

**APPTIX ASA**

**November 16, 2016**

**Interim Balance Sheet**

## APPTIX ASA INTERIM BALANCE SHEET

(Amounts in NOK 1 000)

	Note	As of November 16, 2016
<b>ASSETS</b>		
<b>Financial Non-current Assets</b>		
Investment in Subsidiary	4, 5, 6	-
Investment in Fusion Telecommunications Int'l Inc.	6	30,679
<b>Total Financial Non-current Assets</b>		<b>30,679</b>
<b>Total Non-current Assets</b>		<b>30,679</b>
<b>Current Assets</b>		
Other Current Assets		198
Cash and Cash Equivalents	5	145,882
<b>Total Current Assets</b>		<b>146,079</b>
<b>TOTAL ASSETS</b>		<b>176,758</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share Capital	4	27,116
Share Premium	4	149,149
Other Paid-in Capital	4	-
<b>Total Equity</b>		<b>176,265</b>
<b>Current Liabilities</b>		
Trade Accounts Payable		-
Dividend Payable		-
Other Current Liabilities		493
<b>Total Current Liabilities</b>		<b>493</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>176,758</b>

Johan Lindqvist

Ebba Asly Fahraeus

Terje Rogne

Christopher Mack

Chairman of the Board

Director

Director

Chief Executive Officer

## NOTES TO APPTIX ASA INTERIM BALANCE SHEET

### Note 1 – General Information

This interim balance sheet is prepared in accordance with ASAL § 8-2a to assist the Board of Directors and the General Meeting of Apptix for the decision to distribute a dividend to its shareholders.

The interim balance was approved by the Board of Directors for publication on 18 November 2016.

### Note 2 – Basis for Preparation

This interim balance sheet is prepared in accordance with the Norwegian Accounting Act of 1998 and Norwegian Generally Accepted Accounting Principles.

### Note 3 - Accounting Policies

The accounting policies and methods of computation used in the preparation of the enclosed interim balance sheet is consistent with the policies used in the preparation of the annual financial statements for the year ended December 31, 2015.

### Note 4 - Equity

The following table summarizes the net change in the Company's shareholder equity:

(Amounts in NOK 1 000)	Common Stock	Paid in Premium Reserve	Other Paid- in-Capital	Total Equity
Shareholders' Equity December 31, 2015	27,116	44,909	-	72,025
Net Profit/ (Loss) 2016	-	(1,903)	-	(1,903)
Gain on sale of Apptix, Inc.	-	106,143	-	106,143
Shareholders' Equity November 16, 2016	27,116	149,149	-	176,265

On November 14, 2016 Apptix ASA signed and closed a Stock Purchase Agreement (“SPA”) with Fusion Telecommunications International Inc. (“Fusion”) for the sale of the Apptix, Inc. its only subsidiary and business operations. The table below reflects the gain on the sale of Apptix, Inc.

## Calculation of the gain on Sale of Apptix, Inc.

*Amounts in NOK 000's*

Net cash consideration	145,956
Fusion stock consideration	30,679
Total consideration	176,635
Net asset value of Apptix, Inc.	70,492
Net gain on sale of Apptix, Inc.	106,143

### Note 5 - Cash

Apptix ASA was paid USD 17.3 million in cash at closing of the sale of Apptix Inc. to Fusion (net of transaction related expenses).

The transaction was structured as a “debt-free, cash-free” deal whereby Apptix ASA retained the cash balances of the Apptix, Inc. at closing of approximately USD 3.7 million. Apptix ASA was also required to satisfy any of the Apptix, Inc. outstanding funded debt obligations at closing which totaled approximately USD 7.1 million. Additionally, Apptix ASA incurred approximately USD 2.3 million in transaction related fees and expenses in connection with the transaction. There was no escrow adjustment pursuant to the transaction and all indemnifications along with representations & warranties expired with the closing.

The proceeds were exchanged to Norwegian Kroner on Monday 14<sup>th</sup> and consist of only Norwegian Kroner as of 16<sup>th</sup> of November. None of the cash is restricted.

### Note 6 – Shares in Fusion

Apptix ASA received a total of 2,997,926 shares of Fusion common stock representing 16.6% of the outstanding Fusion common stock immediately following the close. Fusion is listed on the NASDAQ Capital Market under ticker FSNN. Based on the share price of the Fusion stock on the date of closing, the aggregate equity consideration was valued at NOK 30.7 million.

Of the total equity received by Apptix ASA, 50% of the shares, or 1,498,963 shares, were transferred to Apptix ASA at closing with the remaining 50%, or 1,498,963 shares, being transferred to Apptix ASA upon the receipt of two state public utility regulatory commission approvals which are expected within the next 120 days.

The Fusion shares received by Apptix ASA will be subject to Regulation 144 of the United States Securities Act of 1934 restricting the sale of the Fusion stock for up to 12 months following the closing date. Fusion has agreed to file a registration statement with the US Securities and Exchange Commission within 12 months of closing, making the shares freely

tradable on the NASDAQ exchange. During this period of time, the shares will be held and owned by Apptix ASA.

**Apptix Shares in Fusion**

Number of shares acquired upon sale of Apptix Inc.	2,997,926
Fusion stock price on date of sale - USD	<u>1.21</u>
Cost basis - USD (000's)	3,627
Foreign exchange rate on date of sale	<u>8.46</u>
<b>Cost basis - NOK (000's)</b>	<b><u>30,679</u></b>

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**Oslo, Norway**

**18 November, 2016**

## **Apptix ASA Corporate Information**

### **Board of Directors**

#### **Johan Lindqvist - Chairman**

Chairman of the Board, Nipsoft AB and Advance AB

#### **Ebba Fahraeus - Director**

CEO of Lunds Life Sciences Incubator

Chairman of the Board, Connect Skane

Director, Arc Aroma Pure, the faculty of medicine at Lunds University

#### **Terje Rogne - Director**

Chairman of the Board, Nokas AS and Nordic

Semiconductor ASA

Director, Unified Messaging Systems AS

### **Corporate Officers**

#### **Christopher E. Mack**

Chief Executive Officer & Chief Financial Officer

### **Independent Accountants**

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*The Company encourages all shareholders to register for electronic delivery of documents through the VPS system. A shareholder can register for electronic delivery via your log-on page in the VPS account or by contacting your VPS bank.*

### **Operator of the Share Register Account**

Nordea Bank Norge ASA

Securities Services

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0107 Oslo

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Fax: +47 22 48 44 44

[www.nordea.com](http://www.nordea.com)

### **Registered Business Address**

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1396 Billingstad

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### **Stock Information**

Stock traded on the Oslo Stock Exchange

OSE Symbol: APP

[www.ose.no](http://www.ose.no)

### **Investor Services**

To request additional information about the Company, its finances, operations and services, contact:

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