



Prostatype Genomics AB

Org. 556726-0285

Quarterly report Q2 2021

1 April 2021 – 30 June 2021

Quarter 2 (1 April – 30 June 2021) summarized

- Net sales amounted to 549 TSEK.
- Net revenue amounted to 5 TSEK.
- EBITDA (earnings before interest, taxes, depreciation, and amortization) amounted to -2 373 TSEK.
- Cash flow from current operations in the quarter amounted -2 353 TSEK.
- Total cash flow for the period amounted to -2 862 TSEK.
- Earnings per share amounted to -0,18 SEK.



Significant events during the Second Quarter

- In June, the Company announced the appointment of Sedermera Fondkommission as liquidity provider for the Company's share. The liquidity providing commenced on June 17 2021.
- In June, Prostatype Genomics entered into a multiyear agreement with the German company Minerva Biolabs GmbH ("Minerva") for manufacturing of the Company's prognostic biomarker Prostatype® RT-qPCR kit. Minerva was established in 1999 and is a spin off from the well renowned Robert-Koch Institute in Berlin. As a result of this cooperation, Prostatype® will be offered in a freeze-dried format

Events after the balance day

- In August, the Company announced that it has entered into a cooperation agreement with the leading British laboratory company Cambridge Clinical Laboratories ("CCL"). CCL will not only offer Prostatype® in its own laboratories, but also promote its adoption in other urological testing facilities across the United Kingdom and Ireland.
- In August, the Company published the preliminary results from the clinical study that has been performed at Uppsala University Hospital under the leadership of Associate Professor Michael Häggman. The study was performed with the purpose to show whether the result from the deployment of Prostatype® before making treatment decision for patients with prostate cancer corresponds to the actual level of aggressiveness of the tumour, and to determine the correlation in P-score between the index tumour and other cancer areas in the prostate. For both aims, the study indicates correlation with a high statistical significance.

CEO comments

The second quarter of 2021 was eventful for Prostatype Genomics, and we are now seeing increasing interest and focus on new ways to find, assess, and optimize the treatment of prostate cancer.

Earlier this week we published a press release with a very gratifying news; we are partnering with Cambridge Clinical Laboratories, CCL, a leader in the field of introducing innovative diagnostic and prognostic tools in the UK and Ireland. CCL is an established and strong partner for Prostatype Genomics, and they will offer the Prostatype® test in their own laboratories, but also provide it to other laboratories. It's hard to imagine a better entry into these two exciting markets!

The great interest for both prostate cancer in general, and Prostatype® in particular, confirms that the clinical benefit that Prostatype® offers as an advanced decision support system for diagnosed prostate cancer fills an important and hitherto unmet need for healthcare and patients.

Preliminary results from the validation study at the University Hospital in Uppsala, led by Associate Professor Michael Häggman, were recently published. The study showed with high significance that the values obtained with Prostatype's® P-score correspond to the "proof" that consists of analysis of the surgically removed prostate.

The results are of course gratifying as they confirm the clinical benefit of Prostatype® as an advanced decision support when choosing treatment, reducing patients' suffering, and enabling more cost-efficient care.

After a long period where the entire healthcare system worked extremely hard and with distinction to "keep its head above water", we see signs that there is both a will and dawning opportunities to start paying off the "care debt" that has been built up during the pandemic and that is particularly present in cancer care. The signals we receive are that demand and interest in the type of smart, resource-optimizing services Prostatype® can offer is increasing sharply, and we hope to be able to communicate several important collaboration agreements soon.

The company also continues to strengthen the organization with new recruitments. We have recently welcomed a new employee on the market side and will welcome more during the third quarter.

As always, on behalf of the Company, I would like to thank all shareholders for your invaluable support. The summer is soon over, and we are entering an autumn and winter season that will be very intense for Prostatype Genomics. I look forward to that, and I look forward to communicating more news soon that is line with the milestones that the Company has previously identified, with our two focus areas at the forefront: the further strengthening of our scientific footprint with complementary studies, and a continued focus on the international commercialisation of Prostatype®.

Fredrik Persson

CEO

Solna 18 August

Financial information and comments

Comparison between April-June 2021 and April-June 2020

Net sales

Net sales for the Company amounted to 5 (0) TSEK. The company has not yet begun to sell its product in a significant volume; hence sales are as expected.

Operating profit/loss

The operation profit/loss for the Company's second quarter 2021 amounted to -2 350 (-3 135) TSEK which is an improvement with approximately 25 % in comparison to prior period. The company's costs consist mainly of product development, testing, strengthening of their resources.

