THERAMetrics holding AG

Condensed consolidated interim financial statements for the half-year ended 30 June 2015

(unaudited)

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THERAMetrics holding AG (condensed consolidated interim financial statements)

THERAMetrics holding AG

Consolidated interim balance sheet (in TEUR)

TEUR	Notes	30 June 2015	31 December 2014
ASSETS			
Property, plant and equipment	6	2'304	2'372
Goodwill	7	18'801	18'801
Intangible assets	8	4'476	4'633
Loans and other non-current assets		11	25
Deferred tax assets		70	72
Non-current assets		**25'662**	**25'903**
Inventories		30	34
Work in progress		798	460
Trade receivables	9	1'948	3'082
Tax receivables		391	393
Other current assets and other receivables		378	579
Cash and cash equivalents		1'186	4'163
Current assets		**4'731**	**8'711**
Total assets		**30'393**	**34'614**
EQUITY AND LIABILITIES			
Share capital	10	5'444	5'444
Reserves		27'814	27'530
Accumulated (losses)/gains		(14'337)	(11'051)
Equity attributable to owners of the Parent Company		**18'921**	**21'923**
Non-controlling interests		**(2)**	**(10)**
Total equity		**18'919**	**21'913**
Non-current borrowing	11	2'063	176
Defined benefit obligation		1'122	1'274
Deferred tax liabilities		1'295	1'222
Other non-current liabilities		52	47
Non-current liabilities		**4'532**	**2'719**
Trade payables		3'476	3'907
Current borrowings	11	856	3'068
Tax payables		144	603
Other current payables and liabilities		2'466	2'404
Current liabilities		**6'942**	**9'982**
Total equity and liabilities		**30'393**	**34'614**

The accompanying notes form an integral part of the consolidated financial statements.

THERAMetrics holding AG

Consolidated interim statement of comprehensive income (in TEUR)

	Notes	1.1. - 30.6.2015	1.1. - 30.6.2014 restated
CONTINUING OPERATIONS			
Revenues	5	7'479	8'231
Other income		533	-
Service expense		(5'790)	(5'479)
Material expense and change in WIP		(126)	(165)
Personnel expense	12	(3'826)	(5'300)
Other administrative expense		(425)	(917)
EBITDA		**(2'155)**	**(3'630)**
Amortisation and depreciation expense		(817)	(4'364)
Operating result		**(2'972)**	**(7'994)**
Finance income		145	87
Finance expense		(122)	(260)
Result before income taxes		**(2'949)**	**(8'167)**
Income taxes		(347)	67
Result for the period		**(3'296)**	**(8'100)**
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX			
Remeasurement of defined benefit obligation		18	(74)
Total items that will not be reclassified subsequently to profit or loss		**18**	**(74)**
Currency translation differences		284	(195)
Profit/(loss) on cash flow hedges		-	14
Total items that may be reclassified subsequently to profit or loss		**284**	**(181)**
Total other comprehensive income for the year, net of income tax		**302**	**(255)**
Total comprehensive income for the period		**(2'994)**	**(8'355)**
Result attributable to:			
Owners of the Parent Company		(3'296)	(8'028)
Non-controlling interests		-	(72)
		(3'296)	**(8'100)**
Total comprehensive income attributable to:			
Owners of the Parent Company		(2'994)	(8'289)
Non-controlling interests		-	(66)
		(2'994)	**(8'355)**
Basic and diluted earnings per share		**(0.005)**	**(0.014)**

The accompanying notes form an integral part of the consolidated financial statements.

