



Prostatype Genomics AB

Org. 556726-0285

Quarterly report Q1 2021

1 January 2021 – 31 March 2021

Quarter 1 (1 March – 31 March 2020) summarized

- Net sales amounted to 812 TSEK.
- Net revenue amounted to 5 TSEK.
- EBITDA (earnings before interest, taxes, depreciation, and amortization) amounted to -3 417 TSEK.
- Cash flow from current operations in the quarter amounted -4 514 TSEK.
- Total cash flow for the period amounted to -5 342 TSEK.
- Earnings per share amounted to -0,26 SEK.



Significant events during the First Quarter

- In March, the Company announced strong results for Prostatype® in the first step of the ongoing validation study in Taiwan
- In March, the Company launched P-score Web Service (PWS), a web-based solution for the calculation of P-score
- In January, the Company announced that the Canadian Intellectual Property Office is intending to grant the Company patent rights for the genetic test Prostatype® in Canada. The patent "Marker genes for prostate cancer classification" is valid until October 2032.

Events after the balance day

- In May, the Company published its Annual Report for the financial year 2019/20, with an unmodified audit report, and sent notice of Annual General Meeting to be held on June 16

CEO comments

The first quarter of 2021, which was also the first full quarter for Prostatype Genomics as a listed company, has now come to a close. The milestones to which we had committed to achieving during the quarter were all met, with one exception, according to plan. The milestone that was not achieved was the publication of preliminary data from the ongoing validation study in cooperation with Uppsala University Hospital ("Akademiska"). The milestone was not reached due to the heavy strain on the Swedish health care system as a result of the ongoing pandemic. In the beginning of April, Akademiska announced the cancellation of all research activities to allow the hospital to focus all efforts on managing Covid-19.

The Company has therefore now seen a tangible effect of the pandemic on its operations. Hopefully, we are now approaching the end of this pandemic, at least in the Western world, that has afflicted so many people and communities around the world.

The milestone will instead with high probability be reached during Q2 this year, even though we cannot say this with certainty as we as a Company, like many other companies, have to adapt to the best of our abilities to the changing circumstances.

We continue to focus on the two main strategic areas that we have consistently communicated:

- i) Commercial launch through the establishment of distribution channels
- ii) Continue to build the scientific base through validation studies

In our ongoing work to execute our strategy we will in the near future continue to build the organization, foremost regarding marketing and communication. We see great opportunities in terms of communication within social media, where our message can reach also all the patients and their loved ones who are eagerly looking for more information on how the diagnosis of prostate cancer will impact their lives. We have great confidence in our product Prostatype® and the value that it brings to the patient as well as to health care systems. Therefore, it is of the highest priority to us to ensure that our message is communicated in the most efficient way possible, and social media offer very good platforms for this purpose.

We are currently in several discussions with potential collaboration partners regarding distribution, focusing on the large markets in Europe. There are a lot of things that must fall into place, but we are hopeful that we soon can be able to communicate details about partnership agreements.

The validation studies in Uppsala and Taiwan are proceeding according to plan, except for the delay in Uppsala mentioned above. The most positive aspect of the preliminary results is that they are pointing in exactly the same direction as our previous studies. Perhaps most positive of all are the preliminary results from Taiwan, since they give indication that our algorithm works just as well on a population from East Asia as one from Western Europe.

On behalf of the Company, I want to thank all shareholders for your invaluable support. There are three quarters left of 2021 and I am looking forward to continuously communicate news that support our long-term plan.

Fredrik Persson

CEO, Prostatype Genomics AB
Solna 27 may

Financial information and comments

Comparison between January-March 2021 and January-March 2020

Net sales

Net sales for the Company amounted to 5 (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 Company's first quarter 2021 amounted to -3 394 (-1 596) TSEK which is a decrease with approximately 53 % in comparison to prior period. The company's costs consist mainly of product development, testing, strengthening of their resources in addition to a one-off cost amounting to 300 000 SEK related to an early termination of a contract with a partner.

Cash flow from current operations

The cash flow for the first quarter amounted to - 5 342 (1 337) TSEK. The cash flow from current operations amounted to -4 514 (2 081) TSEK. The cash flow for the period is in line with the Company's operating expenses.

Cash flow from investment activities

The cash flow from investment activities amounted to -795 (-644) TSEK. The Company has continued investing in product development.

Cash flow from financing activities

The cash flow from financing activities amounted -33 (-100) TSEK. Liquid funds as of 31st March 2021 amounted to 10 520 (2 786) TSEK.

Number of shares

On March 31st, 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 first quarter 2021 was 13 186 870.

Comparison between July 2019 - December 2020 (18 months) and July 2018 – June 2019 (12 months)

Net sales

Net sales for the Company amounted to 684 (74) 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 -15 914 (-7 862) TSEK which is a decrease with approximately 51 % in comparison to prior period. The main reasons are a longer financial year (18 compared to 12 months), enforcement of staff, costs associated to the listing on Nasdaq First North Growth Market and product development.

