August 12th, 2014, Hoersholm, Denmark

INTERIM REPORT FIRST HALF 2014
for the period January 1st - June 30th

- ✓ **MPI's product Drug Response Predictor may help to identify patients with tumors more likely to respond to fulvestrant- a publication with AstraZeneca published in PLOS ONE**
- ✓ **MPI enters a strategic collaboration with TD2, AZ, USA**
- ✓ **Strategy to move more operations like lab facilities and business to the USA**
- ✓ **Successful capital raise by the company to existing shareholders with DKK 8,336,202 raised**
- ✓ **Two largest US cancer congresses AACR and ASCO presence with booths' and scientific presentation**

After the period

- ✓ **MPI's Lung Prognostic Chip study expanded with new gene test – publication of data consequently postponed to H1 2015**

"The strength and value of our DRP technology is becoming stronger and more visible as demonstrated in the PLOS ONE publication where we confirmed that MPI's DRP can identify the clinically relevant gene signatures and can be a strong precision tool for personalized medicine for AstraZeneca's product fulvestrant.
MPI was present with a booth at the two largest cancer conferences in the US; AACR and ASCO this year and in collaboration with LiPlasome Pharma we described how the DRP is used to screen patients for LiPlaCis sensitivity (poster presented at ASCO).
We have entered into a strategic collaboration with TD2 a US based company to provide data and clinically relevant insight to the global pharmaceutical and biotech industries as well as leading academic institutions, to accelerate oncology drug development and provide a direct path to drug approval. We have strengthened the international and strategic competences by the election of Dr. Magnus Persson to the BoD. We were also very pleased that we have been able to strengthen the company financially with another 8,3 mDKK May 2014. We plan to move more of the MPI operations to the US to fully gain the value of the technology and to be close to our strategic partner TD2," **said Peter Buhl Jensen, MD, Ph.D, Professor and CEO of MPI.**

May 27 2014

MPI and LiPlasome present the phase 1 study with LiPlaCis at the ASCO congress

MPI and LiPlasome Pharma announced that the phase 1 study with LiPlaCis, where patients are screened for sensitivity in the extension phase using MPI's Drug Response Predictor technology was presented at the General Poster session under Trials in Progress at the annual ASCO conference.
In the ongoing LiPlaCis phase 1 study cancer patients are treated with liposomal cisplatin an intelligent technology where cisplatin is encapsulated in lipid bubbles that opens when meeting a specific lipase, an

enzyme called sPLA2 at the tumor site. The primary goal is to increase the efficacy of the drug. The DRP uses data from the individual patients own tumor to define whether the patient will be sensitive to LiPlaCis and can be included in the study.

May 23 2014

MPI increases its capital by 67,774 shares as a result of the capital increase adopted on the annual general meeting held on 24 April 2014

At the Annual General Meeting of MPI resolved to increase in cash MPI's share capital at the market price by a minimum of nominally DKK 50,000 and a maximum of nominally DKK 84,000 from nominally DKK 951,372 to a total minimum of nominally DKK 1,001,372 and a maximum of nominally DKK 1,035,372 by a direct placement without any pre-emption rights for existing shareholders. The capital increase was made at a price of DKK 123 per share. Proceeds to the company were DKK 8,336,202.

April 25 2014

MPI increases its capital by 21,500 shares as a result of employee warrant exercise

As a consequence of the exercise of warrants by employees the share capital was increased by DKK 21,500. The increase was affected without any preemption rights for the existing shareholders of the company or others. The shares were subscribed in cash at a price of DKK 10.62 per share of nominally DKK 1. Proceeds to the company are DKK 228,330. MPI's share capital hereafter amounts to DKK 972,872.

April 24 2014

Magnus Persson new Board Member

Magnus Persson is MD, DMSc from Karolinska Sjukehuset, a serial entrepreneur and has many years as a VC on the CV e.g. as a co-founder of Health Cap in Stockholm and thereby strengthens the company's strategic resources and network in the US.

