

INTERIM REPORT JAN-JUNE 2013

CONTINUED GROWTH AND REFINEMENT

THE BOARD AND THE CEO OF THE 203 WEB GROUP AB (PUBL) HEREBY SUBMIT THE FOLLOWING INTERIM REPORT FOR THE PERIOD OF 1 JANUARY 2013 - 30 JUNE 2013.

THE GROUP	Q2 2013	Δ	Q2 2012	H1 2013	Δ	H1 2012
Net turnover (TSEK)	13 252	+ 96.4%	6,748	24,334	+ 93.4%	12,584
Operating profits (EBITDA) (TSEK)	2,535	n/a	- 554	3,593	+ 833.2%	385
Operating margin (EBITDA) (%)	19.13	n/a	- 8.21	14.77	+ 11.71 %	3.06
Earnings after tax (TSEK)	1,057	n/a	- 1,392	750	n/a	- 1,297
Earnings per share (SEK)	0.07	n/a	- 0.11	0.05	n/a	- 0.12

THE GROUP Q2

- 71 million visitors during Q2
- Divestment of the websites Kontosmart.se and Företagsinfo.se
- SEK 1.8 million in development expenditure with an impact on operating profits exceeding SEK 1 million

HITTARECEPT GLOBAL

- 21 million visitors/month
- A 524% increase in traffic per month compared to last year
- 6 new markets, 37 markets in total
- New platform, tested with good results

OTHER TRADEMARKS

- 4.2 million visitors/month
- A 62% increase in traffic per month compared to last year
- Doubled traffic on Bilweb.se with a new design
- Positive outcome in legal dispute involving Matklubben.se



HITTARECEPT: **21 M**
VISITORS PER MONTH

NET
TURN-
OVER **+ 96,4 %**



1,3 MILLION
MEMBERS

37 MARKETS
IN THE WORLD



MESSAGE FROM THE CEO



203 Web Group reports another quarter of continued strong growth. The second quarter demonstrates the very good underlying profitability of our business model. With this knowledge and security behind us, we will prioritise the building of sustained growth over high profitability from here on in, with the aim of turning Hittarecept into the world's largest food website.

We have achieved many interim targets in the first 6 months; Hittarecept is now the world's second largest food website, Matklubben.se has more than 1 million registered members and Bilweb.se has doubled its traffic since the new design was launched. We have also evaluated and refined our product portfolio in order to focus more on Hittarecept, which is one of the business operations that we believe will be the most successful in the long term.

Last year was marked by rapid expansion and growth, which entailed a large number of changes for the company. Last year, we tripled the number of employees and increased our net turnover by almost 75%. Having been able to expand so quickly has opened many doors for us, but it has also burdened the cash flow significantly. We are both happy and satisfied to be able to report such a significant improvement in the business, just after the second quarter of 2013.

Second-quarter sales growth exceeded our internal expectations. The third quarter presents us with tougher comparative figures as several acquisitions already became fully integrated at the start of the third quarter last year. However, the outlook for strong long-term growth is brighter than ever.

Finally, I would like to thank all employees who work hard every day to develop the company further.

Christoffer Johansson
CEO
203 Web Group AB (publ)



THE SECOND QUARTER

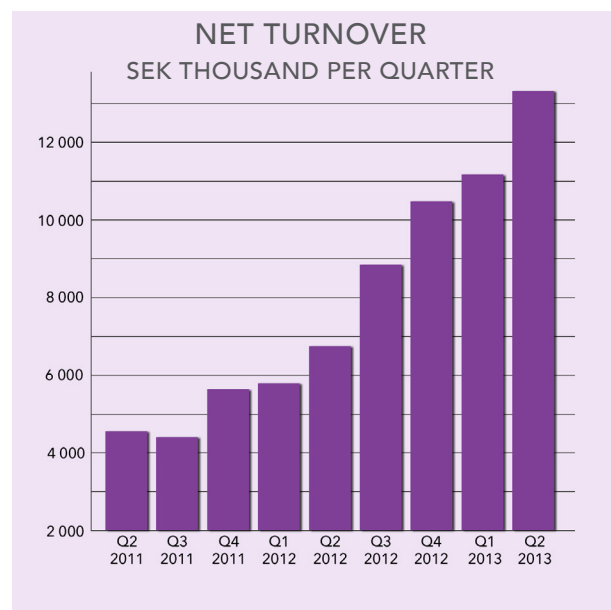
Sales and Earnings

The net turnover for the quarter amounted to SEK 13,252 thousand (6,748), which is an increase of 96.4% compared to the same period of the previous year. The operating profits prior to depreciation amounted to SEK 2,535 thousand (- 554) which is an increase of SEK 3,089 thousand.

