

MACKMYRA SVENSK WHISKY AB (PUBL)

Q2 INTERIM REPORT
APRIL – JUNE 2017



MACKMYRA
SWEDISH SINGLE MALT WHISKY

RESULTS IN BRIEF

SEK million	2017	2016	2017	2016	2016
	April-June	April-June	Jan.-June	Jan.-June	Full year
Net sales (excluding alcohol tax), SEKm	18.9	16.7	36.0	31.1	73.4
<i>Growth in sales (excluding alcohol tax)</i>	13%	11%	16%	8%	18%
Sales of Bottled Products, SEKm	13.6	11.3	24.1	21.0	47.1
Sales of Casks and Experiences, SEKm	5.4	5.4	11.9	10.1	26.3
Gross profit/loss, before under-absorption, SEKm	8.6	8.6	17.2	15.5	36.2
<i>Gross profit margin before under-absorption, percent</i>	45%	51%	48%	50%	49%
Gross profit/loss, SEKm	8.6	6.0	17.2	10.8	29.5
<i>Gross profit margin, percent</i>	45%	36%	48%	35%	40%
Operating profit/loss, SEKm	-1.4	-3.8	-2.7	-8.4	-13.6
Interest expenses, SEKm	-3.1	-3.1	-6.1	-6.0	-12.4
Taxes, SEKm	0.0	-	0.0	-	-0.1
Profit/loss after tax, SEKm	-4.5	-6.9	-8.8	-14.4	-26.1
Cash flow after investments, SEKm	-2.7	-4.0	-9.9	-11.9	-9.5
Earnings per share, basic, SEK	SEK -0.39	SEK -0.76	SEK -0.76	SEK -1.59	SEK -2.70

CONTINUED IMPROVED PERFORMANCE AND 13% GROWTH IN Q2

SALES GROWTH Q2

The second quarter of the year was Mackmyra's tenth consecutive quarter with sales growth. The growth consists of increased bottle sales (overall 20 percent) both on the Swedish domestic market and in the priority export markets, while sales of Casks & Experiences landed at the same level as the second quarter last year.

The strong growth in the quarter for bottled products is the result of successes in several parallel areas:

- Sales growth in the priority export markets – Germany, France and the UK – totalled 22 percent. All three of these markets achieved sales growth independently.
- Travel Retail had a major growth spurt during the quarter. Here sales more than tripled during the quarter thanks to new products for the year tailored to this segment.
- Sales to Systembolaget, which is Mackmyra's largest customer, increased by 22 percent during the quarter. MACK by Mackmyra is the primary engine driving this sales growth.
- At the end of the quarter the number of bottles sold reached a new record since the inception of the company over a rolling 12-month period. The number of bottles sold over the last rolling 12-month period after Q2 was about 296,000 bottles, excluding the volumes bottled from previously sold customer casks.

EARNINGS AND CASH FLOW IN Q2

Gross profit for the quarter amounted to SEK 8.6 million (6.0). Gross profit for the second quarter last year includes the cost of under-absorption corresponding to SEK 2.6 million. There is no corresponding cost for the second quarter this year at the current production rate. The main reason for the decrease in this quarter's gross profit margin before under-absorption compared with the previous year is the significantly different product mix in sales for these quarters.

Operating loss for the quarter totalled SEK 1.4 million (loss: 3.8). Loss after tax was SEK 4.5 million (loss: 6.9), an improvement of about SEK 2.4 million compared with the second quarter of the previous year.

Cash flow after investments amounted to SEK -2.7 million (-4.0) for the quarter. The improved cash flow for the quarter should be viewed in light of the fact that the distillation rate increased more than five-fold in the quarter compared with the previous year.

SIGNIFICANT EVENTS IN THE SECOND QUARTER

- Mackmyra announced in April that the Company was launching a new whisky, "Expedition", exclusively developed for the large Travel Retail market. Expedition has been available for sale since 1 May.
- In early May Mackmyra was awarded three silver medals and one bronze in this year's International Spirits Competition (ISC). This scotch whisky competition is among the most prestigious in the whisky world. The jury that judges in blind tests is composed exclusively of Master Blenders from all over the world.
- Mackmyra announced in May that the first product under development at Mackmyra LAB Distillery will be a Swedish organic gin.
- The Annual General Meeting was held on 20 May during which resolutions were adopted to expand the Board of Directors through the election of Emma Heimonen, and to invite bond holders participating in the K14 convertible bond programme, which matures on 30 June 2017, to subscribe for new convertibles equivalent to the same nominal value (SEK 1.9 million) as in K14.
- Mackmyra announced in May that a whisky would be launched together with Tomas Ledin. Moment Ledin was launched in Systembolaget's order assortment on 1 June and was developed in collaboration with the popular musician who grew up in Sandviken.
- The production rate continues to be higher, which means that the number of distilled volumes during the quarter increased more than five-fold compared with the previous year. A high production rate is essential to be able to meet the continued growing demand for Mackmyra products in the future.