Cash flow from current operations

The cash flow for the period amounted -14 712 (-9 631) TSEK. The cash flow for the period is in line with the Company's operating expenses.

Cash flow from investment activities

The cash flow from investment activities amounted to till -3 258 (-3 261) TSEK. The Company has continued investing in product development.

Cash flow from financing activities

The cash flow from financing activities amounted 31 139 (7 376) TSEK. Liquid funds as of 31st December 2020 amounted to 15 862 (2 692) TSEK. The increase is due to listing of the Company.

Number of shares

On December 31st, 2020, the number of shares was 13 186 870 (102 082). Average amount of shares for the period was 6 644 476.

Prostatype Genomics business and financial ratios

Amounts in SEK	2020-10-01	2019-10-01	2019-07-01	2018-07-01
	2020-12-31	2019-12-31	2020-12-31* (18 months)	2019-06-30* (12 months)
Operating margin	neg	neg	neg	neg
Profit margin	neg	neg	neg	neg
Return on equity	-14%	-18%	-62%	neg
Equity/debt ratio	74%	79%	49%	49%
Equity capital	24 867 988	8 788 785	11 432 424	8 546 482
Cash flow	-5 342 025	1 337 160	-5 516 440	-5 516 440
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	102 082	102 082
Number of shares - full dilution (end of the period)	13 186 870	186 031	102 082	102 082
Earnings per share	-0,26	-8,71	-0,65	-83,72
Diluted earnings per share (end of the period)	-0,26	-8,71	-83,72	-83,72
Number of employees (end of the period)	4	4	4	4
Dividend per share	-	-	-	-

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

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)

Financial statement

Amounts in SEK	2020-10-01	2019-10-01	2019-07-01	2018-07-01
	2020-12-31	2019-12-31	2020-12-31*	2019-06-30
Net sales	4 998	12 278	683 878	74 085
Own work capitalized	794 915	644 230	3 231 665	3 234 281
Other operating income	12 186	91 800	721 004	-
Total revenue	812 099	748 308	4 636 547	3 308 366
Operating expenses				
Research and development cost	-187 948	-671 964	-2 414 232	-1 246 239
Other external cost	-2 360 462	-647 193	-9 834 459	-5 107 036
Staff cost	-1 622 404	-973 245	-8 136 244	-4 661 242
Depreciation, amortization and impairment	-22 121	-24 771	-149 052	-154 143
Other operating expenses	-13 600	-27 154	-16 373	-1 391
Operating profit/loss	-3 394 435	-1 596 019	-15 913 813	-7 861 685
Income after financial items				
Interest expenses and similar items				
Interest expenses and similar items	-27 936	-24 680	-1 494 411	-684 243
Profit/loss after financial items	-3 422 371	-1 620 699	-17 408 223	-8 545 928
Profit or loss before tax	-3 422 371	-1 620 699	-17 408 223	-8 545 928
Total profit/loss for the period	-3 422 371	-1 620 699	-17 408 223	-8 545 928

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

Balance sheet

(SEK)	2020-12-31	2019-06-30	2020-12-31
ASSETS			
Fixed assets			
<i>Intangible assets</i>			
Capitalized development expenditure	16 861 637	14 607 719	16 066 722
Patent	92 939	167 290	111 527
Total intangible assets	16 954 576	14 775 009	16 178 249
<i>Property, plant and equipment</i>			
Plant and machinery			
Equipment and tools	24 686	38 817	28 220
Total property, plant and equipment	24 686	38 817	28 220
Total fixed assets	16 979 262	14 813 826	16 206 469
Current assets			
<i>Inventory</i>			
Finished products	326 219	675 661	366 369
Advances to suppliers	28 578	381 952	28 578
Total current assets	354 797	1 057 613	394 947
<i>Current receivables</i>			
Accounts receivable	146 573	6 250	336 352
Other receivables	379 361	152 550	578 467
Prepaid expenses and accrued income	290 729	135 867	284 643
Total current receivables	816 663	294 667	1 199 462
<i>Cash and bank</i>			
Cash and bank	10 519 763	2 786 419	15 861 788
Total current assets	11 691 222	4 138 699	17 456 196
TOTAL ASSETS	28 670 484	18 952 525	33 662 665