Development costs for the quarter are estimated to amount to SEK 1,800 thousand, out of which SEK 1,020 thousand has been expensed and thus affected the results. The remaining SEK 780 thousand has been capitalised under intangible assets.

Liquidity and Financing

On 30 June 2013, the group's liquid assets amounted to SEK 2,815 thousand (7,390). Unutilised overdraft credit amounted to SEK 1,500 thousand (1,500). Long-term liabilities to credit institutions amounted to SEK 262 thousand (667).



CASH FLOW (TSEK)

	1 Jan 2013 - 30 June 2013	1 Jan 2012 - 30 June 2012
Cash flow from operating activities	2,530	1,647
Cash flow from investing activities	- 2,450	- 8,356
Cash flow from financing activities	- 87	13,231
The cash flow for the period	- 7	6,522
Cash and cash equivalents at the beginning of the period	2,822	868
Cash and cash equivalents at the end of the period	2,815	7,390

SIGNIFICANT EVENTS

DURING THE PERIOD

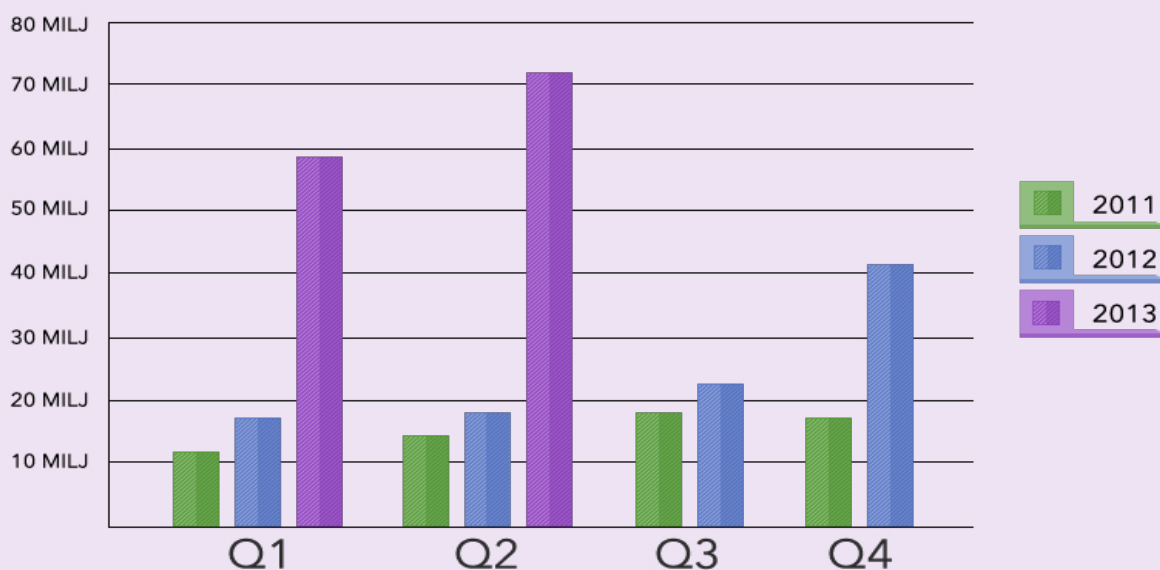
- Hittarecept can be found on 6 new markets, 37 markets in total.
- Agreements have been signed with sales companies in Finland and the Netherlands. Overall, 7 foreign sales companies are affiliated with the business.
- In June, the 203 Brands subsidiary won a court case in Stockholm City Court where an action for copyright infringement had been brought against the handling of images on Matklubben.se. Pursuant to the ruling, 203 Brands will receive SEK 600 thousand from the counterparty.
- The Företagsinfo.se website and associated activities have been divested.