Cash flow from current operations

The cash flow for the second quarter amounted to -2 862 (5 814) TSEK. The cash flow from current operations amounted to -2 353 (5 630) TSEK. The cash flow for the period is in line with the Company's operating expenses. The large change in cash flow is related to the listing of the Company.

Cash flow from investment activities

The cash flow from investment activities amounted to -543 (-362) TSEK. The Company has continued investing in product development.

Cash flow from financing activities

The cash flow from financing activities amounted 33 (546) TSEK. Liquid funds as of 30 June 2021 amounted to 7 657 (8 600) TSEK.

Number of shares

On June 30, 2021, the number of shares was 13 186 870 (186 031). The nominal increase is assignable to the listing. Average amount of shares during the second quarter 2021 was 13 186 870.

Comparison between January 2021 - June 2021 and January 2020 – June 2020

Net sales

Net sales for the Company amounted to 10 (12) TSEK. The company has not yet begun to sell its product in a significant volume; hence sales are as expected.

Operating profit/loss

The operation profit/loss for the period amounted -5 745 (-4 731) TSEK which is a decrease with approximately 21 % in comparison to prior period. The main reasons are enforcement of staff and product development.

Cash flow from current operations

The cash flow for the period amounted -8 204 (-7 151) TSEK. The cash flow from current operations amounted to -6 886 (7 712) TSEK. The cash flow for the period is in line with the Company's operating expenses. The large change in cash flow is related to the listing of the Company.

Cash flow from investment activities

The cash flow from investment activities amounted to till -1 338 (-1 006) TSEK. The Company has continued investing in product development.

Cash flow from financing activities

The cash flow from financing activities amounted 0 (446) TSEK. Liquid funds as of 30 June 2021 amounted to 7 657 (8 601) TSEK.

Number of shares

On December 30, 2021, the number of shares was 13 186 870 (186 031). Average amount of shares for the period was 13 186 870.

Prostatype Genomics business and financial ratios

Amounts in SEK	2021-04-01 2021-06-30	2020-04-01 2020-06-30	2021-01-01 2021-06-30	2019-07-01 2020-12-31*
Operating margin	neg	neg	neg	neg
Profit margin	neg	neg	neg	neg
Return on equity	-11%	-90%	-20%	neg
Equity/debt ratio	85%	19%	85%	84%
Equity captial	22 503 484	4 615 418	28 290 359	4 615 418
Cash flow	-2 862 498	5 814 279	-8 204 523	24 790 977
Number of shares (end of the period)	13 186 870	186 031	13 186 870	102 082
Number of shares (average for the period)	13 186 870	186 031	13 186 870	102 082
Number of shares - full dilution (end of the period)	13 346 741	186 031	13 346 741	102 082
Earnings per share	-0,18	-22,43	-0,44	-83,72
Diluted earnings per share (end of the period)	-0,18	-22,43	-0,44	-83,72
Number of employees (end of the period)	4	4	4	4
Dividend per share	-	-	-	-

Definition of key ratios

Operating margin	Operating profit/loss after deprecation /net sales
Profit margin	Net profit/loss for the year / net sales
Return on equity	Profit/loss before tax / adjusted equity
Equity/debt ratio	Adjusted equity / total assets
Earnings per share	Net profit/loss for the year / number of shares by period closing
Diluted earnings per share (end of the period)	Net profit/loss for the year / (number of shares + warrants by period closing)

*The period covers 18 months. The Company's financial year was extended.

Financial statement

Amounts in SEK	2021-04-01	2020-04-01	2021-01-01	2019-07-01
	2021-06-30	2020-06-30	2021-06-30	2020-12-31*
Net sales	5 002	0	10 001	74 085
Own work capitalized	543 265	361 707	1 338 180	3 234 281
Other operating income	738	239 343	0	-
Total revenue	549 005	601 050	1 348 181	3 308 366
Operating expenses				
Research and development cost	-232 048	-792 124	-419 995	-1 246 239
Other external cost	-1 013 083	-1 203 238	-3 374 221	-5 107 036
Staff cost	-1 632 171	-1 717 151	-3 254 574	-4 661 242
Depreciation, amortization and impairment	-22 117	-22 117	-44 239	-154 143
Other operating expenses	0	-1256	0	-1 391
Operating profit/loss	-2 350 413	-3 134 836	-5 744 849	-7 861 685
Income after financial items				
Interest expenses and similiar items	-	-	-	-
Interest expenses and similiar items	-14 090	-1 038 530	-42 026	-684 243
Profit/loss after financial items	-2 364 503	-4 173 367	-5 786 875	-8 545 928
Profit or loss before tax	-2 364 503	-4 173 367	-5 786 875	-8 545 928
Total profit/loss for the period	-2 364 503	-4 173 367	-5 786 875	-8 545 928

*The period covers 18 months. The Company's financial year was extended.