THERAMetrics holding AG

Consolidated interim cash flow statement (in TEUR)

TEUR	1.1. - 30.6.2015	1.1. - 30.6.2014 restated
Cash flow from operating activities	**(2'036)**	**(6'094)**
Purchase of property, plant and equipment	(4)	(38)
Proceeds from sale of property, plant and equipment	-	50
Purchase of intangible assets	(300)	(329)
Proceeds from disposal of intangible assets	-	7
Cash flow from investing activities	**(304)**	**(310)**
Capital increase, net of transaction costs	-	7'428
Repayment of borrowings	(437)	(667)
Proceeds from borrowings	112	-
Proceeds from sale of own shares	-	180
Cash flow from financing activities	**(325)**	**6'941**
Net (decrease)/increase in cash and cash equivalents	(2'665)	537
Cash and cash equivalents at beginning of period	4'163	773
Net effect of currency translation on cash and cash equivalents	(312)	3
Cash and cash equivalents at end of period	**1'186**	**1'313**

The accompanying notes form an integral part of the consolidated financial statements.

THERAMetrics holding AG

Consolidated interim statement of changes in equity (in TEUR)

TEUR	Share capital	Reserves	Accumulated loss	Attributable to owners of the Parent Company	Non-controlling interests	Total
Balance at 1 January 2014	**3'242**	**14'227**	**(1'023)**	**16'446**	**375**	**16'821**
Result for the period	-	-	(8'028)	(8'028)	(72)	(8'100)
Other comprehensive income for the period, net of income tax	-	(187)	(74)	(261)	6	(255)
Total comprehensive income for the period	**-**	**(187)**	**(8'102)**	**(8'289)**	**(66)**	**(8'355)**
Gain on sale of own shares	-	-	180	180	-	180
Paid-in capital for upcoming increase of share capital	-		-	-	-	-
Broker fee from GEM transaction	-	-	7	7	-	7
Balance at 30 June 2014	**3'242**	**14'040**	**(8'938)**	**8'344**	**309**	**8'653**
Balance at 1 January 2015	**5'444**	**27'530**	**(11'051)**	**21'923**	**(10)**	**21'913**
Result for the period			(3'296)	(3'296)		(3'296)
Other comprehensive income for the period, net of income tax		284	18	302		302
Total comprehensive income for the period	**-**	**284**	**(3'278)**	**(2'994)**	**-**	**(2'994)**
Liquidation of subsidiary			(8)	(8)	8	-
Balance at 30 June 2015	**5'444**	**27'814**	**(14'337)**	**18'921**	**(2)**	**18'919**

The accompanying notes form an integral part of the consolidated financial statements.

Notes to the consolidated interim financial statements

1 General information

THERAMetrics holding AG ("TMX" or "the Company") is a Swiss stock corporation listed on the SIX Swiss Exchange whose registered office is Dorfplatz 6 CH-6371 Stans, Switzerland.

The Company is the Swiss parent company of a global tech-based contract research and development organization ("TCRDO") which offers a full range of technological services and solutions to life sciences and pharmaceutical companies through the entire value chain of drug discovery and development. Current activities focus on the provision of full clinical research and scientific marketing and trial services to the life-sciences and pharmaceutical industry, which account for 90% of our revenues. Additionally, the Group is active in the discovery and development of new pharmaceutical product candidates ("MPCs") and the repurposing of existing drugs into new therapeutic indications. The Group is also further developing its bio-mathematical platform for drug rescuing and repurposing DRR2.0, with the aim of improving and expanding its currently offered services and activities.

The consolidated financial statements are presented in EURO as this is the major currency in which revenues are denominated. The functional currency of the Company is the Swiss Franc ("CHF").

Due to the final assessment of the purchase price allocation in relation to the reverse acquisition in 2013, amortisation and depreciation expense of the comparative amounts was increased by TEUR 115 and income tax income of the comparative period increased by TEUR 25. Further, the presentation of taxes in the consolidated cash flow statement of the comparative period has been adjusted (refer to the consolidated cash flow statement for further details).

2 Basis of preparation

These interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2014 annual report and are neither audited nor reviewed.