SIGNIFICANT EVENTS AFTER THE QUARTER

- In July Mackmyra announced the final outcome of the share issue of convertibles (K20), which meant that convertibles with a nominal value SEK 1.9 million were subscribed and allocated.
- Mackmyra received a Certificate from SMAK confirming that the business was being monitored and that it complies with the rules for KRAV-certified production of organic raw spirit (new make for whisky) and flavouring of raw spirit (e.g., gin).
- The first full-scale test distillations of gin were carried out at Mackmyra LAB Distillery.
- Mackmyra announced in August that the Company's products were awarded six medals at this year's International Wine & Spirit Competition.
- Mackmyra announced in August that the Spirits Business' annual World Whisky Masters named Mackmyra's Ten Years one of the top ten best value for money whiskies from the new world and also awarded four medals to Mackmyra, including three gold medals.
- Mackmyra announced in August that it is launching a pink whisky, from ageing in casks saturated with cherry wine. Moment cherry, as the product is called, will be released in an extremely limited edition and will be launched at Systembolaget in September.

CEO'S REPORT

Mackmyra's upward spiral continues in Q2 2017, which is the tenth consecutive quarter with growth. Two of the reasons are that we have continued strong growth at Systembolaget and in our focus markets for exports. Most rewarding, however, is that our tailored bottlings (SAS-Traveler and Expedition) have given us the opportunity to substantially expand on the Travel Retail market, where we have been weak for a couple of years, in part because of a failed distribution collaboration. The collaboration with SAS, which we crafted together with SAS, has become a huge success. The feeling of pride and joy when being served a Mackmyra on the way to or from a destination has been a pleasure not only for me personally, but for many Swedes this summer, especially through photos shared on social media. For incoming visitors, it serves as an excellent introduction to the innovative Swedish drinking culture.

The second part of 2017 also looks like it could be interesting. We have several excellent whisky initiatives in Sweden and in our selected export markets. Interest in Craft Spirits is growing stronger both in Sweden and abroad. Demand for our products remains high and we see excellent opportunities for continued growth. To meet this increasing demand, we have substantially stepped up the production rate at home in the Whisky Village, which entailed more than a fivefold increase in the number of distilled volumes in the second quarter compared with the previous year. Whisky is the most popular Craft Spirit category, but demand for other categories of Craft Spirits is also sharply growing, especially for gin. As was previously announced, we are now paving the way to complement Mackmyra's production of single malt whisky with other types of craft spirits by using the pot still distillery at Mackmyra Bruk. It has been dormant since 2013 when we moved our production to the new Gravity Distillery. During the spring, the distillery at Mackmyra Bruk started up again under the name Mackmyra LAB Distillery. Development and distillation at Mackmyra LAB Distillery will take place in collaboration with new incoming craft distillers who will focus solely on the new products. The first craft distiller is Rickard Aldén, who has developed the first product at the LAB Distillery, an organic gin.

We have often used crowdsourcing at Mackmyra by offering consumers the opportunity to influence recipes, taste and design. We have also applied this approach in the development of Rickard's organic gin. The recipe development process was initiated with an open house during Mackmyra Days in May where Mackmyra's ambassadors were invited to participate and influence through taste panels and discussions.

In all, 160 people visited and participated, providing valuable feedback. A selection is presented below.

General:

- The "Mackmyra LAB Distillery" concept was appreciated, with a score of 4.7 points of a maximum of 5.
- Products that participants would like to see developed at Mackmyra LAB Distillery are: Gin, apple brandy (Calvados), schnapps, vodka, rum, rye whisky and liqueur.

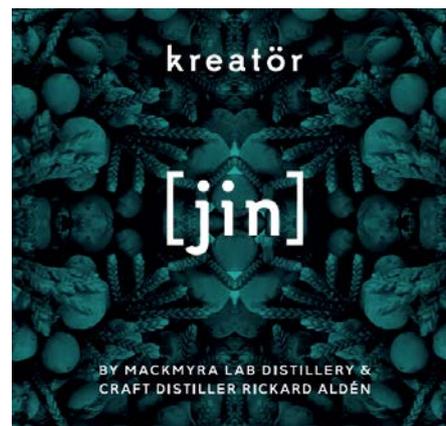
Smell & taste test of the gin prototype that was presented:

- Sample no. 2 was the favourite in both taste and smell.
- Many people would like more juniper berries.
- Many were pleased with the shades of citrus.

Design:

- The design prototype for Rickard's [Jin] was appreciated, with a score of 4.4 points of a maximum of 5.
- Transparent caps were preferred to wax, with 56% of votes.

During the summer, Rickard continued to develop our gin while taking the feedback into account and in August the first full-scale test distillations will be carried out.