Balance sheet

(SEK)	2021-06-30	2020-06-30	2020-12-31
ASSETS			
Fixed assets			
<i>Intangible assets</i>			
Capitalized development expenditure	17 404 902	14 969 426	16 066 722
Patent	74 351	148 702	111 527
Total intangible assets	17 479 253	15 118 128	16 178 249
<i>Property, plant and equipment</i>			
Plant and machinery			
Equipment and tools	21 157	35 288	28 220
Total property, plant and equipment	21 157	35 288	28 220
Total fixed assets	17 500 410	15 153 416	16 206 469
Current assets			
<i>Inventory</i>			
Finished products	296 106		366 369
Advances to suppliers	28 578	387 828	28 578
Total current assets	324 684	387 828	394 947
<i>Current receivables</i>			
Accounts receivable	152 823		336 352
Other receivables	535 225	312 566	578 467
Prepaid expenses and accrued income	296 790	141 646	284 643
Total current receivables	984 839	454 212	1 199 462
<i>Cash and bank</i>			
	7 657 265	8 600 698	15 861 788
Total current assets	8 966 788	9 442 738	17 456 196
TOTAL ASSETS	26 467 197	24 596 154	33 662 665

Balance sheet

(SEK)	2021-06-30	2020-06-30	2020-12-31
EQUITY AND LIABILITIES			
<i>Total equity</i>			
<i>Restricted equity</i>			
Share capital	791 212	558 093	791 212
New share issue under registration	-	-	-
Development fund	17 404 902	14 969 426	16 066 722
Total restricted equity	18 196 114	15 527 519	16 857 934
<i>Non-restricted equity</i>			
Share premium reserve	107 321 774	75 388 340	107 321 774
Profit/loss brought forward	-97 227 529	-82 127 074	-78 481 127
Net profit/loss for the year	-5 786 875	-4 173 367	-17 408 222
Total non-restricted equity	4 307 370	-10 912 101	11 432 425
Total equity	22 503 484	4 615 418	28 290 359
<i>Long-term liabilities</i>			
Convertible loan	-	3 969 308	-
Other debt to credit institutions	1 066 667	1 466 667	1 066 667
Total long-term liabilities	1 066 667	5 435 975	1 066 667
<i>Current liabilities</i>			
Debt to credit institutions	400 000	133 333	400 000
Accounts payable	1 191 541	962 237	1 779 007
Tax liabilities	76 827	113 420	55 374
Other current liabilities	92 085	11 753 103	552 325
Accrued liabilities and deferred income	1 136 594	1 582 670	1 518 933
Total current assets	2 897 047	14 544 763	4 305 639
TOTAL EQUITY AND LIABILITIES	26 467 197	24 596 156	33 662 665

Cash flow statement

(SEK)	2021-04-01	2020-04-01	2021-01-01	2019-07-01
	2021-06-30	2020-06-30	2021-06-30	2020-12-31* (18 months)
Operating activities				
Profit after financial items	-2 364 503	-4 173 367	-5 786 875	-5 786 875
Adjustments for items not included in cash flow etc	22 117	22 117	44 239	776 184
Cash flow from operating activities before changes in working capital	-2 342 386	-4 151 250	-5 742 636	-5 010 691
Cash flow from changes in working capital				
Change in inventory	30 113	669 785	70 263	269 053
Change in operating receivables	-265 893	-159 547	214 623	-79 419
Change in operating liabilities	225 600	9 271 357	-1 408 593	1 730 472
Cash flow from current operations	-2 352 566	5 630 345	-6 866 343	-3 090 585
Investment activities				
Acquisition of intangibles	-543 265	-361 707	-1 338 180	-3 231 664
Acquisition of fixed assets	0	0	0	-26 195
Cash flow from investment activities	-543 265	-361 707	-1 338 180	-3 257 859
Financing activities				
Paid-in option premium	0	0	0	204 165
Net issue liquidity incl. bridge loan	0	0	0	27 877 506
Received convertible loans	0	0	0	3 457 750
Amortization	33 333	545 641	0	
Cash flow from financing activities	33 333	545 641	0	31 139 421
Cash flow for the period				
Opening liquid funds	-2 862 498	5 814 279	-8 204 523	24 790 977
Closing liquid funds	10 519 763	2 786 419	15 861 788	2 692 157

*The period covers 18 months. The Company's financial year was extended.