3 Summary of significant accounting policies

3.1 Amendments to IFRSs and the new Interpretation that are mandatorily effective for the current year

The consolidated financial statements of the Group have been prepared using the same accounting policies and methods of computation in its interim consolidated financial statements as in its 2014 annual financial statements, except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 January 2015, and will be adopted in the 2014 annual financial statements.

The nature and impact of each new standard and interpretation adopted by the company is detailed below.

	New, amended and revised Standards and Interpretations
IAS 19	Amends IAS 19 Employee Benefits to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service. In addition, it permits a practical expedient if the amount of the contributions is independent of the number of years of service, in that contributions can, but are not required, to be recognised as a reduction in the service cost in the period in which the related service is rendered. The application of these new requirements had no impact on the consolidated financial statements.
Various	**Annual Improvements 2010-2012 Cycle** Makes amendments to the following applicable standards: IFRS 3 — Require contingent consideration that is classified as an asset or a liability to be measured at fair value at each reporting date IFRS 13 — Clarify that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure certain short-term receivables and payables on an undiscounted basis (amends basis for conclusions only) IAS 16 and IAS 38 — Clarify that the gross amount of property, plant and equipment is adjusted in a manner consistent with a revaluation of the carrying amount IAS 24 — Clarify how payments to entities providing management services are to be disclosed The application of these new requirements had no impact on the consolidated financial statements.
Various	**Annual Improvements 2011-2013 Cycle** Makes amendments to the following applicable standards: IFRS 3 — Clarify that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself IFRS 13 — Clarify the scope of the portfolio exception in paragraph 52

	New, amended and revised Standards and Interpretations
	IAS 40 — Clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property The application of these new requirements had no impact on the consolidated financial statements.

3.2 Standards and Interpretations in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not adopted the following Standards and Interpretations that have been issued but are not yet effective. They will be effective on or after the dates described below.

	New, amended and revised Standards and Interpretations	Effective from
IFRS 9	IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirement for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" (FVTOCI) measurement category for certain simple debt instruments.	Annual periods beginning on or after 1 January 2018
IFRS 10/ IAS 28	Amends IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) to clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture, as follows: - require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 Business Combinations) - require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognised only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occurs by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.	Annual periods beginning on or after 1 January 2016
IFRS 11	Amends IFRS 11 Joint Arrangements to require an acquirer of an interest in a joint operation in which the activity constitutes a business (as defined in IFRS 3 Business Combinations) to: - apply all of the business combinations accounting principles in IFRS 3 and other IFRSs, except for those principles that conflict with the guidance in IFRS 11 - disclose the information required by IFRS 3 and other IFRSs for business combinations. The amendments apply both to the initial acquisition of an interest in joint operation, and the acquisition of an additional interest in a joint operation (in the latter case, previously held interests are not remeasured).	Annual periods beginning on or after 1 January 2016
IFRS 15	The new Standard IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognised revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue. Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.	Annual periods beginning on or after 1 January 2017 The IASB has recently proposed an amendment to defer the effective date of the standard to 1 January 2018

	New, amended and revised Standards and Interpretations	Effective from
IAS 1	The amendments aim at clarifying IAS 1 to address perceived impediments to preparers exercising their judgement in presenting their financial report	Annual periods beginning on or after 1 January 2016
IAS 16/ IAS 38	The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to IAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. This presumption can only be rebutted in limited circumstances.	Annual periods beginning on or after 1 January 2016
Various	**Annual Improvements 2012-2014 Cycle** Makes amendments to the following standards: IFRS 5 — Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued IFRS 7 — Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements IAS 9 — Clarify that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid IAS 34 — Clarify the meaning of 'elsewhere in the interim report' and require a cross-reference	Annual periods beginning on or after 1 July 2016

The Group is currently assessing whether these changes will impact the consolidated financial statements in the period of initial application. Except for IFRS 9 and IFRS 15, which will be applicable in 2017 and/or 2018, the Group does not expect any significant impact from the new or amended Standards mentioned above.