Balance sheet

(SEK)	2021-03-31	2020-03-31	2020-12-31
EQUITY AND LIABILITIES			
Total equity			
Restricted equity			
Share capital	791 212	558 093	791 212
New share issue under registration	-	-	-
Development fund	16 861 637	12 835 058	16 066 722
Total restricted equity	17 652 849	13 393 151	16 857 934
Non-restricted equity			
Share premium reserve	107 321 774	75 388 340	107 321 774
Profit/loss brought forward	-96 684 264	-75 249 463	-78 481 127
Net profit/loss for the year	-3 422 371	-4 743 243	-17 408 223
Total non-restricted equity	7 215 138	-4 604 366	11 432 424
Total equity	24 867 988	8 788 785	28 290 358
Long-term liabilities			
Convertible loan		3 457 000	
Other debt to credit institutions	1 066 667	1 466 667	1 066 667
Total long-term liabilities	1 066 667	4 923 667	1 066 667
Current liabilities			
Debt to credit institutions	366 667	100 000	400 000
Accounts payable	1 135 147	192 577	1 779 007
Tax liabilities	77 204	58 964	55 374
Other current liabilities	57 564	4 073 776	552 325
Accrued liabilities and deferred income	1 099 249	814 756	1 518 933
Total current assets	2 735 830	5 240 073	4 305 639
TOTAL EQUITY AND LIABILITES	28 670 484	18 952 525	33 662 665

Cash flow statement

(SEK)	2021-01-01	2020-01-01	2019-07-01	2018-07-01
	2021-03-31	2020-03-31	2020-12-31* (18 månader)	2019-06-30* (12 månader)
Operating activities				
Profit after financial items	-3 422 371	-1 620 699	-17 408 223	-8 545 928
Adjustments for items not included in cash flow etc	22 121	24 771	776 184	712 850
Cash flow from operating activities before changes in working capital	-3 400 250	-1 595 928	-16 632 039	-7 833 078
Cash flow from changes in working capital				
Change in inventory	40 150	0	269 053	-64 605
Change in operating receivables	382 799	218 208	-79 419	4 179
Change in operating liabilities	-1 536 476	3 459 109	1 730 472	-1 737 285
Cash flow from current operations	-4 513 777	2 081 390	-14 711 933	-9 630 789
Investment activities				
Acquisition of intangibles	-794 915	-644 230	-3 231 664	-3 234 281
Acquisition of fixed assets	0	0	-26 195	-26 995
Cash flow from investment activities	-794 915	-644 230	-3 257 859	-3 261 276
Financing activities				
Paid-in option premium	0	0	204 165	0
Net issue liquidity incl. bridge loan	0	0	27 877 506	0
Received convertible loans	0	0	3 457 750	7 585 000
Amortization	-33 333	-100 000	-400 000	-209 375
Cash flow from financing activities	-33 333	-100 000	31 139 421	7 375 625
Cash flow for the period	-5 342 025	1 337 160	13 169 629	-5 516 440
Opening liquid funds	15 861 788	1 449 260	2 692 157	8 208 597
Closing liquid funds	10 519 763	2 786 419	15 861 786	2 692 157

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

Changes in equity

1 January 2021 – 31 March 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		794 915		-794 915
Result for the period				-3 422 372
Closing balance	791 212	16 861 637	107 321 774	-100 106 636

1 July 2019 – 31 December 2020*

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
Profit/loss for the year					-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 quarter of 2021, the Company did experience some delays in the ongoing validation study in Uppsala due to Covid-19.

Related party transactions

During the period from July 1 2019 to March 31 2021, except for what is detailed below, no related party transactions have taken place.

Several of the bridge loans that were made during 2020 constitute related party transactions. The related parties who made bridge loans to Prostatype Genomics in connection to the bridge financing are presented below.

		Loan amount	Set off at rights issue	Remaining
JDS Invest AB	<i>Board Member</i>	1 222 211	-1 222 211	0
Creathor Venture Fund III (SCSp) SICAR**	<i>Major shareholder</i>	1 196 243	-1 196 243	0
Creathor Venture Fund III Parallel (SCSp) SICAR**	<i>Major shareholder</i>	362 555	-362 555	0
AJ Lundberg Kapitalförvaltning AB***	<i>Chairman of the Board</i>	183 331	-183 331	0
Fredrik Persson	<i>Company CEO</i>	54 455	-54 455	0

*JDS Invest AB is 100 percent owned by Board Member Håkan Englund.

**Board Member Karlheinz Schmelig is advisor to Creathor Venture Funds.

***AJ Lundberg Kapitalförvaltning AB is 100 percent owned by Chairman of the Board Anders Lundberg.

There is also a consulting agreement with JDS Invest AB, which is 100 percent owned by Board Member Håkan Englund, regarding services related to diagnosis and prognosis of prostate cancer through business development from both scientific

and corporate perspectives. In total 75 000 SEK been invoiced within the scope of this agreement during the period from July 1 2019 to March 31 2021.

The Company has during the period procured services for in total 1 750 626 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.

During the period there have also been royalty payments of 9 032 SEK made to a former Board Member.

Transactions with related parties have been performed on market terms.

Profit disposition

The Board is not intending to propose any dividend at the coming General Meeting.

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

General Meeting 2021	2021-06-16
Interim report Q2	2021-08-18
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 27 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, VD, 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 27 May 2021

Anders Lundberg
Chairman of the Board

Håkan Englund
Director

Christoph Petry
Director

Karlheinz Schmelig
Director

Fredrik Persson
Chief Executive Officer

Michael Häggman
Director



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