



## *AroCell AB (publ)*

### *Interim report, 1 January – 30 June 2015*

- *Net sales were TSEK 0 (0)*
- *Loss after financial items was TSEK -4,046 (-2,546)*
- *Earnings per share were SEK -0.17 (-0.13)*
- *Cash flow from operating activities was TSEK -3,793 (-2,793)*

### *Reporting period, 1 April – 30 June 2015*

- *Net sales were TSEK 0 (0)*
- *Loss after financial items was TSEK -1,644 (-1,428)*
- *Cash flow from operating activities was TSEK -530 (-1,412)*
- *Work to scale up production is going to plan*
- *Dr Carl Blomqvist elected to the Board of Directors*
- *Helena Wensman, PhD, appointed International Product Manager*

#### **AroCell AB (publ) in brief**

*AroCell AB (publ) is a Swedish company that develops standardised blood tests that help provide more reliable prognosis and follow-up of cancer patients. AroCell's new technology is based on a patented method that measures the protein TK1, which in turn provides valuable information concerning the speed of cell turnover in the patient. A tumour has a high rate of cell turnover, and the protein TK1 can be identified in blood using a simple laboratory test, TK 210 ELISA. The test provides valuable clinical information for prognosis and treatment strategy optimisation. The test can also be used to monitor the recurrence of disease. For more information, see [www.arocell.com](http://www.arocell.com). AroCell is listed on the AktieTorget marketplace in Sweden and has around 1,650 shareholders.*



### **Significant events during the reporting period**

- Work to scale up the production of TK 210 ELISA has proceeded according to plan.
- Dr Carl Blomqvist, consultant in the Department of Oncology, Helsinki University Central Hospital and Assistant Professor at Örebro University Hospital, was elected to the board of AroCell at the annual general meeting on 3 June 2015.
- Helena Wensman, PhD, has been appointed International Product Manager and has an important role in the preparatory work ahead of the market launch of TK 210 ELISA during the third quarter of 2015.

### **Significant events after the reporting period**

- AroCell has completed phase 1 verification, which is an important milestone in terms of development of the production process for the TK 210 ELISA test.
- Two clinical studies have been concluded and the results are being analysed.
- AroCell has been recognised as “one of the companies with the most innovative ideas in the world” by the European Commission and the Horizon 2020 programme.

### **Comment by Jan Stålemark, CEO of AroCell**

We have good control of the manufacturing process and are busy with preparations ahead of the CE marking in the autumn. TK 210 ELISA has been evaluated using various clinical materials with good results, and displays satisfactory stability in the tests conducted to date.

During the summer, we gained independent recognition of TK 210 ELISA in the form of the grant we received from Horizon 2020. Among other things, the grant of EUR 50,000 will be used to prepare the commercialisation of TK 210 ELISA. Competition in this round of applications was very tough, which makes it particularly encouraging to be one of the few companies awarded a grant.

During the autumn, we will be taking part in the Nordic Life Science days (7–9 September in Stockholm) and ISOBM (3-7 October 2015 in Zakopane, Poland).

We look forward to a new chapter in the company’s history when we gain access to the new CE-marked TK 210 ELISA kit during the autumn. Our collaboration with clinics is being stepped up, and we will continue to add to the clinical documentation of the product. This is a very important part of the early commercialisation phase, enabling us to demonstrate the clinical benefits of using the TK 210 test and, as a result, make a major impact on the market. We have already started collaborating with a number of leading clinics in Europe to carry out clinical studies. At the same time, we are also stepping up our contacts with distributors to start the market launch of TK 210 ELISA. It will be an interesting autumn and winter ahead!

## Key risks

### *Financial risks*

AroCell's business activities are based on external financing. To date, the company has been successful in obtaining financing, but there are no guarantees of this happening in the future in a way that is advantageous to the company's shareholders. A sufficiently serious failure in future financing may affect the company's development and market value.

### *Development and production risks*

Development and transfer to production are always associated with risks. A product manufactured at production scale does not always display exactly the same characteristics as one manufactured at research scale. Developing future products may also prove to be more complicated and take longer than expected.

### *Commercialisation risks*

There is always a risk that the products AroCell has developed will not achieve the expected positive reception on the market and that the product will need longer to gain acceptance. Particularly in the early stages, the quantity of products sold may then be lower and the time it takes to establish the product on the market may be longer than the company allowed for in its sales estimates.

In addition, there are risks associated with patent security and how the market assesses studies, approvals and certifications. Taking risk factors into consideration in decision processes and when designing routines and drawing up documentation means that the risks are assessed and their effects can be minimised and, to some extent, avoided.

## Accounting principles

The interim report has been prepared in accordance with the same accounting principles as in the company's most recent annual report, i.e. pursuant to the Swedish Annual Accounts Act and taking into consideration general guidelines, recommendations and statements issued by the Swedish Accounting Standards Board.