April 3 2014

MPI and TD2 join in strategic collaboration to provide drug developers with a unique drug specific Multi Biomarker and direct path to drug approval

MPI and TD2 based in Scottsdale, Arizona announced a strategic collaboration offering a proprietary service that defines which initial clinical indication would most likely lead to drug approval. "This technology can dramatically increase the probability of early clinical success" said Dr. Stephen Gately, CEO for TD2. The use of these data is supported by strategic counselling from highly experienced translational experts focused on rapid approval. "The collaboration with TD2 is a fantastic opportunity for MPI to integrate our technology in the highly professional TD2 team" said Peter Buhl Jensen, CEO for MPI. "I believe there is great synergy between MPI and TD2 services. These companies share the goal of providing data and clinically relevant insight to the global pharmaceutical and biotech industries as well as leading academic institutions, to accelerate oncology drug development" said Dr. Daniel Von Hoff, Chief Development Officer for TD2.

5 February 2014

MPI publishes data showing that MPI's product Drug Response Predictor may help to identify patients with tumors more likely to respond to fulvestrant

MPI published data in PLOS ONE showing that a tumor-derived mRNA signature produced by MPI's product Drug Response Predictor (DRP) may help to identify tumors that are more likely to respond to fulvestrant under the title "Development and validation of a gene expression score that predicts response to fulvestrant in breast cancer patients." The publication shows that it is possible to utilize the MPI DRP tool

to generate a signature that may help identify breast cancer patients that may benefit from pre-surgical treatment with the endocrine agent fulvestrant. The goal is to develop the gene signature into a diagnostic that may aid in the identification of patients more likely to benefit from treatment with fulvestrant.

After the period

July 11 2014

MPI's Lung Prognostic Chip study expanded with new gene test – publication of data consequently postponed to H1 2015

MPI announced that tissue biopsies from patients enrolled in the prospective study of stage 1a Non Small Cell Lung Cancer will undergo a new gene test on mRNA (messengerRNA) in addition to microRNA to further enhance the strength of the data predicting which patients might progress following surgery. MPI has strengthened its technology in both the Lung Prognostic Chip program (LPC) and for the lead product Drug Response Predictor (DRP) to include information on how genes are expressed in tumor tissue. This can be done on all tumor tissue exposed to standard procedures for storage and cutting (biopsies fixed in formalin and embedded in paraffin). This information is now to be included to the potential benefit of the lung cancer patients in the here mentioned study. Publication of data in the LPC study has consequently been postponed from late 2014 to H1 of 2015.

About MPI

MPI was founded to improve the efficacy of cancer drugs through its Multi Biomarker technology called Drug Response Predictor (DRP). DRP is a validated, unique Multi Biomarker built on an algorithm from Big Data derived from human cancer tissue. DRP can be added to and will strengthen existing tools already being used in the drug development field.
The test is believed to be of high value especially for the very large group of cancer patients for whom there are no other bio-markers available.

For further information please contact

CEO Peter Buhl Jensen, Professor, MD, PhD
E-mail: pbj@medical-prognosis.com
Cell Phone: (+45) 21 60 89 22

Certified Advisor: Carsten Yde Hemme, PricewaterhouseCoopers, Strandvejen 44, 2900 Hellerup, Denmark

Financial highlights and ratios

	H1 2014	H1 2013	Annual report 2013
	DKK	**DKK**	**DKK**
Income Statement			
Revenue	1,241,113	1,894,707	4,049,607
Gross profit/loss	-1,905,525	607,972	183,601
Profit/loss before other expenses	-3.309,696	-791,894	-3,295,306
Profit/loss before financial income and expenses (EBIT)	-3,401,176	-791,894	-4,354,298
Net profit/loss for the period	**-2,643,767**	**-589,263**	**-3,539,007**
Balance Sheet			
Intangible assets	2,089,764	2,089,764	2,089,764
Property, plant and equipment	155,137	46,317	29,886
Fixed asset investments	505,512	200,000	505,512
Receivables	3,153,824	1,974,029	4,607,909
Cash at bank and in hand	11,453,868	346,125	5,124,082
Assets	**17,358,105**	**4,656,235**	**12,357,153**
Equity	16,338,276	3,872,409	10,417,511
Short term debt	1,019,829	783,826	1,939,642
Liabilities and equity	**17,358,105**	**4,656,235**	**12,357,153**
Cash Flow Statement			
Cash flows from operating activities	-2,080,604	-1,837,385	-6,248,761
Cash flow from investing activities	-154,142	0	-305,512
Cash flows from financing activities	8,564,532	0	9,494,846
Changes in cash and cash equivalents	**6,329,786**	**-1,837,385**	**2,940,573**
Ratios			
Gross margin (%)	-153.2	32.1	4.5
Margin before other expenses (converted to %)	-266.7	-41.8	-81.4
EBIT Margin (converted to %)	-274.0	-41.8	-107.5
Equity ratio %	94.1	83.2	84.3
Return on equity %	-19.8	-7.1	-47.6
Net asset value per share	15.7	4.6	10.9
Earnings per share	-2.7	-0.7	-4.0
Average no. of shares	973,6	850,4	874,6
Average no. of diluted shares	973,6	850,4	874,6
No. of shares at end period	1,040,646	850,363	951,372