Label for the upcoming gin bottle.

We are greatly looking forward to being able to offer Rickard's Jin from Mackmyra LAB Distillery as a first complement to Mackmyra's single malt whisky to Mackmyra's Ambassadors in the near future.

Magnus Dandanell

Chief Executive Officer, Mackmyra Svensk Whisky AB

MACKMYRA SVENSK WHISKY

Mackmyra Svensk Whisky AB (publ) was founded in 1999 and is Sweden's first producer of malt whisky. The Company has successfully launched the first Swedish single malt whisky in the form of personal 30-litre casks and single malt whisky sold in bottles. Operations are conducted in Mackmyra Whisky Village outside Gävle with marketing handled in Stockholm, as well as through the subsidiaries Mat och Upplevelser i Kungsbäck AB and Mackmyra Swedish Whisky GmbH, which is based in Hamburg. Mackmyra has approximately 6,900 shareholders and Mackmyra Class B shares are listed on Nasdaq First North Stockholm.

MARKET

Systembolaget's sales of single malt whisky rose by 6 percent (-1) in the second quarter compared with the previous year, according to Systembolaget's own statistics. The trend for New World Whisky, whisky from non-traditional countries, remains positive. Many new distilleries are starting all over the world and receiving strong interest among consumers and the media.

NET SALES AND FINANCIAL PERFORMANCE

Net sales



Whisky sales are subject to substantial seasonal variations. For Mackmyra, Q4 and Q2 have been the strongest quarters historically.

Net sales excluding alcohol tax for the second quarter totalled SEK 18.9 million (16.7), up 13 (11) percent over the previous year. This quarter was therefore the tenth consecutive quarter with growth compared with the previous year.

In the second quarter, Bottled Products comprised 72 percent (68) of net sales excluding alcohol tax for the

quarter, while Casks and Experiences accounted for the remaining 28 percent (32).

Financial Performance

Gross profit for the quarter amounted to SEK 8.6 million (6.0) with a gross profit margin of 45 percent (36). Financial performance in the second quarter of 2016 was negatively impacted by the cost of under-absorption, corresponding to SEK 2.6 million, resulting from the low production rate. With the current high production rate there is no corresponding cost for the second quarter this year.

Gross profit margin excluding under-absorption for Q2 2016 was 51 percent, to be compared with 45 percent for the current quarter as mentioned above. The current quarter's lower gross profit margin before under-absorption can largely be explained by differences in product mix for the quarter. Casks & Experiences, which have a much higher gross profit margin than the majority of the Company's bottled products, accounted for a relatively lower share of sales both compared with the first quarter of the year, where the share of Casks & Experiences was unusually high, and compared with the second quarter of the previous year. In addition, a substantial share of the quarter's growth related to bottled sales consisted of products where we have relatively lower gross profit margins compared with our average bottle sales.

In practice, the cost of under-absorption entails periods with low distillation volume during which earnings are charged with fixed expenses that cannot reasonably be applied to the value of the maturation stock because of the low distillation volume. The negative impact on earnings arises when the fixed production costs cannot be fully allocated to the distilled volumes and instead are expensed directly in income. In recent years under-absorption has had a substantial negative impact on gross profit. However, the lower distillation volume during these years has also contributed to a significant improvement in cash flow. At the current production rate, as was mentioned above, no costs for under-absorption arise.

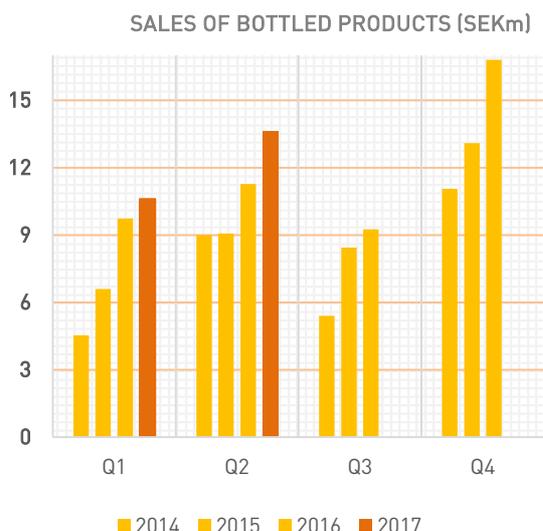
Other operating expenses for the second quarter amounted to SEK 9.9 million (9.8), and operating loss was SEK 1.4 million (loss: 3.8). Depreciation and amortisation for the quarter amounted to SEK 2.8 million (3.0). Net financial items for the quarter totalled SEK -3.1 million (-3.1).

Net financial items include interest expense attributable to the equity portion of convertible debentures corresponding to SEK 0.3 million (0.3). This latter interest expense has no impact on cash flow for the company, either historically or in the future. The loss after tax for the second quarter was SEK 4.5 million (loss: 6.9), thereby representing an improvement of SEK 2.4 million.