AFTER THE PERIOD

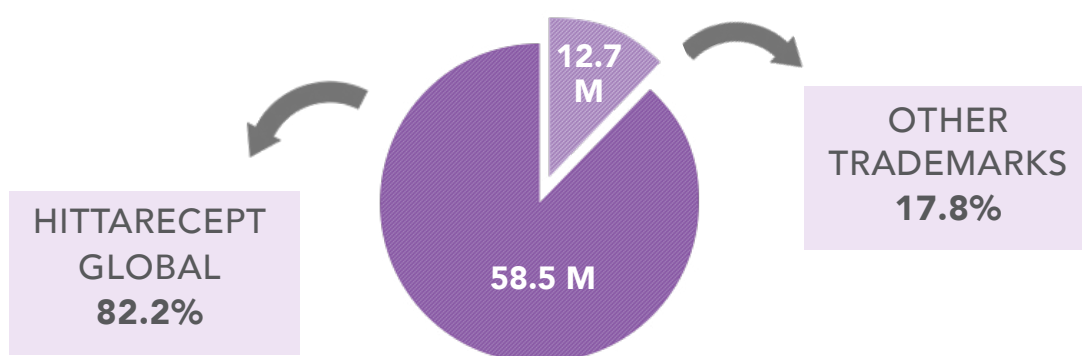
- The new Hittarecept platform has been tested on the Brazilian market with very good results.
- The Kontosmart.se website and associated activities have been divested due to a streamlining the product portfolio. The transaction is subject to approval at an extraordinary general meeting. The founders and principal owners of 203 Web Group AB (publ) have responded positively to the arrangement and have committed to vote for the sale.

THE GROUP'S TRAFFIC DEVELOPMENT:

VISITORS PER QUARTER

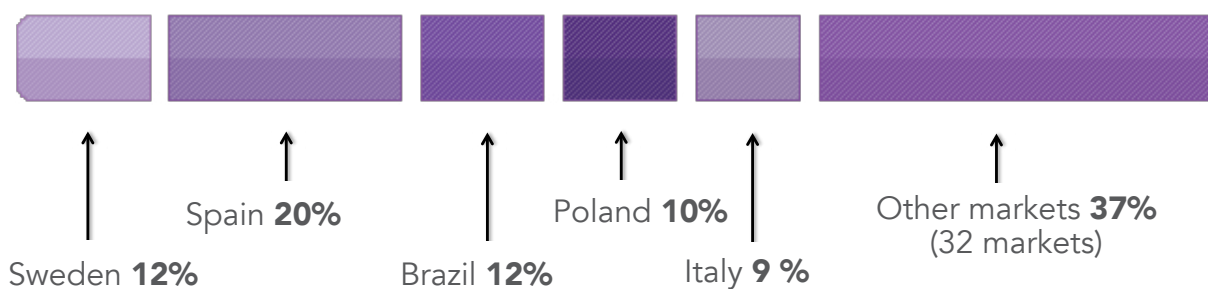


TRAFFIC DISTRIBUTION Q2 2013:



Currently, 5 markets represent 63% of the total traffic for Hittarecept. In the second quarter, growth was high among the newly launched markets currently listed under "Other markets" in the chart below.

HITTARECEPTS TRAFFIC DISTRIBUTION IN THE WORLD:

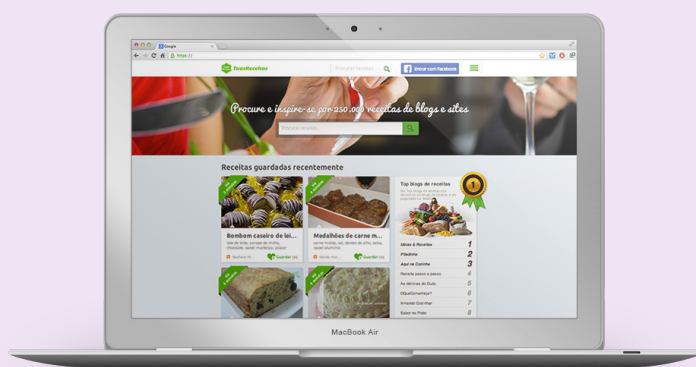


HITTARECEPT GLOBAL

HITTARECEPT

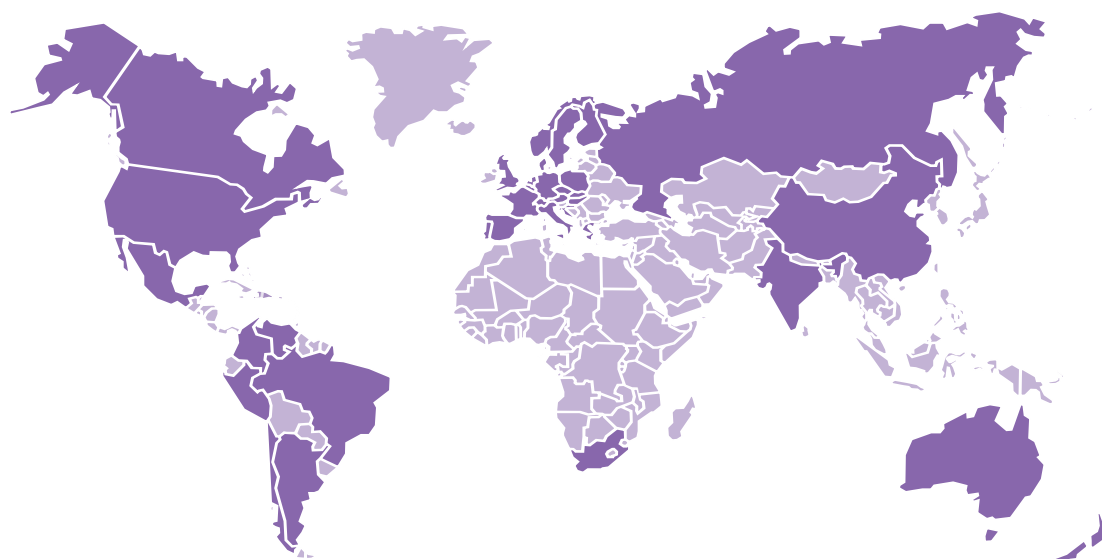
The world's second largest recipe website

- 21 million visitors per month
- A 524% increase in traffic per month compared to last year
- Established on 37 markets worldwide
- More than 4,600,000 recipes from the world's food websites and food blogs
- Approximately 16,900 affiliated food blogs



HITTARECEPT'S NEW PLATFORM

Hittarecept's new platform has been tested over the summer on the Brazilian market and will soon be implemented in all markets worldwide. The platform consists of a new graphic design, new features and a closer integration with social media. During the test period, it has been noted that the number of new registered members per day has increased significantly, and the number of page views per visit and average visiting time have improved significantly.



■ Countries in which Hittarecept is established

OTHER TRADEMARKS

MATKLUBBEN.SE

The largest food community in Sweden

- More than 1 million registered members
- More than 94,000 user generated recipes
- 1.2 million visitors per month



SHOPELLO.SE

Search engine for shopping

- 300 affiliated shops
- 3.5 million products
- 200,000 visitors per month

BILWEB.SE

A classical search engine for the buying and selling of cars

- 415 affiliated car dealers
- 20,000 items
- Doubled traffic since the new design



ALLAANNONSER.SE

Search engine for buying and selling

- Improved platform has led to increased traffic
- Operates under the name Gadyet in 6 other countries
- 2.7 million visitors per month

GROUP INCOME STATEMENT (TSEK)

	1 April 2013 30 June 2013	1 April 2012 -13 June 2012	1 Jan 2013 -30 June 2013	1 Jan 2012 -30 June 2012
Net turnover	13,252	6,748	24,334	12,584
Work performed by the company for its own use and capitalised	780	0	1,391	134
Other operating revenue	666	104	912	105
	14,698	6,852	26,637	12,823
<i>Operating expenses</i>				
Direct costs	- 2,734	- 1,552	- 4,630	- 2,584
Other external costs	- 2,764	- 1,758	- 5,264	- 2,561
Personnel costs	- 6,665	- 4,096	- 13,150	- 7,293
EBITDA	2,535	- 554	3,593	385
Depreciation and impairment of tangible and intangible non-current assets	- 1,477	- 907	- 2,894	- 1,639
	- 13,640	- 8,313	- 25,938	- 14,077
Operating profits/losses	1,058	- 1,461	699	- 1,254
<i>Earnings from financial investments</i>				
Interest revenue and similar profit/loss items	2	5	10	5
Interest expenses and similar profit/loss items	- 30	- 34	- 57	- 57
	- 28	- 29	- 47	- 52
Profit/loss from financial items	1,030	- 1,490	652	- 1,306
Change in deferred tax	87	62	173	108
Tax on the earnings for the period	- 54	- 56	- 82	- 110
The minority share of the earnings for the period	- 6	92	7	11
The earnings of the period	1,057	- 1,392	750	- 1,297