The interim report for H1 2014 and for H1 for 2013 has not been audited or reviewed; the accounting policies have been applied consistently with the annual report for 2013. The key figures have been calculated in accordance with the Danish Society of Financial Analysts' 'Recommendations and Financial Ratios 2010'.

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

MPI's technology

Not all cancer patients will benefit from treatment with cancer drugs and on top of that, patients may experience negative side effects from the treatment.

The development of cancer drugs and the treatment of cancer is rapidly changing towards more precise individualized treatment (Precision Medicine). With gene technology it is now possible to analyze the tumor tissue and, when combined with the MPI technology, we can now offer a more precise identification of the actual tissue and thereby information to cancer drug developers useful in the selection and development of a cancer drug candidate.

The development costs for the cancer drugs marketed in USA and Europe has on average been over USD 1 billion[1]. The interest from cancer drug developers is therefore expected to be significant as the DRP technology can reduce development costs significantly.

The unique match of cell line data and data from more than 6000 patients tumors combined with clinical relevant information makes MPI's technology unprecedented. This different approach can be used in addition to existing algorithms and methods to increase the likelihood of success.
The MPI method can be used in almost all targets and types of cancers. Seemingly it is a method that can be used for optimizing more than 80% of all cancer drugs.
The MPI DRP is a Multiple Biomarker which reflects and deals with the complex data of cancer cells.

Background

It has for a long time been known that cancer cells can be grown in the laboratory as so called cell lines and researchers have thousands of cell lines from almost all the big cancer diseases. In such cell lines the first test with new cancer drugs is being carried out. The cancer cells can be transplanted to mice which gives a good indication of whether the drug has effect or not. The pattern a drug shows on a panel of cell lines indicates the mechanism of action. Each drug has its individual pattern and almost identical drugs have almost identical patterns. The cells shows how a drug works and professor Knudsen – the founder of MPI – got the brilliant hypothesis that the patterns in cell lines was reflected in the patterns he saw in genes in multiple data from cancer tissue from the literature – and it shows that it is the same patterns in genes that matters for the individual patient.