Bottled products

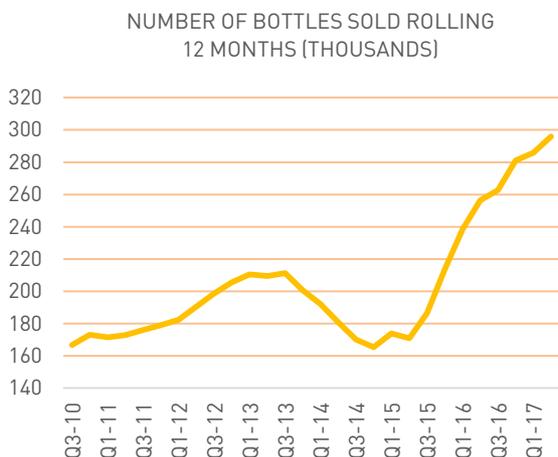
Currently about half of Mackmyra’s sales revenue comes from bottled products from Systembolaget, which is Mackmyra’s largest customer.

The priority export markets, Germany, France and the UK, account for one fourth of sales. Borders Shops, Travel Retail and Private Brand account for almost another quarter of sales. The remainder is sold in small volumes to other export markets.



Net sales from sales of bottles increased by an impressive 20 percent during the second quarter compared with the previous year and totalled SEK 13.6 million (11.3).

The number of bottles sold during the fourth quarter amounted to 76,000 (65,000), an increase of 17 percent (38) compared with the previous year. The number of bottles sold over the most recent rolling 12-month period (296,000) thereby reached a record high at the end of the second quarter of 2017 since the inception of the company.



Mackmyra’s priority export markets

Sales to the priority export markets during the quarter amounted to SEK 3.2 million (2.7). This represents a 22-percent increase in sales.

During the second quarter, we achieved clear sales growth compared with the previous year in all three of our priority export markets. Second quarter sales in these markets accounted for 24 percent (24) of Mackmyra’s revenue from bottled products.

Systembolaget

Sales to Systembolaget increased by 22 percent (19) during the quarter. Sales of MACK by Mackmyra continue to grow steadily and are the primary explanation for this growth. However, unfortunately we also saw a slight decline during the quarter in sales of Svensk Rök, which has had more competition on the shelf from similar alternatives for some time now.

Private Brand

The Private Brand segment clearly declined in the second quarter compared with the previous year. Since these sales are largely ad hoc in nature, some inconsistency between quarters is expected, but part of the explanation for the decline in sales is reduced demand for the product Motörhead Whisky, which is included in Systembolaget’s regular assortment and can therefore be expected to have a more consistent sales pattern than other products in the segment.

Travel Retail

The collaboration with SAS (Traveler) has been included in the Travel Retail segment since the beginning of the year. This collaboration, along with the launch of Expedition (a product aimed exclusively at the travel retail segment) in May, is the main reason that sales more than tripled during the second quarter compared with the previous year. This segment offers great potential for sales growth moving forward.



NEW PRODUCTS

Mackmyra Ten Years

Mackmyra Ten Years was released at Systembolaget on 5 May. The whisky is the spring's seasonal whisky and is Mackmyra's first aged whisky to be available on a slightly larger scale (20,000 bottles). The product has already won a number of international medals and its taste has won considerable praise from whisky aficionados both in Sweden and abroad. Ten Years was released in a few of the export markets already in late March.

Ten Years is an elegant whisky, fruity and spicy with dried fruits and raisins, oaky vanilla and herbs. The texture is medium thick.



Expedition

On 1 May Expedition was released, a new whisky developed exclusively for the large Travel Retail market in a limited edition. The product is sold in venues such as charter flights, airports and ships.

Mackmyra Expedition is an elegant single malt whisky with a mildly spicy touch of smoke, which is mainly aged in bourbon casks and Swedish oak casks saturated with a Swedish cloudberry wine that gives the whisky a uniquely Swedish touch.



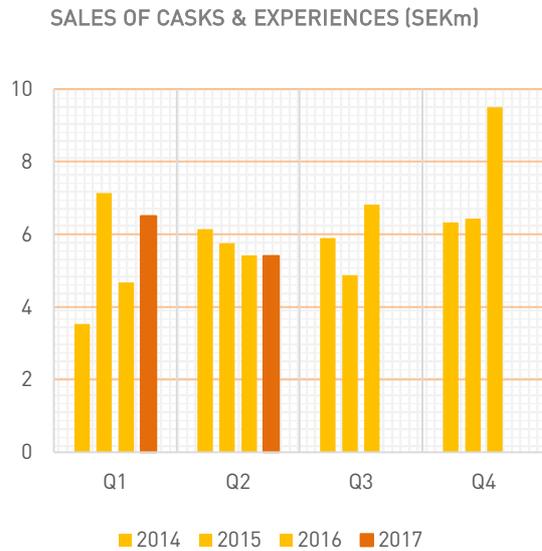
Moment Ledin

On 1 June Moment Ledin was launched in Systembolaget's order assortment. The whisky, which is included in Mackmyra's highly exclusive Moment series was developed together with musician Tomas Ledin in a limited edition of about 2,400 bottles. Ledin, who grew up in Sandviken and therefore has a local connection to the Gävle region, was personally involved and chose the Sauterne wine casks that comprise the final product.

