

# H1 2016 Report

Medical Prognosis Institute A/S



DECISION  
WITH  
PRECISION

August 31<sup>st</sup>, 2016, Hoersholm, Denmark

## INTERIM REPORT FIRST HALF YEAR 2016

### for the period January 1<sup>st</sup> - June 30<sup>th</sup>

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*With " MPI ", the "Company" or " Medical Prognosis Institute " means the Medical Prognosis Institute A/S, CVR number 28106351. With "Oncology Venture" means MPI's spinout company Oncology Venture ApS with CVR number 34623562.*

## Highlights during H1 2016

- ✓ MPI is issued patent in Australia.
- ✓ MPI publishes positive results with DRPT™ tool in gastroesophageal cancer.
- ✓ MPI's spinout Oncology Venture in-licenses LiPlaCis™.
- ✓ MPI raises DKK 8,686,575 in private placement at a price of 135 DKK per share.
- ✓ First patient included in APO010 immuno-oncology screening trial by MPI's spinout Oncology Venture.
- ✓ MPI and Oncology Venture enters three new agreements on DRPs.
- ✓ Positive data on MPI's DRP™ for 5-FU published in PLOS ONE.
- ✓ MPI's DRP™ technology used in the first prospective study.
- ✓ MPI changes listing from Nasdaq Copenhagen First north to Nasdaq Stockholm First North. First day of trading in Stockholm is June 27<sup>th</sup> 2016.

## Highlights after the period

- ✓ MPI and Oncology Venture enhances the collaboration by entering another agreement on DRPs.
- ✓ First DRP selected Breast Cancer Patient obtained reduction of tumor by LiPlaCis treatment

## The CEO comments

"The first half of 2016 has been very exciting for MPI who's technology is progressing for both its purposes:

- a tool for **decision of the most beneficial treatments for the individual cancer patients** (PRP™ - Personal Response Predictor) and
- a tool for **developing cancer drugs that includes only those patients who have a high likelihood of response to the drug under development** (DRP™ - Drug Response Predictor).

We are moving forward implementing our focused strategy for Personalized Medicine with the aim of empowering patients and their physicians to make more informed decisions on new cancer treatments – the medical need is huge. At MPI we are dedicated to help improve lives of cancer patients.

The results for the DRP technology have in collaboration with partners been enforced by publications in highly recommended scientific conferences and in scientific journals. Simultaneously, Oncology Venture - the drug development arm of MPI - has taken solid steps in implementing the DRP technology and the first patient has been included in the first ever prospective study. The DRP is a genetic test used beforehand to identify those cancer patients who are high likelihood responders to a chosen treatment.

Furthermore, MPI has out-licensed three new DRPs to Oncology Venture for potential new and promising drug candidates which gives MPI a potential revenue with financial impact.

*"I'm very proud of the progress we have done at MPI and look forward to further implementing this intelligent Computer Learning, Big Data tool into the health care system. I'm looking forward to meeting the Swedish investors and explain the Swedish market about the large potential that MPI's technology has and I'm happy that the share is now traded at the Nasdaq First North in Stockholm – a platform known to be the most mature in the Nordic countries in the trading of small and medium size companies. My warmest thanks to the MPI investors for their strong support!"* said Peter Buhl Jensen, MD, Ph.D., Professor and CEO of MPI.

January 28<sup>th</sup>, 2016

### **MPI is issued patent in Australia**

MPI announced that IP Australia has issued a Notice of Acceptance for a patent of MPI's microRNA profiles to predict response to 70 different cancer treatments.

February 17<sup>th</sup>, 2016

### **MPI publishes positive results with DRP™ tool in gastroesophageal cancer**

Based on a pre-treatment biopsy, the DRP was able to correctly predict retrospectively which patients would benefit from standard chemotherapy.

February 19<sup>th</sup>, 2016

### **MPI's spinout Oncology Venture has in-licensed LiPlaCis™**

LiPlaCis™ will be the first prospective trial using the Drug Response Predictor (DRP™) from MPI.