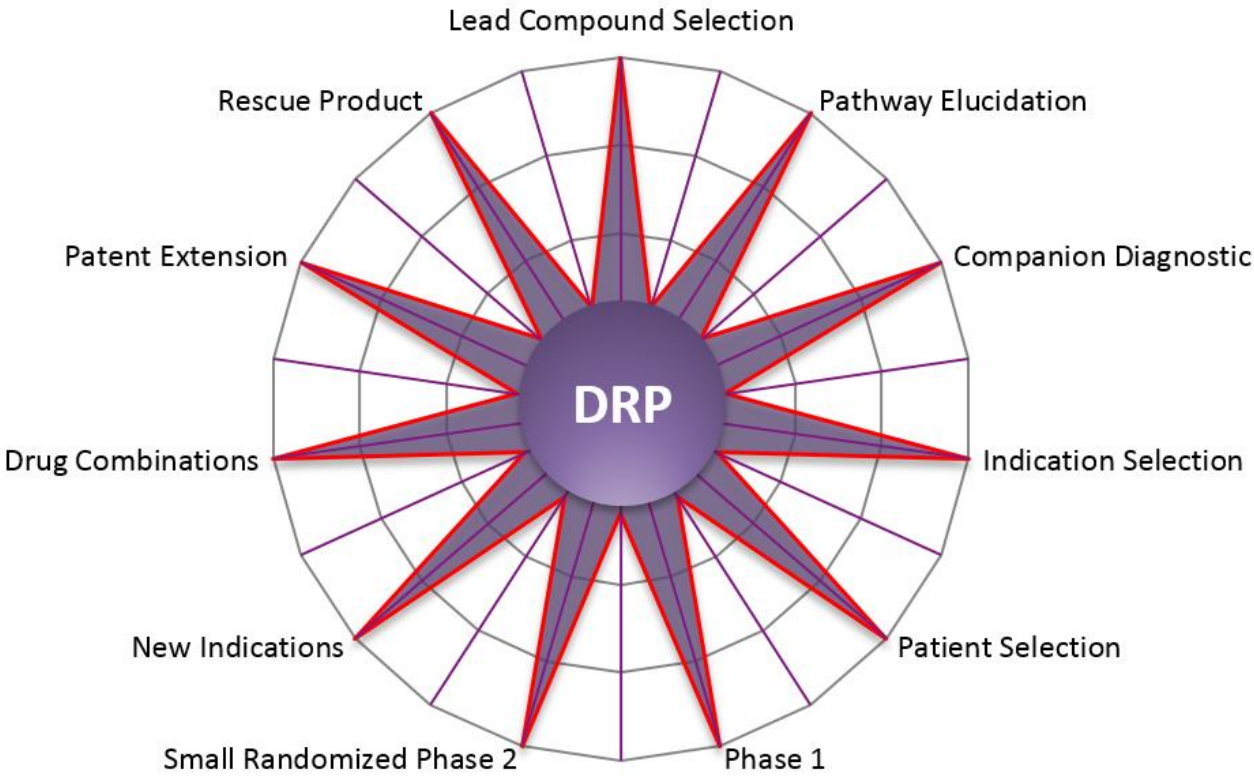
Collaborations and Partnerships Overview

- ✓ DBCG: In collaboration with MPI and LiPlasome Pharma screened metastatic Breast Cancer patients DRP data are in the DBCG database with access to all hospital sites
- ✓ TD2: Strategic collaboration with TD2 who have a business of panels of cell lines including rare diseases
- ✓ LiPlasome: the first prospective clinical trial using the DRP initiated for patient screening for sensitivity of LiPlaCis
- ✓ Oncology Venture: to make use of the MPI DRP for phase 2 drugs having shown efficacy but not sufficient to obtain authorities approval

[1] Paul et Al, "Drug Discovery", Nature Reviews, Supplementary Information, March 2010

The DRP Product

DRP is an analysis of genes on a chip providing a picture of the sensitivity of the cancer towards a range of cancer drugs. DRP can assist the Pharma industry to develop cancer drugs faster and at a lower cost. DRP is a strong tool in the laboratory, in animal testing and in the clinical development of a cancer drug. DRP is currently patented in 60 cancer drugs, i.e. approximately 80% of all cancer drugs marketed.



Figur 1: Potential use of DRP

Preclinic

The application of the method preclinically is:

- selection of the most effective cancer drug candidate(s) (lead compound)
- determination of significant pathways affected by a given drug
- identification of possible indications with the highest probability for success

Clinic

In clinical phase the method can be used for

- Identification of patients who will benefit from the treatment
- Reduction of development cost, reduction of time to market and increase of response rate

The DRP method can be used as a standalone or together with other methods.

Revitalizing development projects

A number of drugs in development are terminated despite showing effect in patients, because of a too low response rate why marketing approval cannot be obtained.

- DRP offers greater precision in patient selection for a given drug leading to a higher response rate and a higher probability of having the drug developed and approved

Marketed cancer drugs

- Identify additional indications where the drug has advantages
- For cancer drugs to be or already being marketed, the DRP can be used as a Companion Diagnostic to secure a rational utilization of the cancer drug – secure that patients are only treated with the cancer drug if it is predicted to have a positive effect. The method can also be used together with a cancer drug to achieve prolongation of the marketing protection and thereby prolong the time the drug can earn revenue.