Moment Ledin is an elegant whisky, gently oaky and spicy with rich shades of ginger, coconut and vanilla toffee, orange peel and pear toffee. The texture is lightly buttery and medium-thick.



Casks and Experiences



Second quarter sales of Casks and Experiences totalled SEK 5.4 million (5.4), which was on a par with the previous year. Allocation of sales over time for Casks & Experiences is largely influenced by the month in which the period’s major trade fairs kick off, which has varied over the years. As was previously reported, the first quarter of the year was in contrast particularly sales-intensive with growth of an impressive 38 percent.

A continued factor for success has been the campaign casks that were sold in the spring, such as the triple distillate launched in connection with Mackmyra Day and the anniversary cask that was launched in conjunction with the ten-year anniversary celebration at Mackmyra’s west coast warehouse in Smögen. The Smögen facility celebrated its tenth anniversary on 27 May. More than 2,000 personal whisky casks have been stored here since its opening in 2007.

The anniversary cask mentioned above is saturated with a craft-produced cherry wine and is a natural successor to last year’s highly appreciated and internationally award-winning seasonal whisky “Blomstertid”. Blomstertid also contained some whisky that was saturated with the same cherry wine.

Mackmyra Whisky Village

As previously, Mackmyra’s visitor centre in Mackmyra Whisky Village offers visits to Mackmyra’s restaurant, whisky tastings, tours of the distillery and warehouse, as well as conferences. Mackmyra targets both private individuals and companies. Mackmyra’s visitor centre plays an important part in supporting the marketing of Mackmyra’s whisky experiences of both bottled products and casks. During the second quarter, the restaurant in Mackmyra Whisky Village changed its name to Mackmyra Bar & Bistro.



Perhaps the biggest event each year in Mackmyra Whisky Village is Mackmyra Day, which was held on 20 May this year. Mackmyra Day is a “homecoming event” during which shareholders, cask owners, whisky lovers in general and staff all have the opportunity to meet “at home” at Mackmyra’s. This year’s Mackmyra Day was extremely popular, with over 1,000 visitors. The Annual General Meeting of shareholders was held in connection with this event.

AWARDS AND RECOGNITION



In early May Mackmyra was awarded three silver medals (Svensk Rök, Vinterdröm and Moment Tolv) and one bronze (Mackmyra Brukswhisky) in this year’s International Spirits Competition (ISC). This scotch whisky competition is among the most prestigious in the whisky world. The jury that judges in blind tests is composed exclusively of Master Blenders from all over the world.



In early August Mackmyra also garnered six silver medals at this year’s International Wine & Spirit Competition. The IWSC was founded 45 years ago and is one of the world’s premier competitions within wine and spirits.

The Spirits Business' annual World Whisky Masters named Mackmyra's Ten Years one of the top ten best value for money whiskies from the new world and also awarded four medals to Mackmyra, including three gold medals (Svensk Rök, Ten Years and Moment Ledin), and one silver medal (Svensk Ek).



PRODUCTION

DISTILLATION

About 90,000 bottles (16,000) were distilled during the second quarter. The distillation rate was ratcheted up considerably at the end of 2016 and production continued at a high pace during the second quarter of the year. This increase in the pace of distillation to meet the increased demand for Mackmyra bottled products is necessary to ensure the future supply of younger whisky in Mackmyra's maturing stocks for use in, for example, MACK by Mackmyra. An even age distribution in the maturing stock is preferable in the long term. Consequently, the aim over the next few years is for the distillation rate to at least correspond to balanced distillation, where the input of newly distilled whisky in the warehouse = output of bottled whisky from the warehouse. Moreover, the estimated growth of younger whisky products will be added to that amount.

MATURING STOCK

The carrying amount of the maturing stock increased during the quarter by SEK 0.7 million to a total of SEK 162.1 million as at 30 June 2017. Warehouse costs are included in the carrying amount of the maturing stock, which is valued at the lower of either production cost or net realisable sales value at the close of the reporting period. The production cost includes the cost of storage during the period up until when the whisky is matured for selling.

The value of goods ready to deliver (bottled products in the warehouse) declined during the quarter by SEK 0.6 million to SEK 14.9 million.

The total value of stocks on hand at the end of the second quarter was SEK 177 million, which is SEK 0.1 million higher than at the beginning of the quarter. The total

value of stocks on hand at the end of the second quarter in 2016 was SEK 182.1 million.