February 19<sup>th</sup>, 2016

### **MPI raises DKK 8,686,575 in private placement at a price of 135 DKK per share**

MPI has obtained binding subscription commitments in the total amount of DKK 8,686,575 from a group of investors, including MPI's CEO Peter Buhl Jensen who has invested DKK 500,000 through his holding company Buhl Krone Holding. All shares in the private placement will be issued to these investors without pre-emption rights for the existing shareholders of MPI. The registration of the capital increase was subsequently completed on February 24<sup>th</sup> 2016.

March 10<sup>th</sup>, 2016

### **First patient included in APO010 immuno-oncology screening trial by MPI's spinout Oncology Venture**

MPI announced that the first patient has been included in the APO010 Screening Protocol for Multiple Myeloma by MPI's spinout Oncology Venture. This patient has entered the study at the first out of four planned participating Danish hematology sites.

April 20<sup>th</sup>, 2016

### **AGM decided to denominate the company's shares from 1 kr. to 0.05 kr.**

April 27<sup>th</sup>, 2016

### **MPI and Oncology Venture enters three new agreements on DRPs**

MPI has sold three DRPs to Oncology Venture for three new selected compounds combined with MPI's DRP™ for anti-cancer treatment. The drugs will be developed with MPI's DRP™ to enrich the patient population with the goal of increasing the response rate.

May 12<sup>th</sup>, 2016

### **Positive data on MPI's DRP™ for 5-FU published in PLOS ONE**

MPI announces that positive data on their DRP™ has been published in the journal PLOS ONE with the title: "Cell line derived 5-FU and irinotecan drug-sensitivity profiles evaluated in adjuvant colon cancer trial data." Data from a prospective randomized clinical trial was analyzed with the unique DRP tool.

May 31<sup>st</sup>, 2016

### **MPI's DRP™ used in the first prospective study**

MPI announces that the first patient has been dosed in the first prospective study using the DRP™. The DRP™ will be used in the LiPlaCis™ proof of concept extension phase study conducted by Oncology Venture, who has recently in-licensed the LiPlaCis™ product.

June 14<sup>th</sup>, 2016

### **MPI announces that some of the warrants previous issued are not valid and therefore the Articles of Association will be changed accordingly**

The board of directors has been made aware and has acknowledged that nominal DKK 34,811 warrants (equal to 696,220 warrants following share split on 20 April 2016) issued by the board of directors to the board of directors of the Company on respectively 14 December 2014 and 18 February 2016 are not valid. This is due to the fact that they did not comply with the formal requirements in the Danish Companies Act as the Company had not prior to such issues duly adopted and obtained approval from the general meeting of incentive guidelines pursuant to the Danish Companies Act Section 139.

June 14<sup>th</sup>, 2016

**MPI is listing on Nasdaq Stockholm First North. First day of trading is June 27<sup>th</sup>**

MPI has been approved for listing at Nasdaq Stockholm First North and has received formal approval from the marketplace. The listing on Nasdaq Stockholm First North enables increased future trading of the stock shares in a more active marketplace.

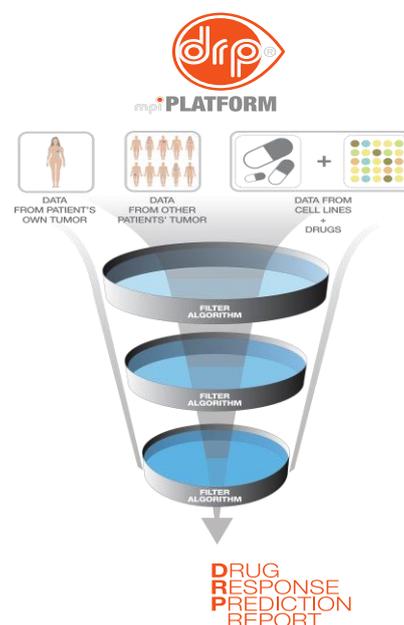
## About MPI

### Personalized Medicine – Cancer is Individual

Many anti-cancer drugs are only beneficial to a small group of patients, and there is currently no way of identifying which patients will respond to a certain treatment. This forces oncologists to treat many patients blindly, and if the number of patients responding to a drug is too low, that drug candidate will most likely not be used, even if it may in fact be well suited for certain patients. The same problem arises in clinical studies of drug candidates. Insufficient efficacy has become the most common reason for clinical failures within drug development. A great part of these failures cannot be attributed to the drug as such, but are instead the consequences of difficulties in accurately performing clinical studies, using a patient group that is well-defined enough. Until recently, classification of cancer and the treatment of the disease has been based solely on population-based observations, but due to big individual variations old methods have been unspecific and offered low sensitivity. The development of anti-cancer drugs and cancer treatment is now rapidly changing, from being population-based to becoming more precise and individually adapted (Precision Medicine).