## The share

AroCell AB (publ) was listed on the AktieTorget marketplace on 25 May 2011. At 30 June 2015, there were 23,460,960 shares (quota value SEK 0.10).

## Contact information

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## Financial calendar

17.11.2015 Interim report no. 3 2015  
16.02.2016 Press release of unaudited annual earnings figures etc. 2015

The interim report has not been audited by the company's auditor.

## Submission of interim report

Uppsala, 25 August 2015

The Board of Directors

## Summary income statement

(TSEK)	2015 Apr-Jun 3 mths	2014 Apr-Jun 3 mths	2015 Jan-Jun 6 mths	2014 Jan-Jun 6 mths	2014 Jan-Dec full year
Net sales	-	-	-	-	-
Operating expenses	-1,638	-1,408	-4,033	-2,512	-6,377
Depreciation and amortisation	-2	-9	-4	-17	-33
<b>Operating loss</b>	<b>-1,640</b>	<b>-1,417</b>	<b>-4,037</b>	<b>-2,529</b>	<b>-6,410</b>
Financial income	0	0	0	7	78
Financial expenses	-4	-11	-9	-24	-37
<b>Loss after financial items</b>	<b>-1,644</b>	<b>-1,428</b>	<b>-4,046</b>	<b>-2,546</b>	<b>-6,369</b>
Tax	-	-	-	-	0
<b>Loss for the period</b>	<b>-1,644</b>	<b>-1,428</b>	<b>-4,046</b>	<b>-2,546</b>	<b>-6,369</b>

## Summary balance sheet

(TSEK)	2015	2014	2014
<b>ASSETS</b>	<b>30.06</b>	<b>30.06</b>	<b>31.12</b>
Fixed assets			
Intangible assets	19,830	14,345	17,826
Property, plant and equipment	17	24	21
<b>Total fixed assets</b>	<b>19,847</b>	<b>14,369</b>	<b>17,847</b>
Current assets			
Inventories	1,439	1,517	1,578
Other receivables	193	158	664
Cash and cash equivalents	12,624	6,935	18,513
<b>Total current assets</b>	<b>14,256</b>	<b>8,610</b>	<b>20,755</b>
<b>Total assets</b>	<b>34,103</b>	<b>22,979</b>	<b>38,602</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	2,346	1,920	2,346
Other contributed capital and reserves	33,374	22,020	39,743
Other non-restricted capital	-4,046	-2,546	-6,369
<b>Total equity</b>	<b>31,674</b>	<b>21,394</b>	<b>35,720</b>
Long-term liabilities	50	294	150
Current liabilities	2,379	1,291	2,732
<b>Total equity and liabilities</b>	<b>34,103</b>	<b>22,979</b>	<b>38,602</b>

## Summary cash flow statement

(TSEK)	2015 Apr-Jun 3 mths	2014 Apr-Jun 3 mths	2015 Jan-Jun 6 mths	2014 Jan-Jun 6 mths	2014 Jan-Dec full year
Cash flow from operating activities	-530	-1,412	-3,793	-2,793	-5,726
Cash flow from investing activities	-1,862	-1,611	-1,996	-3,205	-6,699
Cash flow from financing activities	-50	-94	-100	7,938	25,943
<b>Cash flow for the period</b>	<b>-2,442</b>	<b>-3,117</b>	<b>-5,889</b>	<b>1,940</b>	<b>13,518</b>
Cash and cash equivalents at beginning of period	15,066	10,052	18,513	4,995	4,995
<b>Cash and cash equivalents at end of period</b>	<b>12,624</b>	<b>6,935</b>	<b>12,624</b>	<b>6,935</b>	<b>18,513</b>



## Share data

	2015	2014	2014
	Jan-Jun	Jan-Jun	Jan-Dec
Earnings per share (SEK)			
Before dilution	-0.17	-0.13	-0.32
After dilution	-0.17	-0.13	-0.32
Average number of shares			
Before dilution	23,460,960	18,955,648	19,786,428
After dilution	23,460,960	19,200,217	19,786,428
Number of shares on balance sheet date			
Before dilution	23,460,960	19,195,332	23,460,960
After dilution	23,460,960	19,195,332	23,460,960

## Change in equity (TSEK)

	Share capital	Other contributed capital	Retained earnings incl. loss for the year	Total equity
<b>Amount at 01.01.2015</b>	<b>2,346</b>	<b>39,743</b>	<b>-6,369</b>	<b>35,720</b>
Allocation in accordance with resolution at AGM		-6,369	6,369	
Loss for the period			-4,046	<b>-4,046</b>
<b>Amount at 30.06.2015</b>	<b>2,346</b>	<b>33,374</b>	<b>-4,046</b>	<b>31,674</b>