Finished whisky at the right age and recipe mix in sufficient quantities are crucial for increasing sales in the long term. Approximately 40 percent of Mackmyra's total maturing stock consists of whisky that has been aged for five or more years. This means that presently Mackmyra has a high delivery capacity even of somewhat older whisky. Meanwhile, the higher sales of bottles require increased distillation, for which reason the pace of distillation has been ratcheted up to avoid a shortage of younger whisky in the warehouse around 2022.

The whisky that is already in the warehouse and that has not been bottled for 2022 will be five years older than today and will command a substantially higher retail price. It should not be used for products in the lower price segment, but rather to supply the products in the more exclusive segments. It will be a major strength to have good capacity to bottle ten to fifteen-year-old whisky while hedging the supply of younger whisky with a well-balanced annual distillation.



FINANCIAL INFORMATION

INVESTMENTS

Investments in the second quarter totalled SEK 0.4 million (0.5). Investments mainly related to casks for ageing of whisky and IT development.

CASH FLOW

Cash flow after investments for the second quarter amounted to SEK -2.7 million (-4.0). This improvement in cash flow should be viewed in light of the fact that the distillation rate increased more than five-fold in the quarter compared with the previous year. Cash flow for the period including financial items was SEK -1.2 million (0.3). The reason that the cash flow was higher at this point in time last year, despite the positive trend, is that new loans were taken out in the second quarter of 2016.

Mackmyra's business has natural seasonal variations, with sales traditionally strongest in the fourth quarter. During the first quarter, which generally generates significantly lower sales, alcohol tax and VAT are paid for the fourth quarter of the previous year, when sales were strong. Consequently a relatively weak cash flow is expected and natural during the first quarter. The above influences accumulated cash flow for the year, which after investments is SEK 9.9 million (-11.9).

LIQUIDITY AND FINANCING

At the close of the reporting period, cash and cash equivalents amounted to SEK 1.0 million, compared with SEK 1.8 million as at 30 June 2016. Unutilised bank lines of credit at the close of the reporting period totalled SEK 3.0 million (1.5).

Non-current liabilities amounted to SEK 148.4 million at the close of the reporting period, compared with SEK 177.8 million as at 30 June 2016. At the close of the reporting period, non-current liabilities consisted of SEK 132.8 million (139.2) in loans from credit institutions, SEK 0 million (16.5) in convertible debentures, SEK 7.0 million (8.5) in unutilised lines of credit, and SEK 8.6 million (13.6) in non-interest-bearing liabilities attributable to loans from the Company's cask owners. The item non-current liabilities related to convertible debentures is substantially lower because they count as current liabilities from Q1 2017. The K14 convertible programme matured June/July 2017 with a nominal amount of SEK 1.9 million, which was therefore classified as a current liability at the close of the period. However, at the same time new convertibles (K20 convertible programme) were subscribed for SEK 1.9 million, which are therefore classified as a non-current liability beginning on 1 July.

Bank overdraft facilities totalled SEK 10.0 million (10.0).

SHARE CAPITAL

The total number of shares is 11,561,008. Share capital is SEK 11,561,008.

PERSONNEL AND ORGANISATION

The Group had an average of 41 full-time employees (37) during the quarter. The increase is primarily due to additional sales representatives, but also to some extent to an increase in production personnel. The management consists of the CEO, CFO, Sales and Marketing Manager, Master Blender, and Supply Chain Manager. The chart below shows the average number of full-time employees by quarter.

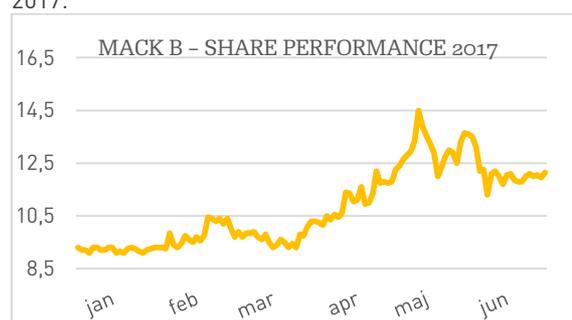


RISKS AND UNCERTAINTIES

For a description of risks and uncertainties, please refer to Mackmyra's 2016 Annual Report, page 28. Mackmyra's annual reports are available at: www.mackmyra.se.

THE MACKMYRA SHARE

Mackmyra Class B shares are listed on Nasdaq First North Stockholm. The closing share price on 30 June 2017 was SEK 12.15, which can be compared with SEK 10.25 as at 31 March 2017. A total of 623,192 shares were traded over the course of the quarter, compared with 447,816 shares during the previous quarter. The chart below shows the share price movements in 2017.