MPI was founded in 2004 by Professor Emeritus Steen Knudsen. The MPI approach includes our own method for analyzing the genomic fingerprint in each individual tumor. This makes it possible to foresee whether or not a patient is likely to benefit from treatment with a certain drug. According to the board's evaluation, MPI's product is a landmark that can be used for increasing the possibilities of identifying both patients with the best chances of responding to treatment, and patients with low likelihood to respond to a certain drug.

MPI's patented Drug Response Predictor can improve the doctors' ability to make precise decisions concerning which treatment method is most suitable for their patients. The technology has a broad field of use, and MPI holds patents for over 80 anti-cancer drugs. After sequencing of the genetic code, quantitative methods have made considerable progress. Our understanding of complex biological signals has improved significantly. This science has enabled research on new and more precise genetic bio markers, reflecting specific biological or pathogenic processes in cancer cells. The Company expects its approach, building on Big Data and Computer Learning technology, can bring more knowledge on the complexity of molecular mechanisms leading to cancer, and to allow MPI to identify which patients will or will not respond to a specific cancer treatment.



### DRP™

By using DRP, it is possible to define a genetic fingerprint distinguishing the different cancer forms' sensitive to treatment from those that are resistant to treatment. Patients who - based on the genetic fingerprint or "RNA expression" of their cancer - can be expected to respond to treatment, are selected. This considerably increases the likelihood for successful results in new clinical studies. DRP has shown the ability to give a statistically proven efficacy prediction for treatment of cancer patients in 29 out of 37 evaluated clinical studies. Statisticians at MD Anderson Cancer Center in Texas have blindly validated DRP in three different studies (Journal of National Cancer Institute, Wang et al. September 2013), and MPI has validated DRP through blinded analyses in 37 clinical studies.

### PRP™

According to the board's evaluation, MPI has a unique possibility of developing a patented solution for Personalized Medicine. PRP is the name of MPI's Personalized Medicine technology, in which one or more biomarkers are being used to guide the choice of treatment. Biomarkers have been used for many years to provide guidance on cancer treatment. An example of this is a simple bio-marker called HER2 (human epidermal growth factor receptor 2), which is positive in approximately 25 % of women suffering from Breast Cancer. If a HER2 test is positive, the cancer can advantageously be treated with medicine specifically developed to treat HER2-positive Breast Cancer. Historically, one has strived to imitate this kind of bio-marker, i.e. in how to affect one single marker, but there are few examples of this being a successful

strategy. PRP is a business area for innovations within Personalized Medicine, focusing on future development of consumer products and services to inform, to gather and to formulate personal treatments.

### Business model and strategy

The Company’s business model and strategy has two sides. The PRP side focuses on the patients’ perspective and choice of treatment, while the DRP side focuses on drug development. Both products are derived from the DRP platform. The goal is rapidly to achieve prospective confirmations regarding the strength of the DRP method. MPI’s spin-out Oncology Venture, which is in licensing oncology drugs that have shown effect in patients but not reached a response rate high enough to get approval, is using the DRP to select patients who with a high likelihood will benefit from the drug. Thereby new effective



cancer treatments can be developed to the benefit of cancer patients. OV already has three products in the pipeline ready to show how MPI’s DRP technology can facilitate success. The drugs are LiPlaCis for Breast Cancer, Irofulven for Prostate Cancer, and APO010 for Multiple Myeloma and Breast Cancer. The PRP is developed in collaboration with oncologists, hematologists and cancer centers in Denmark and in Sweden where the DRP-technology is to be used as a tool to support deciding the best treatment for that specific patient.