4 Summary of critical accounting judgements and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, expenses and related disclosures. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

4.1 Critical judgements in applying accounting policies

Going concern

Material uncertainty remains as to whether Group's current funding is sufficient to support its going concern for another twelve months which creates significant doubts about its ability to continue as a going operation. Therefore the Group depends on further financing respectively the successful achievement of the following steps which the Group has already taken, or plans to take in the coming months, which are anticipated to remedy the short-term liquidity situation:

<u>Investing in business development</u>

The Group has invested significantly in a new global business development team which started at the end of 2014. Additional business development professionals were added in the first half of 2015. Bidding activity has increased significantly and management is convinced that the Group's new and ambitious global sales strategy will result in new cash inflows during the course of 2015.

<u>Licensing-out existing MPCs</u>

The Group is finally experiencing success in its efforts to license-out its Medical Product Candidates (MPCs). In March 2015, the Company signed a licensing agreement with Centurion Pharma (Istanbul, Turkey) for Aviptadil, the Group's drug candidate for Sarcoidosis. Under the terms of this agreement the two companies will cooperate in the development and registration of Aviptadil for the treatment of Sarcoidosis in Turkey and in other neighbouring markets. At the same time, both companies have signed Letters of Intent for contract research services for:

- the development of Aviptadil in Sarcoidosis in Turkey including design, organization and execution of the clinical development plan for the registration of Aviptadil in Turkey
- the future development of Aviptadil in additional geographical regions
- the joint research and development on different projects employing the Group's DRR2.0 Drug Repositioning technology

Cash flows in 2015 from this agreement will be approximately TEUR 200; however, the potential for future royalties if the drug reaches the market could be significant.

In addition to the contract with Centurion, the Group is currently negotiation a number of similar agreements for its other MPCs.

Renegotiating borrowing terms

In March 2015, the Italian subsidiary THERAMetrics S.p.A. successfully negotiated a restructuring of a loan facility granted by Banca Popolare di Milano (TEUR 2,275), with a rescheduling of the payment and interest according to more favourable terms and conditions. Principal repayments in 2015 and 2016 will be TEUR 150 and TEUR 180, respectively.

Selling real estate assets

The Group continues to negotiate with interested third-parties a sale-lease-back arrangement of its office building in Essen, Germany, and expects to complete such an arrangement during the course of 2015.

Negotiating new financing arrangements

Earlier this year, the Group had started discussions with a third-party investor who would be willing to invest up to CHF 5 million into the Group. Negotiations were temporarily suspended in July when an alternative source of funding – through a treasury share acquisition - became available.

Pursuant to an investment agreement signed in January 2013 between the Group and Pierrel S.p.A. and Fin Posillipo S.p.A., the Group decided to exercise its right to receive 38.5 million of its own shares for the symbolic price of 1 CHF. The investment agreement was directly linked to an issuance of stock warrants the Company made to GEM Group on July 17, 2012, expiring July 17, 2015. Under the investment agreement, the Company was entitled to purchase from Pierrel and Fin Posillipo 2.75 of its own shares for every expired warrant held by GEM on July 17, 2015. GEM held 14 million expired warrants on such date, therefore entitling the Company to purchase 38.5 million shares. These shares, now held as treasury shares, can be used to provide future liquidity to the Group as needed.

Should the treasury shares alone be insufficient to fund the Group's future cash needs, management can re-start negotiations with the aforementioned third-party investor. Additionally, the major shareholders will continue to monitor the Group's cash needs and at least one major shareholder has expresses its willingness to consider various options in order that the Group receives its needed liquidity.

Pursuing strategic business combinations

A number of third-party organizations in the pharma/bio-tech field have expressed interest in forming strategic business combinations (including merger options) with the Group. Explorations with multiple companies are currently in process and the Board is confident to complete such a transaction during the course of 2015.