ACCOUNTING POLICIES

This quarterly report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board General Guidelines BFNAR 2012:1 Annual Reports and Consolidated Financial Statements (K3 rules). The same accounting policies are applied as in the 2016 Annual Report. For a more detailed

description of the accounting policies applied, please refer to the 2016 Annual Report. All information in this report refers to the Group which consists of Mackmyra Svensk Whisky AB and the wholly owned subsidiaries Mat och Upplevelser i Kungsbäck AB and Mackmyra Swedish Whisky GmbH.

OWNERSHIP Q2 2017

Owner	Total	Class A shares	Class B shares	Capital %	Votes %
Family Rolf Klingberg	1,606,750	11,000	1,595,750	13.9%	12.1%
The Founders' Group*	1,304,919	207,860	1,097,059	11.3%	22.6%
Lantmännen ek. för.	1,136,908	34,940	1,101,968	9.8%	10.3%
Håkan Johansson	1,016,622	0	1,016,622	8.8%	7.2%
W & L Blommor AB	470,600	0	470,600	4.1%	3.4%
Lennart Hero	353,305	0	353,305	3.1%	2.5%
ALMI Invest Norra Mellansverige	250,000	0	250,000	2.2%	1.8%
Family Tage Klingberg	22,230	22,200	30	0.2%	1.6%
Other shareholders	5,399,674	0	5,399,674	46.7%	38.4%
Total	11,561,008	276,000	11,285,008	100.0%	100.0%

The above list of major shareholders reflects the ownership structure as at 30 June 2017.

* The Founders' Group consists of the eight founders (Annika Berg, Jonas Berg, Astrid Dandanell, Magnus Dandanell, Jennie Kastengren, Carl-Johan Kastengren, Rikard Lundborg and Malin Lövemmark), Spiritum Spritaktiebolag AB as well as the Gillesvik AB Group.

FINANCIAL REPORTS

PROFIT & LOSS STATEMENT

SEK thousand	2017	2016	2017	2016	2016
	April-June	April-June	Jan.-June	Jan.-June	Full year
Net sales	26,773	23,182	49,077	41,339	99,773
<i>Less: alcohol tax</i>	-7,864	-6,455	-13,109	-10,204	-26,417
Net sales excluding alcohol tax	18,909	16,728	35,967	31,135	73,356
Cost of goods sold	-10,353	-8,150	-18,726	-15,650	-37,108
Under-absorption	0	-2,555		-4,707	-6,715
Gross profit/loss	8,556	6,023	17,241	10,779	29,533
Other operating expenses					
Selling and marketing expenses	-6,849	-6,461	-13,773	-12,316	-27,854
Administrative costs	-2,899	-3,365	-5,997	-6,894	-13,913
Other operating expenses	-189		-189		-1,387
	-9,937	-9,826	-19,959	-19,209	-43,155
Operating profit/loss	-1,381	-3,803	-2,718	-8,431	-13,622
Net financial items	-3,091	-3,071	-6,072	-5,981	-12,368
Profit/loss after financial items	-4,472	-6,874	-8,790	-14,412	-25,990
Taxes	0	-5	0	-5	-127
Profit/loss after tax	-4,472	-6,879	-8,790	-14,417	-26,117

BALANCE SHEET

SEK thousand	30 June 2017	30 June 2016	31 Dec. 2016
ASSETS			
NON-CURRENT ASSETS	105,462	116,484	109,869
CURRENT ASSETS			
Inventories	177,018	182,096	174,434
Other current assets	18,056	17,438	21,896
Cash and bank balances	1,036	1,837	7,999
	196,109	201,371	204,329
TOTAL ASSETS	301,571	317,855	314,198
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY	106,212	106,292	115,007
NON-CURRENT LIABILITIES AND PROVISIONS	152,574	181,081	163,651
CURRENT LIABILITIES	42,785	30,482	35,540
TOTAL EQUITY AND LIABILITIES	301,571	317,855	314,198

CHANGES IN EQUITY

SEK thousand	2017 Jan.-June	2016 Jan.-June	2016 Full year
Equity at the beginning of the period	115,007	120,689	120,689
Issuance of new shares	-	-	21,378
Issuance expenses	-	-	-990
Convertible debentures, value of conversion option	-	-	-
Translation differences	-5	20	46
Profit/loss for the year	-8,790	-14,417	-26,117
Equity at the end of the period	106,212	106,292	115,007

STATEMENT OF CASH FLOWS

SEK thousand	2017 April-June	2016 April-June	2017 Jan.-June	2016 Jan.-June	2016 Full year
Cash flow from operating activities	-1,256	-3,588	-2,176	-7,854	-15,116
Change in working capital					
Change in inventories	-116	837	-2,583	2,251	9,913
Change in other working capital	-913	-765	-3,933	-4,991	-2,208
Cash flow after changes in working capital	-2,285	-3,516	-8,693	-10,594	-7,411
Cash flow to investments	-369	-522	-1,250	-1,340	-2,052
Cash flow after investments	-2,654	-4,038	-9,943	-11,934	-9,463
Cash flow from financing activities	1,500	4,339	2,980	7,821	11,512
Cash flow for the period	-1,154	301	-6,963	-4,113	2,049
Cash and cash equivalents at the beginning of the period	2,191	1,536	7,999	5,950	5,950
Cash and cash equivalents at the end of the period	1,036	1,837	1,036	1,837	7,999