### Additional information

#### Group Structure and shareholdings

Medical Prognosis Institute A/S is the parent company of a group which also includes the wholly owned US subsidiary, Medical Prognosis Institute Inc. The company was formed as part of MPI's strategic focus on creating increased sales in the US market. MPI owns beyond the above 11.49 % of the votes and capital in Oncology Venture Sweden AB.

#### Shareholders

The table below presents shareholders with over 5 % of the votes and capital in the Medical Prognosis Institute on June 30, 2016.

Name	Shares	Votes and capital (%)
MPI Holding Aps	6,168,680	26.45 %
Sass & Larsen Aps	4,619,800	19.81 %
Buhl Krone Holding Aps	2,360,580	10.12 %
BNYMSANV RE Jyske Bank Own Holdings	1,480,800	6.35 %
Others	8,692,440	37.27 %
	<b>23,322,300</b>	<b>100.00 %</b>

## The Share

The MPI share was listed on Nasdaq Stockholm First North on June 27, 2016. The short name/ticker is MPI and the ISIN code is DK0060732477. Per June 30, 2016, the number of shares was 23,322,300. The average number of shares in The Company in H1 2016 was 22,959,343. The Company has one class of shares. Every stock share equals the same rights to The Company's assets and results.

## Warrants

As an incentive for board members and key employees MPI has implemented a total of four warrant programs (decision was made on July 3, 2012, December 18, 2013, December 17, 2014 and February 18, 2016) consisting 4,489,580 warrants. At the date of this document 510,000 warrants are used for subscription of new shares in The Company. Per June 14, 2016 The Company published a press release informing that 696,220 warrants have been annulled, which were issued to the Board in accordance with the warrant programs issued on December 14, 2014 and February 18, 2016 (after the split 1:20 on April 20, 2016). This meaning that 3,283,360 warrants are outstanding. The Board is planning to issue warrant programs, subject to approval at the Annual General Meeting, consisting 696,220 warrants (the same number as are not valid), of which 430 000 warrants under the conditions specified in the series 3 and 266,220 warrants under the conditions specified in the series 4, when The company is listed on Nasdaq Stockholm First North.

## Operational risks and uncertainties

The risks and uncertainties that MPI operations are exposed to are summary related to factors such as drug development, competition, technology development, patents, regulatory requirements, capital requirements, currencies and interest rates. During the current period, no significant changes in risk factors or uncertainties have occurred. For more detailed description of risks and uncertainties, refer to the Company Description published in June 2016. Company Description is available on the MPI's website ([www.medical-prognosis.com](http://www.medical-prognosis.com)).

## Auditor's Review

The half-yearly report has not been reviewed by The Company's auditor.

## For further information, please contact

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Website: [www.medical-prognosis.com](http://www.medical-prognosis.com)

## Certified Advisor

Sedermøra Fondkommission

This information is information that MPI is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, August 31<sup>st</sup> 2016

## Financial highlights and ratios

	H1 2016	H1 2015	Annual report 2015 Adjusted
	DKK	DKK	DKK
<b>Income Statement</b>			
Revenue	1.849.204	681.080	5.837.783
Gross profit/loss	-3.760.812	-6.350.226	-8.216.885
Profit/loss before other expenses	-5.193.130	-7.759.588	-11.036.202
Profit/loss before financial income and expenses (EBIT)	-5.193.130	-7.759.588	-11.036.202
<b>Net profit/loss for the period</b>	<b>-4.079.793</b>	<b>-6.085.542</b>	<b>-8.365.702</b>
<b>Assets</b>			
Intangible assets	3.227.963	2.684.442	3.422.645
Property, plant and equipment	143.534	251.943	165.926
Fixed asset investments	12.186.845	798.512	15.125.325
Receivables	8.499.781	5.737.872	8.030.923
Cash at bank and in hand	7.014.098	8.093.508	5.278.013
<b>Assets</b>	<b>31.072.221</b>	<b>17.566.276</b>	<b>32.022.832</b>
Equity	29.510.583	16.404.746	28.451.397
Short term debt	1.561.638	1.161.530	3.571.435
<b>Liabilities and equity</b>	<b>31.072.221</b>	<b>17.566.276</b>	<b>32.022.832</b>
<b>Cash Flow Statement</b>			
Cash flows from operating activities	-6.341.375	-7.805.892	-9.752.262
Cash flow from investing activities	-	-392.610	-1.261.725
Cash flows from financing activities	8.077.459	271.080	271.078
<b>Changes in cash and cash equivalents</b>	<b>1.736.084</b>	<b>-7.927.422</b>	<b>-10.742.909</b>
<b>Ratios</b>			
Gross margin (%)	-203,4	-932,4	-140,8
Margin before other expenses (converted to %)	-280,8	-1139,3	-189,0
EBIT Margin (converted to %)	-280,8	-1139,3	-189,0
Equity ratio %	95,0	93,4	88,8
Return on equity %	-14,1	-31,5	-33,0
Net asset value per share	1,3	14,9	25,9
Earnings per share	-0,2	-5,5	-8,2
Average no. of shares	22.959.343	1.099.148	1.016.989
Average no. of diluted shares	22.959.343	1.099.148	1.016.989
No. of shares at end period	23.322.300	1.099.770	1.097.770