Exercise Guidance

MPI owns a patent on technology that is used in the product XRPredict+, for the analysis of the people doing exercise marketed by XRGenomics LTD. MPI has a royalty agreement with XRGenomics LTD, giving MPI 12% of the total sales of XRPredict+.

Lung Prognostic Chip (LPC)

MPI's LPC will be used for test of cancer specimens in order to gain information about potential disease progression after surgery. A subgroup of patients (approximately 70%) diagnosed with stage 1a lung cancer is expected to be cured after radical surgery whereas the other subgroup of patients are expected to have disease progression. LPC has with success been tested in two smaller clinical studies and a large prospective multi-center clinical trial with an observation period of five (5) years is planned to be unblinded at the end of 2014 whereas the analytical validation is expected to be finalized in the first half of 2015. Clinical trial protocol has been forwarded to the FDA for review to ensure that this study comply with regulatory guidelines and can form the basis for notification of the health authorities before launch on the US marked. MPI will further ensure that the LPC can obtain appropriate labeling for launch in Europe.

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 2014

Revenue amounted to DKK 1,241,113 (last year DKK 1,894,707).

Gross profit amounted to DKK -1,905,525 (last year DKK 607,972). The development in gross profit margin amounted to -153.2% (last year 32.1 %). The reduction is mainly caused by focus on the US marked and the establishing of a US office. This has effected revenue and other external cost.

Staff expenses amounted to DKK 1,375,280 (last year DKK 1,383,434).

Profit/loss before other operating expenses showed a loss of DKK 3.309,696 (last year a loss of DKK 791,894).

Other operating expenses amounted to DKK 91,480 (last year DKK 0). The item includes expenses relating to the Company's listing on Nasdaq OMX First North.

Profit/loss before tax amounted to a loss of DKK 3.469,167 (last year a loss of DKK 788,013).

The Company realized a net loss of DKK 2,643,767 (last year a net loss of DKK 589,263).

Balance sheet

Total assets amounted to DKK 17,358,105 (last year DKK 4,656,235) and primarily consist of receivables and cash at bank and in hand.

Total liabilities amounted to DKK 17,358,105 (last year DKK 4,656,235) and primarily consist of the Company's equity, DKK 16,338,276 (last year DKK 3,872,409).

Cash flows

The Company's cash flows from operating activities were a negative DKK 2,080,604 (last year a negative DKK 1,837,385).

The Company's cash flows from financing activities amounted to DKK 8,564,532 (last year DKK 0).

Expectations for 2014

The Company expects a result before other operating expenses of around Million DKK -4 to -7.

Subsequent events

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

Financial Calendar

Annual Report to be presented March 26th 2015

Annual General Meeting to be held 21st April 2015

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 2014.

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 30th 2014 of the Company and of the results of the Company operations for H1 2014.

Hoersholm, August 12th 2014

Executive Board

Peter Buhl Jensen
CEO

Board of Directors

Jørgen Søberg Petersen
Chairman

Peter Buhl Jensen

Steen Meier Knudsen

Niels Johansen

Magnus Persson

Income Statement January 1st – June 30th

	H1 2014 **DKK**	H1 2013 DKK
Revenue	1,241,113	1,894,707
Other external expenses	-3,146,638	-1,286,735
Gross profit/loss	**-1,905,525**	**607,972**
Staff expenses	-1,375,280	-1,383,434
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	-28,891	-16,432
Profit/loss before other expenses	**-3.309,696**	**-791,894**
Other expenses	-91,480	0
Profit/loss before financial income and expenses	**-3,401,176**	**-791,894**
Financial income	0	9,249
Financial expenses	-67,991	-5,368
Profit/loss before tax	**-3.469,167**	**-788,013**
Tax on profit/loss for the period	825,400	198,750
Net profit/loss for period	**-2,643,767**	**-589,263**