KEY FIGURES

SEK million	2017	2016	2017	2016	2016
	April-June	April-June	Jan.-June	Jan.-June	Full year
Net sales, SEKm	26.8	23.2	49.1	41.3	99.8
Net sales (excluding alcohol tax), SEKm	18.9	16.7	36.0	31.1	73.4
<i>Growth in sales (excluding alcohol tax)</i>	<i>13%</i>	<i>11%</i>	<i>16%</i>	<i>8%</i>	<i>18%</i>
Sales of Bottled Products, SEKm	13.6	11.3	24.1	21.0	47.1
Sales of Casks and Experiences, SEKm	5.4	5.4	11.9	10.1	26.3
Gross profit/loss, before under-absorption, SEKm	8.6	8.6	17.2	15.5	36.2
Gross profit/loss, before under-absorption, %	45%	51%	48%	50%	49%
Under-absorption	0.0	-2.6	0.0	-4.7	-6.7
Gross profit/loss, SEKm	8.6	6.0	17.2	10.8	29.5
Gross profit margin, percent	45%	36%	48%	35%	40%
Operating profit/loss, SEKm	-1.4	-3.8	-2.7	-8.4	-13.6
Profit/loss after tax, SEKm	-4.5	-6.9	-8.8	-14.4	-26.1
Cash flow after investments, SEKm	-2.7	-4.0	-9.9	-11.9	-9.5
Cash flow, SEKm	-1.2	0.3	-7.0	-4.1	2.0
Investments, SEKm	-0.4	-0.5	-1.3	-1.3	-2.1
Maturing stocks, carrying amount, SEKm	162.1	167.8	162.1	167.8	161.7
Change in maturing stocks, SEKm	0.4	-3.6	0.4	-3.6	-9.6
Change in maturing stocks, percent	0%	-2%	0%	-2%	-6%
Financial net debt excluding convertible debentures, SEKm	162.8	157.1	162.8	157.1	136.7
Liquid ratio, percent	52%	68%	52%	68%	112%
Interest coverage ratio (times)	-0.4	-1.2	-0.4	-1.4	-1.1
Equity, SEKm	106.2	106.3	106.2	106.3	115.0
Equity per share, SEK	9.19	11.75	9.19	11.75	9.95
Equity ratio, percent	35%	35%	35%	33%	37%
Number of shares, basic	11,561,008	9,045,924	11,561,008	9,045,924	11,561,008
Number of shares, diluted	12,529,881	9,946,521	12,529,881	9,946,521	12,529,881
Earnings per share, basic, SEK	-0.39	-0.76	-0.76	-1.59	-2.70
Earnings per share, diluted, SEK	-0.39	-0.76	-0.76	-1.59	-2.70
Average number of shares, basic	11,561,008	9,045,924	11,561,008	9,045,924	9,674,695
Average number of shares, diluted	12,529,881	9,946,521	12,529,881	9,946,521	10,629,053
Number of employees (average)	41	37	41	36	37

The Company's auditors did not audit this year-end report.

FINANCIAL CALENDAR, GLOSSARY AND DEFINITIONS

DATES FOR PUBLICATION OF FINANCIAL INFORMATION:

30 November 2017 Interim Report Q3
28 Feb. 2018 Year-end Report for 2017

GLOSSARY AND DEFINITIONS

Bottle

70 cl raw spirit or whisky calculated with an alcohol content of at least 40 percent, distributed and sold via traditional channels.

Cask

Personal whisky casks ordered and produced according to customer orders. To be delivered after maturation for an average of five years, in about 48 whisky bottles containing 50 centilitres.

Angel's share

Approximately three percent of the whisky evaporates from the oak casks each year during storage. This is referred to as the angels' share.

Gross Profit Margin (%)

Gross profit/loss divided by net sales.

Operating Margin (%)

Operating profit divided by net sales.

Liquidity ratio

The total of current assets, cash and cash equivalents and unutilised line of credit divided by current liabilities.

Financial net debt excluding convertible debentures

Interest-bearing liabilities, excluding convertible debentures – Cash and bank balances

Equity ratio (%)

Shareholders' equity divided by the balance sheet total.

Return on equity (%)

Profit/loss after tax divided by average shareholders' equity.

Interest coverage ratio (times)

Earnings before interest expense divided by interest expense.

Earnings per share (SEK)

Profit/loss after tax divided by average equity during the period.

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