The interim report for H1 2016 and for H1 for 2015 have not been audited or reviewed; the accounting policies have changed in respect to Fixed asset investments which is now reflecting market value. The key figures have been calculated in accordance with the Danish Society of Financial Analysts' 'Recommendations and Financial Ratios 2010'.

Gross margin	:	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$	Return on equity %	:	$\frac{\text{Net profit/loss for the year} \times 100}{\text{Average equity}}$
EBIT margin	:	$\frac{\text{Profit/loss before financial income and expenses (EBIT)} \times 100}{\text{Revenue}}$	Net asset value per share	:	$\frac{\text{Equity year-end}}{\text{No. of shares at year-end}}$
Equity ratio %	:	$\frac{\text{Equity year-end} \times 100}{\text{Liabilities and equity}}$	Earnings per share	:	$\frac{\text{Net profit/loss for the year}}{\text{Average no. of shares}}$

### Basis of preparation

The interim report has been prepared in accordance with the accounting policies set out in the Annual Report for 2015, except for the changed accounting principle for ownership in Oncology Venture AB. Measurement of ownership in Oncology Venture AB has been changed from cost to fair market value, as recognition in the balance sheet at the listed share price of the investment in Oncology Venture since the listing in 2015 better reflects the value of the Company's shares in Oncology Venture. This change has increased total assets and the equity at 31 December 2015 with DKK 14,326,813. Net loss is unchanged, as the fair value adjustment is recognized directly under equity as a special reserve account. The comparative figures for the previous year have been adjusted accordingly.

## Financial Review

The Report includes the Parent Company Medical Prognosis Institute A/S. No consolidated financial statements have been prepared with reference to section 110 of the Danish Financial Statements Act.

### Income statement 1H 2016

Revenue amounted to DKK 1,849,204 (last year DKK 681,080).

Gross profit amounted to DKK -3,760,812 (last year DKK -6,350,226). The gross profit margin amounted to -203,4% (last year -932,4%). The increase in gross profit is due to increased sales of DRP licenses and -analyses and that the vast majority of the direct costs are related to revenue generating activities.

Staff expenses amounted to DKK 1,215,101 (last year DKK 1,301,961).

Profit/loss before other operating expenses showed a loss of DKK -5,193,130 (last year a loss of DKK -7,759,588).

Other operating expenses amounted to DKK 0 (last year DKK 0).

Profit/loss before tax amounted to a loss of DKK -5,230,504 (last year a loss of DKK -7,801,977).

The Company realized a net loss of DKK -4,079,793 (last year a net loss of DKK -6,085,542).

### Balance sheet

Total assets amounted to DKK 31,072,221 (end of last year DKK 32,022,832) and consists primarily of an 11.49 % ownership in Oncology Venture, receivables and cash at bank and in hand.

Total liabilities amounted to DKK 31,072,221 (end of last year DKK 32,022,832) and primarily consist of the Company's equity, DKK 29,510,583 (last year DKK 28,451,397).