CONSOLIDATED BALANCE SHEET (TSEK)

ASSETS	30 June 2013	30 June 2012
<i>Non-current assets</i>		
<i>Intangible non-current assets</i>		
Capitalised development expenditure	14,404	21,903
Goodwill	12,305	14,003
Trademarks and similar rights *	7,456	0
	34,165	35,906
<i>Tangible non-current assets</i>		
Equipment, tools, fixtures and fittings	694	543
	694	543
<i>Financial non-current assets</i>		
Other investments held as fixed assets	500	0
Other long-term receivables	71	1
	571	1
Total non-current assets	35,430	36,450
<i>Current assets</i>		
<i>Current receivables</i>		
Accounts receivable - trade	6,043	3,988
Tax assets	223	174
Other receivables	1 097	1 084
Prepaid expenses and accrued revenues	3 831	2 856
	11,194	8,102
Cash and bank	2 815	7 390
Total current assets	14,009	15,492
TOTAL ASSETS	49,439	51,942

* Between financial periods, a reclassification was made from "Capitalised development expenditure" to "Trademarks and similar rights". Total reclassification during 2012 amounted to kSEK 7,541, of which kSEK 7,217 is attributable to 30 June 2012.

CONSOLIDATED BALANCE SHEET (KSEK)

EQUITY AND LIABILITIES	30 June 2013	30 June 2012
<i>Equity</i>		
Share capital	7,676	5,601
Unregistered share capital	0	2,075
Non-restricted reserves	22,342	27,431
Accumulated earnings	750	- 1,297
	30,768	33,810
<i>Minority shareholding</i>	1,055	1,642
<i>Provisions</i>		
Deferred tax liabilities	2,872	3,577
	2,872	3,577
<i>Non-current liabilities</i>		
Liabilities to credit institutions	262	667
	262	667
<i>Current liabilities</i>		
Invoiced income not yet recognised	0	93
Bank overdraft facility	0	0
Liabilities to credit institutions	267	125
Accounts payable - trade	2,181	4,693
Current tax liabilities	160	283
Other liabilities	7,245	4,511
Prepaid expenses and accrued revenues	4,629	2,541
	14,482	12,246
TOTAL EQUITY AND LIABILITIES	49,439	51,942

PARENT COMPANY INCOME STATEMENT (KSEK)

	1 April 2013 -30 June 2013	1 April 2012 -30 June 2012	1 Jan 2013 -30 June 2013	1 Jan 2012 -30 June 2012
Net turnover	1,592	1,642	3,788	3,069
Other operating revenues	1,074	0	2,032	0
	2,666	1,642	5,820	3,069
<i>Operating expenses</i>				
Direct costs	- 1,009	- 319	- 2,161	- 400
Other external costs	- 924	- 914	- 1,509	- 1,449
Personnel costs	- 1,089	- 720	- 1,988	- 1 342
Depreciation and impairment of tangible and intangible non-current assets	- 38	- 30	- 75	- 60
	- 3,060	- 1,983	- 5,733	- 3,251
Operating profits	- 394	- 341	87	- 182
<i>Earnings from financial investments</i>				
Interest revenue and similar profit/loss items	120	90	244	175
Interest expenses and similar profit/loss items	- 15	- 4	- 17	- 9
	105	86	227	166
Earnings after financial items	- 289	- 255	314	- 16
<i>Appropriations</i>				
Group contributions received	0	0	0	0
	0	0	0	0
Earnings after appropriations	- 289	- 255	314	- 16
Earnings before tax	- 289	- 255	314	- 16
Net profit for the financial period	- 289	- 255	314	- 16

PARENT COMPANY BALANCE SHEET (KSEK)