Balance June 30th - Assets

	30.06.2014 DKK	30.06.2013 DKK
Development projects in progress	2,089,764	2,089,764
Intangible assets	**2,089,764**	**2,089,764**
Plant and machinery	155,137	46,317
Property, plant and equipment	**155,137**	**46,317**
Investments in subsidiaries	5,512	0
Investments in associates	500,000	200,000
Fixed asset investments	**505,512**	**200,000**
Fixed assets	**2,750,413**	**2,336,081**
Receivables from subsidiaries	609,400	0
Trade receivables	416,525	603,117
Other receivables	462,722	223,164
Corporation tax	1,665,117	1,147,748
Receivables	**3,153,824**	**1,974,029**
Cash at bank and in hand	**11,453,868**	**346,125**
Currents assets	**14,607,692**	**2,320,154**
Assets	**17,358,105**	**4,656,235**

Balance June 30th - Liabilities and equity

	30.06.2014 **DKK**	30.06.2013 DKK
Share capital	1,040,646	850,363
Share premium account	20,915,265	3,611,309
Retained earnings	-5,617,635	-589,263
Equity	**16,338,276**	**3,872,409**
Trade payables	133,475	102,733
Payables to owners and Management	2,975	5,875
Other payables	427,284	357,784
Deferred income	456,095	317,434
Short-term debt	**1,019,829**	**783,826**
Debt	**1,019,829**	**783,826**
Liabilities and equity	**17,358,105**	**4,656,235**

Cash Flow Statement January 1st – June 30th

	H1 2014 DKK	H1 2013 DKK
Net profit/loss for the period	-2,643,767	-589,263
Adjustments of items with no cash flow effect	-796,509	-182,318
Income tax received		
Changes in working capital	1,359,672	-1,065,804
Cash flows from operating activities	**-2,080,604**	**-1,837,385**
Investments in fixed assets	-154,142	0
Investments in financial assets	0	0
Cash flow from investing activities	**-154,142**	**0**
Capital increase share capital and Share premium account	8,564,532	0
Cash flows from financing activities	**8,564,532**	**0**
Changes in cash and cash equivalents	**6,329,786**	**-1,837,385**
Cash and cash equivalents, beginning of year	**5,124,082**	**2,183,510**
Cash and cash equivalents at year-end	**11,453,868**	**346,125**

Note A: Adjustment of items with no cash flow effect		
Effect depreciation and amortisation	28,891	16,432
Tax on profit for the period	-825,400	-198,750
	-796,509	**-182,318**

Note B: Changes in working capital		
Changes in receivables	1,672,631	-462,714
Changes in balances with group companies	606,120	0
Changes in trade payables etc.	-919,079	-603,090
	1,359,672	**-1,065,804**

Statement of Changes in Equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at January 1st	951,372	12,440,007	-2,973,868	10,417,511
Cash capital increase	89,274	8,475,258	0	8,564,532
Net profit/loss for the period	0	0	-2,643,767	-2,643,767
Equity at June 30th 2014	**1,040,646**	**20,915,265**	**-5,617,635**	**16,338,276**

Information regarding forward-looking statements

This Annual 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 Annual Report. Although the development of the Company corresponds to the forward- looking statements in this Annual 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
Cisplatin	Cisplatin is one of the most used cancer drugs
Companion Diagnostics	Devices/tests designed to help doctors choosing the correct treatment
DBCG	Danish Breast Cancer Cooperative Group is a Danish organization which goal is to secure optimal diagnostic and treatment of breast cancer
DRP	Drug Response Prediction, MPI's gene analysis to predict which patients will respond to a given cancer drug
EMA	The European Medicines Agency, The European health authorities
ESMO	European Society of Medical Oncology
FDA	U S Food and Drug Administration, The American health authorities
Gen-chip	A chip (½ x ½ cm) providing a read out of all expressed genes in a human or cancer tissue
Indication	Here a cancer type or cancer disease
LPC	Lungcancer Prognosis Chip, MPI's Lungcancer Prognosis Chip is a gene test to predict which patient will be cured and which patient will need additional treatment after surgery for lung cancer
MPI	Medical Prognosis Institute A/S (CVR: 28106351)
PoC	Proof of Concept
Precision Medicine	Medication based on a deeper understanding of a cancer disease based on molecular biology
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)