### Cash flows

The Company's cash flows from operating activities were a negative DKK 6,341,375 (last year a negative DKK 7,805,892).

The Company's cash flows from financing activities amounted to DKK 8,077,459 (last year DKK 271,080).

### Subsequent events

No events materially affecting the assessment of the Report have occurred after the balance sheet date.

### Financial Calendar

Annual Report, March 27<sup>th</sup> 2017.

Annual General Meeting, April 25<sup>th</sup> 2017.

## Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Report of Medical Prognosis Institute A/S for the financial period 1 January - 30 June 2016.

The Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at June 30<sup>th</sup> 2016 of the Company and of the results of the Company operations for H1 2016.

Hoersholm, August 31<sup>st</sup> 2016

### **Executive Board**

Peter Buhl Jensen  
CEO

### **Board of Directors**

Frank Knudsen  
Chairman

Peter Buhl Jensen

Steen Meier Knudsen

Niels Johansen

Magnus Persson

## Income Statement January 1<sup>st</sup> – June 30<sup>th</sup>

	H1 2016 DKK	H1 2015 DKK	H1 2014 DKK
Revenue	1.849.204	681.080	1.241.113
Other external expenses	-5.610.016	-7.031.306	-3.146.638
<b>Gross profit/loss</b>	<b>-3.760.812</b>	<b>-6.350.226</b>	<b>-1.905.525</b>
Staff expenses	-1.215.101	-1.301.961	-1.375.280
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	-217.217	-107.400	-28.891
<b>Profit/loss before other expenses</b>	<b>-5.193.130</b>	<b>-7.759.588</b>	<b>-3.309.696</b>
Other expenses	0	0	-91.480
<b>Profit/loss before financial income and expenses</b>	<b>-5.193.130</b>	<b>-7.759.588</b>	<b>-3.401.176</b>
Financial income	24.267	6.294	0
Financial expenses	-61.641	-48.684	-67.991
<b>Profit/loss before tax</b>	<b>-5.230.504</b>	<b>-7.801.977</b>	<b>-3.469.167</b>
Tax on profit/loss for the period	1.150.711	1.716.435	825.400
<b>Net profit/loss for period</b>	<b>-4.079.793</b>	<b>-6.085.542</b>	<b>-2.643.767</b>

## Balance June 30<sup>th</sup> - Assets

	30.06.2016	Annual Report
	DKK	2015 Adjusted
	DKK	DKK
Development projects in progress	3.227.963	3.422.645
<b>Intangible assets</b>	<b>3.227.963</b>	<b>3.422.645</b>
Plant and machinery	143.534	165.926
<b>Property, plant and equipment</b>	<b>143.534</b>	<b>165.926</b>
Investments in subsidiaries	5.512	5.512
Ownership in Oncology Venture	12.181.333	15.119.813
<b>Fixed asset investments</b>	<b>12.186.845</b>	<b>15.125.325</b>
<b>Fixed assets</b>	<b>15.558.342</b>	<b>18.713.896</b>
Receivables from subsidiaries	-37.069	0
Trade receivables	2.113.917	2.350.330
Other receivables	2.713.998	3.122.368
Corporation tax	3.708.936	2.558.225
<b>Receivables</b>	<b>8.499.781</b>	<b>8.030.923</b>
<b>Cash at bank and in hand</b>	<b>7.014.098</b>	<b>5.278.013</b>
<b>Currents assets</b>	<b>15.513.879</b>	<b>13.308.936</b>
<b>Assets</b>	<b>31.072.221</b>	<b>32.022.832</b>

## Balance June 30th - Liabilities and equity

	30.06.2016 DKK	Annual Report 2015 Adjusted
Share capital	1.166.115	1.099.770
Share premium account	37.722.572	29.711.458
Rerserve for fair value adjustment	11.388.333	14.326.813
Retained earnings	-20.766.437	-16.686.644
<b>Equity</b>	<b>29.510.583</b>	<b>28.451.397</b>
Trade payables	603.050	1.366.661
Payables to owners and Management	0	495.670
Other payables	421.832	1.168.691
Deferred income	536.756	540.413
<b>Short-term debt</b>	<b>1.561.638</b>	<b>3.571.435</b>
<b>Debt</b>	<b>1.561.638</b>	<b>3.571.435</b>
<b>Liabilities and equity</b>	<b>31.072.221</b>	<b>32.022.832</b>

