>		
Share premium	81 725	81 725
Retained earnings	-58 704	-40 141
Loss for the period	-5 619	-16 511
Total equity	23 813	29 432
Total short term liabilities	6 165	3 937
Total equity and liabilities	29 978	33 369

Statement of cash flow - summary

(TSEK)	Q2 2017	Q2 2016	2017-01-01 2017-06-30	2016-01-01 2016-06-30
Operating activities				
Operative result	-2 465	-4 021	-5 623	-8 127
Adjustment for depreciation	762	521	1 478	969
Interest received /paid	4	7	4	19
Cash flow from changes in working capital	1 485	-1 282	551	-829
Cash flow from operating activities	-214	-4 775	-3 590	-7 968
Cash flow from investing activities	-1 523	-1 564	-2 343	-6 853
Cash flow from financing activities	0	47	0	2 218
Cash flow of the period	-1 737	-6 292	-5 933	-12 603
Cash at the beginning of the period	13 630	33 353	17 826	39 664
Cash at the end of the period	11 893	27 061	11 893	27 061

Changes in equity - summary

First 6 months 2017

(TSEK)	Share capital	Fund for development costs	Share premium	Ret. earnings incl. Loss for the period	Total equity
2017-01-01	1 149	3 210	81 725	-56 652	29 432
Reallocation	-	2 052	-	-2052	-
Loss for the period	-	-	-	-5 619	-5 619
2017-06-30	1 149	5 262	81 725	-64 323	23 813

Financial year 2016

(TSEK)	Share capital	Fund for development costs	Share premium	Ret. earnings incl. Loss for the period	Total equity
2016-01-01	1 140	-	79 591	-36 931	43 800
Issue of new shares	9	-	*2 074	-	2 180
Share options	-	-	60	-	56
Reallocation	-	3 210	-	-3 210	0
Loss for the period	-	-	-	-16 511	-16 511
2016-12-31	1 149	3 210	81 725	-56 652	29 432

*Cost for issuing new shares amounting to 181 TSEK has reduced Share premium.



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