Changes in equity

1 January 2021 – 30 June 2021

SEK	Share capital	Development fund	Share premium reserve	Accumulated profit/loss
Opening balance	791 212	16 066 722	107 321 774	-95 889 349
Transfer to development fund		1 338 180		-1 338 180
Result for the period				-5 786 875
Closing balance	791 212	17 404 902	107 321 774	-103 014 404

1 July 2019 – 31 December 2020 (rev)*

SEK	Share capital	New share issues in progress	Development fund	Share premium reserve	Accumulated profit/loss
Opening balance	1 020 820	640 250	12 835 058	70 602 034	-76 551 680
New share issue	1 072 609	-640 250		42 046 523	
Expenses of the issue				-5 603 362	
Reduction of the share capital	-1 302 217				1 302 217
Option premium				276 579	
Transfer to development fund			3 231 664		-3 231 664
Result for the period					-17 408 222
Closing balance	791 212	0	16 066 722	107 321 774	-95 889 349

*The period covers 18 months. The Company's financial year was extended.

General information

Company information

Prostatype Genomics AB with organization number 556726-0285 is a limited company registered in Sweden, domiciled in Stockholm. The address is Industrivägen 19, 171 48 Solna. The company is engaged in the research and developments of medical devices.

In this report, Prostatype Genomics AB is called either by its full name or as “the Company”, alternatively as Prostatype. All figures in the report are in thousands of Swedish kronor (TSEK) if not otherwise specified.

The Company is the result of more than ten years of research into the genomics of prostate cancer. The Company was founded in 2007 as a spin off from Cancer Center Karolinska (Karolinska Institutet, Stockholm). The result was the development of the today CE-marked and market ready product Prostatype® Test System. Prostatype® is a test for diagnosis and prognosis that has been developed to provide the complementary information that is often needed for the selection of the optimal treatment strategy for each patient. The test analyzes the gene expression in cancer cells from prostate tissue and gives, in combination with an advanced algorithm and data analysis, decision support for optimal treatment of individual patients once prostate cancer has been confirmed. Aided by AI (Artificial Intelligence) technology, the gene test of Prostatype Genomics makes it possible to make a better prognosis and to classify the patient’s illness into different risk types. In that way the Company can reduce the risk of over- or under treatment, which in many cases lead to great discomfort for the patient. Prostatype® is today the only gene test for prostate cancer that is available in kit format. The product is also very scalable in terms of volume due to the algorithm that forms the basis of the test.

Accounting principles

The year-end report has been prepared in accordance with BFNAR 2012:1 Årsredovisning och koncernredovisning (K3) issued by the Swedish Accounting Standards Boards (BFN). The accounting policy for the Company complies with applied accounting principles for the most recent published annual report.

Covid-19

Since quarter four of the previous financial year the Company has experienced certain effects from the Covid-19 pandemic, mainly in the form of certain delay of studies as well as difficulties gaining access to health care professionals, but the effects have been limited in nature. However, during the first two quarters of 2021, the Company did experience some delays in the then ongoing validation study in Uppsala due to Covid-19.

Related party transactions

During the period from January 1 2021 to June 30 2021, except for what is detailed below, no related party transactions have taken place.

The Company has during the period procured services for in total 648 001 SEK from the company SecureAppbox AB, which is a supplier of web-based solutions for P-score. Håkan Englund, Member of the Board of Prostatype Genomics AB, is the Chairman of the Board of SecureAppbox. Håkan Englund has not taken part in the procurement process for these services.

Transactions with related parties have been performed on market terms.

Risk factors

For a description of the most significant market- and operational risk, please see the recent prospectus that is published on the Company’s web page www.prostatypegenomics.com under the heading Investor Relations.

Other information

Dates for publication of financial information

Interim report Q3	2021-11-18
Interim report Q4 & Year End Report	2022-02-24

This interim report, as well as further information, is available at Prostatype Genomics' web page, www.prostatypegenomics.com

Certified Advisor

Svensk Kapitalmarknadsgranskning AB, 011-32 30 732, ca@skmg.se.

Review of interim report

This interim report has not been subject to review by the Company's auditors

Publication

This information is such information that Prostatype Genomics AB, from the time of listing, is obliged to publish in accordance with the EU market abuse regulation. The information is published by the below contact person, for publication on 18 August May 8.00 AM. All information is given also in a Swedish version, and in case of any discrepancies, the Swedish version prevails.

Fredrik Persson, CEO, 073-049 77 01, fredrik.persson@prostatypegenomics.com

This interim report gives an accurate overview of the Company's operations, financial status, and results.

Solna August 18

Anders Lundberg
Chairman of the Board

Håkan Englund
Director

Karlheinz Schmelig
Director

Michael Häggman
Director

Fredrik Persson
Chief Executive Officer



Prostatype Genomics AB

Industrivägen 19, SE-171 48 Solna

Telefon:

+46 (0)8-20 87 00

Hemsida:

www.prostatypegenomics.com