## Cash Flow Statement January 1<sup>st</sup> – June 30<sup>th</sup>

	H1 2016 DKK	H1 2015 DKK
Net profit/loss for the period	-4.079.793	-6.085.542
Adjustments of items with no cash flow effect	-381.776	-1.609.035
Income tax received		
Changes in working capital	-1.879.806	-111.315
<b>Cash flows from operating activities</b>	<b>-6.341.375</b>	<b>-7.805.892</b>
Investments in fixed assets	0	-99.610
Investments in financial assets	0	-293.000
<b>Cash flow from investing activities</b>	<b>0</b>	<b>-392.610</b>
Capital increase share capital and Share premium account	8.077.459	271.080
<b>Cash flows from financing activities</b>	<b>8.077.459</b>	<b>271.080</b>
<b>Changes in cash and cash equivalents</b>	<b>1.736.084</b>	<b>-7.927.422</b>
Cash and cash equivalents, beginning of year	5.278.013	16.020.922
<b>Cash and cash equivalents at period-end</b>	<b>7.014.097</b>	<b>8.093.500</b>
<b>Note A: Adjustment of items with no cash flow effect</b>		
Effect depreciation and amortisation	217.217	107.400
Stock adjustment	551.719	
Tax on profit for the period	-1.150.711	-1.716.435
	<b>-381.776</b>	<b>-1.609.035</b>
<b>Note B: Changes in working capital</b>		
Changes in receivables	164.529	964.526
Changes in balances with group companies	-458600	-261699
Changes in trade payables etc.	-1.585.735	-814.142
	<b>-1.879.806</b>	<b>-111.315</b>

## Statement of Changes in Equity

	Share capital	Share premium account	Reserve for fair value adjustment	Retained earnings	Total
	DKK	DKK		DKK	DKK
Equity at January 1 <sup>st</sup>	1.099.770	29.711.458	14.326.813	-16.686.644	28.451.397
Cash capital increase	66.345	8.011.114		0	8.077.459
Fair value adjustment for the period			-2.938.480		-2.938.480
Net profit/loss for the period	0	0		-4.079.793	-4.079.793
<b>Equity at June 30th 2016</b>	<b>1.166.115</b>	<b>37.722.572</b>	<b>11.388.333</b>	<b>-20.766.437</b>	<b>29.510.583</b>

## Information regarding forward-looking statements

This Half Year Report contains forward-looking statements. Forward-looking statements include statements regarding the Company's intentions, assessments or current expectations concerning, for instance result of operations, liquidity, prospects and strategies in which the Company operates, and can be identified by the use of forward-looking terminology, including terms "believes, " "estimates, " "predicts, " "expect, " "intend, " " may, " " will, " "seeks" or " should" or the negatives thereof or other variations or comparable terminology. These forward- looking statements include all matters that are not historical facts. They appear in a number of locations throughout the Annual Report.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will or may not occur in the future. The Company cautions that forward-looking statements are no guarantee of future accuracy of the statements and the development of the Company may differ materially from those stated or implied in the forward- looking statements in this Half Year Report. Although the development of the Company corresponds to the forward- looking statements in this Half Year Report, this development may not be indicative of developments in subsequent periods.

## Abbreviations

Terminology and abbreviations	Definition
Cell lines	Cancer cells can be grown in the Laboratory and when cells are stably growing a cell line has been established. There are thousands of such cancer cell lines and cancer drugs can be tested on a panel of different cell lines to get a pattern showing which cell lines the cancer drug kills and which cell lines it does not
DRP™	Drug Response Prediction, MPI's gene analysis to predict which patients will respond to a given cancer drug
PRP™	Patient Response Prediction, MPI's gene analysis to predict drugs the patient will benefit from
Response Prediction	Predicting the effect of a cancer drug. Effect can be measured in a variety of ways for example is the cancer tumor shrinking (response), - how long does it take before the cancer disease progresses (progression free survival) or the most important parameter, - how long the patient survives (survival)