ASSETS	30 June 2013	30 June 2012
<i>Non-current assets</i>		
<i>Intangible non-current assets</i>		
Capitalised development expenditure	208	326
	208	326
<i>Tangible non-current assets</i>		
Equipment, tools, fixtures and fittings	111	46
	111	46
<i>Financial non-current assets</i>		
Participations in group companies	25,875	21,930
Participations in associated companies	500	0
Other securities held as non-current assets	0	0
	26,375	21,930
Total non-current assets	26,694	22,302
<i>Current assets</i>		
<i>Current receivables</i>		
Accounts receivable - trade	0	0
Receivables from group companies	12,653	15,744
Tax assets	2	0
Other receivables	803	5
Prepaid expenses and accrued revenues	1,319	1,212
	14,777	16,961
<i>Cash and bank</i>	1,120	4,477
Total current assets	15,897	21,438
TOTAL ASSETS	42,591	43,740

PARENT COMPANY BALANCE SHEET (KSEK)

EQUITY AND LIABILITIES	30 June 2013	30 June 2012
<i>Equity</i>		
<i>Restricted equity</i>		
Unregistered share capital	0	2,075
Share capital	7,676	5,601
	7,676	7,676
<i>Unrestricted capital</i>		
Capitalised earnings	27,580	30,244
Accumulated earnings	313	- 16
	27,893	30,228
	35,569	37,904
<i>Current liabilities</i>		
Accounts payable - trade	772	170
Liabilities to group companies	1,852	2,537
Other Liabilities	3,538	3,018
Tax Liabilities	0	0
Accrued expenses and prepaid revenues	860	111
	7,022	5,836
TOTAL EQUITY AND LIABILITIES	42,591	43,740



KEY RATIOS

The Group

	1 April 2013 -30 June 2013	1 April 2012 -30 June 2012	1 Jan 2013 -30 June 2013	1 Jan 2012 -30 June 2012
Profitability and return on capital employed				
Operating profits (EBITDA) (kSEK)	2,535	- 554	3,593	385
Operating margin (EBITDA) (%)	19.13	neg	14.77	3.06
Profit margin (%)	7.98	neg	3.08	neg
Return on equity (%)	3.50	neg	2.47	neg
Capital structure				
Equity (kSEK)	30,768	33,810	30,768	33,810
Balance sheet total (SEK)	49,439	51,942	49,439	51,942
Capital employed (kSEK)	32,852	36,244	32,852	36,244
Equity ratio (%)	62.23	65.09	62.23	65.09
Liquidity				
Liquid assets (kSEK)	2,815	7,390	2,815	7,390
Employees				
Number of employees	52	39	52	39
Data per share				
Number of shares	15,351,949	11,201,949	15,351,949	11,201,949
Earnings per share (SEK)	0.07	- 0.11	0.05	- 0.12
Equity per share (SEK)	2.00	3.02	2.00	3.02
Share price (SEK)	4.00	4.51	4.00	4.51
Share price / Equity per share (number of times)	2.00	1.49	2.00	1.49

DEFINITION OF KEY RATIO

Profitability and return on capital employed

Operating profits (EBITDA)	Earnings before financial costs, tax and depreciation
Operating marginal (EBITDA)	Operating profits (EBITDA) in percentage of the net turnover
Profit margin	The earnings of the period after tax as a percentage of the net turnover
Return on equity	The earnings of the period after tax as a percentage of the average equity

Capital structure

Equity	Equity at the end of the period
Balance sheet total	The total of assets or the total of liabilities and equity
Capital employed	Balance sheet total reduced by non-interest-bearing liabilities including deferred tax
Equity ratio	Adjusted equity in percentage of the balance sheet total

Liquidity

Liquid assets	Bank balances and cash
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Employees

Number of employees	Number of employees at the end of the period
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Data per share

Number of shares	Outstanding shares at the end of period
Earnings per share	The earnings of the period divided by number of shares
Equity per share	Equity divided by number of shares
Share price	The closing price of the reporting period, the last day of trading
Share price / Equity per share	Share price divided by equity / share

Upcoming Reporting Dates

Interim report July - September 2013
29 November 2013

The auditors' review

This report has not been subject to review by the company's auditor.

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