The availability of sufficient funding as well as the successful execution of the above described steps are decisive for the Group and its ability to continue operations. Under the above described circumstances, the Board is convinced in the Group's chance to be able to meet all of its obligations for a further 12 months. Hence, the consolidated financial statements have been prepared on a going concern basis.

4.2 Key sources of estimation uncertainty

Key source of estimation uncertainty were the same as those applied to the consolidated financial statements of the year ended 31 December 2014 except for the following:

Impairment of goodwill

Determining whether goodwill is impaired requires management to estimate the recoverable value of the cash generating unit to which the goodwill is attributable. If the recoverable value of the cash generating unit is lower than the carrying amount of the cash generating unit to which the goodwill has been allocated, impairment is recorded. Any reduction in the value of the goodwill cannot be written back in future years.

The carrying amount of goodwill at the end of the current reporting period is TEUR 18'801 (31 December 2014: TEUR 18'801). The recoverability of goodwill is tested for impairment annually during the fourth quarter, or earlier, if an indication of impairment exists. In 2015 a first impairment test was done at 30 June 2015 as indication of impairment exists due to the loss making situation.

In 2015, the recoverable amounts of goodwill were calculated using the discounted cash flow method. The significant assumptions are disclosed in note 7. Neither at 30 June 2015 nor at 31 December 2014, the annual impairment test showed an impairment. Changes to the assumptions may result in further impairment losses in subsequent periods.

5 Segment information

5.1 Description of segment

At 30 June 2015, the Group represents a full-service Tech-driven Contract Research & Development Organization ("TCRDO") dedicated to provide an exclusive technological set of services and solutions to biotech, biopharma and pharmaceutical companies throughout the innovative drug discovery & development value chain with the aim of screening potential drugs "in silico" biosystems, allowing therapies in virtual patients and predicting real-world health outcomes and costs.

In this respect, after the completion of the business combination on 13 September 2013 between TMX and PRINT, the Group has only one operating segment, defined in accordance with functional criteria: "TCRDO". Therefore management has only disclosed segment information regarding geographical areas.

The above mentioned operating segment consists of a full service contract research organization providing regulatory consulting, pharmacovigilance and marketing services, and operational services for clinical trial (Phase I – IV) to test new molecules and drugs, and focusing on the discovery and development of MPCs ("Medicinal Product Candidates") and the repurposing/repositioning drugs into new therapeutical indications, through bio-mathematical algorithm.

5.2 Geographical information

The Group currently operates in the following geographical areas. The Group's revenue by location of operations and information about its non-current assets by location of assets are detailed below:

	1.1. - 30.6.2015	1.1. - 30.6.2014	30 June 2015	31 December 2014
Switzerland	347	834	21'197	23'469
Rest of Europe	7'026	7'186	4'455	2'329
Americas	106	211	10	8
Rest of the World (*)		-		-
	7'479	**8'231**	**25'662**	**25'806**

(*)In the prior year financial statements Switzerland was included within Europe. For the current financial statements, Switzerland is shown separately. The comparative period was restated.

6 Property, plant and equipment

There were no major additions or disposals in the first half of 2015. The decrease is mainly due to depreciation expense.

7 Goodwill

The Group only consists of one cash generating unit ("CGU"). Hence, the entire goodwill is allocated to this CGU. An impairment test of goodwill was performed by the Group on goodwill, which arose from the reverse acquisition in 2013, for a total amount of TEUR 18'801.

Impairment test at 30 June 2015

In consideration of the operating loss in the first half of 2015, the Company considered that there are indications of impairment of non-current assets and therefore has carried out an impairment test on them.

For contract research development projects the recoverable amount has been determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the Board of Directors covering a three-year period (2015-2017), and a discount rate of 8.5% per annum.

The various outlicensing programs were valued separately using best-practice pharma compound valuation models. A discount rate of 45% was used for these outlicensing program valuations due to the venture capital character of such outslicensing programs. For revenue based contract research and development projects, which represent about 90% of the entire revenue, a terminal growth rate of 2% has been used after the financial budget period. For revenue based on out-licensing of rights owned by the Group, the expected revenue from the out-licensing agreement was forecasted for the entire licensing period.

No further impairment loss was recognized due to the impairment test at 30 June 2015.

Sensitivity analysis where the average discount rate was increased by 1.5% and the growth rate reduced to 0%, which according to management is a reasonably possible change in key assumptions, did not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

Furthermore, management believes that any reasonably possible change in the key assumptions (sensitivity analysis) on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

Impairment test at 31 December 2014

For the annual impairment test on goodwill, the recoverable amount has been determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the Board of Directors covering a three-year period (2015-2017), and a discount rate of 8.5% per annum.

For revenue based contract research and development projects, which represent about 90% of the entire revenue, a terminal growth rate of 2% has been used after the financial budget period. For revenue based on out-licensing of rights owned by the Group, the expected revenue from the out-licensing agreement was forecasted for the entire licensing period.

No further impairment loss was recognized due to the impairment test at 31 December 2014.

Sensitivity analysis where the average discount rate was increased by 1.5% and the growth rate reduced to 0%, which according to management is a reasonably possible change in key assumptions, did not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

Furthermore, management believes that any reasonably possible change in the key assumptions (sensitivity analysis) on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

8 Intangible assets

Except for investments in software of TEUR 300 there were no major additions or disposals in the first half of 2015. The decrease, which was smoothened by foreign exchange gains, is mainly due to amortisation expense.

9 Trade receivables

Trade receivables mainly decreased due to the decrease in operating activities.

10 Share capital

10.1 Issued share capital

At 30 June 2015 the issued share capital remained unchanged from 31 December 2014 at TEUR 5’444 (TCHF 6’546), consisting of 654’643’652 registered shares with a par value of CHF 0.01.

10.2 Authorized share capital

On 18 June 2014, the Annual General Meeting of the Company decided that the Board of Directors is authorized, at any time until 18 June 2016, to increase the share capital by a maximum amount of CHF 1’980’000 by issuing up to 198’000’000 registered shares to be fully paid up with a par value of CHF 0.01 each. This decision superseded previous decisions regarding authorized share capital.

10.3 Conditional share capital

The conditional share capital of TMX as at 30 June 2015 was CHF 490’536.21 (TEUR []) (31 December 2014: CHF 490’536.21 (TEUR 408)), consisting of 49’053’621 (31 December 2014: 49’053’621) registered shares with a par value of CHF 0.01 each, of which 25’000’000 (31 December 2014: 25’000’000) to be used for share options for members of the Board of Directors and Executive Management, 9’359’491 (31 December 2014: 9’359’491) to be used for share options for employees and consultants and 292’000’000 (31 December 2014: 14’694’130) to be used for the exercise of conversion option rights granted in connection with bonds, notes or similar debt instruments issued by the Company.

10.4 Significant shareholders

The following significant shareholders are known to the company:

	30.06.2015		31.12.2014	
	Number of shares	%	Number of shares	%
PIERREL S.p.A.	209'484'383	32.0%	221'484'383	33.8%
FIN POSILLIPO S.p.A	209'389'206	32.0%	209'389'206	32.0%
Others	235'770'063	36.0%	223'770'063	34.2%
Total shares	**654'643'652**	**100.0%**	**654'643'652**	**100.0%**

11 Borrowings

In June 2015 management of the Group renegotiated the loan from Banca Popolare die Milano (TEUR 2'275) which expired in September 2014 and was classified as current borrowings at 31 December 2014.

During the next 6 years, 60% of the new loan of TEUR 2'275 will have to be repaid in accordance with a pre-defined repayment schedule. The loan expires on 31 December 2021. Interest is based on 3 months Euribor plus 4%.

As at 30 June 2015, of the remaining loan of TEUR 2,225, TEUR 2'035 is classified as non-current borrowings and TEUR 190 as current borrowings.

There were no other significant changes to borrowings compared to year end 2014.

12 Personnel expense

Personnel expense decreased by 28% from TEUR 5'300 to TEUR 3'826 due to reorganisation of the Group and the decrease in operating activities.

13 Fair value measurement

Unchanged to 31 December 2014 there are no assets or liabilities measured at fair value. For all financial assets and liabilities their carrying amount at amortised cost approximates fair value.

14 Earnings per share

TEUR	1.1. - 30.6. 2015	1.1. - 30.6.2014
Loss for the period attributable to the equity holders of the Parent Company	(3'296)	(5'719)
Weighted average number of shares for the purposes of EPS	654'643'652	397'716'811
Basic and diluted earnings per share (in EUR)	**(0.005)**	**(0.014)**

Basic and diluted losses per shares are calculated by dividing the net loss attributable to the shareholders by the weighted average shares outstanding during the period. In 2015 and 2014, the number of shares outstanding varied as a result of different transactions on the share capital structure of the Company.

The options granted as part of the EAP have not been considered in the calculation of the diluted loss per share as their effect is anti-dilutive. Further, the warrants granted to GEM are "out of the money" and are therefore not considered in the calculation of the diluted loss per share.

15 Related party balances and transactions

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the company and other related parties are disclosed below.

The following table shows balances due to/from related parties at the end of the period:

TEUR	Due from related parties		Due to related parties	
	30.06.2015	31.12.2014	30.06.2015	31.12.2014
Farmacie Petrone Srl (i)	-	-	46	40
PETRONE GROUP (ii)	-	-	6	8
TWIGA	-	12	-	-
Bootes S.r.l.	-	-	6	6
	-	**12**	**58**	**54**

(i) The payables toward Farmacie Petrone Srl in 2015 are due to packaging activities in the site plant in Cantu (Italy)

(ii) The payables toward Petrone Group Srl in 2015 are due to business development activities to advertise the DRR 2.0 in Europe.

16 Non-cash transactions

There were no significant non-cash transactions during the first six months of 2015 or 2014.

17 Commitments and contingent liabilities

17.1 Litigation

At 30 June 2015, the Company is not party to any legal, administrative or arbitral proceedings, the outcome of which, if adverse to the Company, may be material to its business, financial condition and results of operation taken as a whole.

17.2 Other contingent liabilities

Prior to the reverse acquisition, with effect as of 13 September 2013, the Company entered into an agreement with Mr. Ruggero Gramatica, the former CEO of TMX until the end of September 2013, pursuant to which it was granted an exclusive, world-wide, perpetual license for the use, development and exploitation of the mathematical model and for the definition of an eCRO platform in the field of drug discovery and clinical analysis. The license is sub-licensable and transferable to any subsidiary of PRINT. The license is subject to the obligation of PRINT to make certain investments in the licensed technology in the next years and to commercially use such technology. As a consideration for the license, PRINT shall pay royalties which are exclusively based upon the generated revenues. No payments were due as at 30 June 2015 or 31 December 2014.

18 Subsequent events

Acquisition of own shares

Pursuant to an investment agreement signed in January 2013 between the Group and Pierrel S.p.A. and Fin Posillipo S.p.A., the Group has acquired 38.5 million of its own shares for the symbolic price of 1 CHF. That agreement was directly linked to an issuance of stock warrants the Company made to GEM Group on 18 July 2012, expiring 17 July 2015. Under the investment agreement, the Company was entitled to purchase from Pierrel and Fin Posillipo 2.75 of its own shares for every expired warrant held by GEM on 17 July 2015. GEM held 14 million expired warrants on such date, entitling the Company to purchase 38.5 million shares. Refer to note 4.1 for further details.

19 Approval of financial statements

These consolidated financial statements were approved by the Board of Directors on 28 August 2015.