

Telescan AS Interim Report as of 31 December 2013

The current interim report of Telescan AS presents the results of company operations from incorporation on 30 May 2013 to 31 December 2013. The interim report is not audited.

The financial statements of the company are prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and the interpretations of the International Financial Reporting Interpretations Committee as adopted by the European Union and the Estonian Accounting Act.

Statement of financial position		
<i>in euro</i>	31.12.2013	30.05.2013
Assets		
Cash and cash equivalents	2 357	25 000
Receivables and prepayments	319	0
Total current assets	2 676	25 000
Property, plant and equipment	23 047	0
Total non-current assets	23 047	0
Total assets	25 723	25 000
Liabilities		
Payables and prepayments	25 653	0
Total current liabilities	25 653	0
Total liabilities	25 653	0
Equity		
Share capital	60 000	25 000
Share premium	10 000	0
Profit for the period	-69 930	0
Total equity	70	25 000
Total equity and liabilities	25 723	25 000

Statement of comprehensive income		
<i>in euro</i>	30.05-31.12.2013	30.05-30.05.2013
Continuing operations		
Administrative expenses	-68 394	0
Depreciation	-1 536	0
Results from operating activities	-69 930	0
Profit for the period	-69 930	0

Statement of cash flows		
<i>in euro</i>	30.05-31.12.2013	30.05-30.05.2013
Cash flows from operating activities		
Profit for the period	-69 930	0
Adjustments		
Depreciation	1 536	0
Changes in receivables	-319	0
Changes in payables	25 653	0
Cash generated from operating activities	-43 060	0
Cash flows from investing activities		
Purchase of property, plant and equipment	-24 583	25 000
Net cash from investing activities	-24 583	25 000
Cash flows from financing activities		
Proceeds from issue of share capital	45 000	25 000
Net cash from financing activities	45 000	25 000
Net increase in cash and cash equivalents	-22 643	25 000
Cash and cash equivalents at 30.05.2013	25 000	0
Change in cash and cash equivalents	-22 643	25 000
Cash and cash equivalents at 31.12.2013	2 357	25 000

Statement of changes in equity				
<i>in euro</i>	Share capital	Share premium	Retained earnings	Total equity
Share capital	25 000	-	-	25 000
Issue of equity	35 000	10 000	-	45 000
Profit for the period	-	-	-69 930	-69 930
Balance at 31.12.2013	60 000	10 000	-69 930	70

Management comment

Following the incorporation of Telescan AS on 30th May 2013 and the admittance to trading of the company's shares on the First North market place of the NASDAQ OMX Stock Exchange in the Baltics on 9th August 2013 the Company has focussed on refining its business model.

Whilst the company has developed what is believed to be a unique business model, the implementation of this model has underscored the importance of forging strategic alliances with established synergistic organisations. Foremost amongst these strategic alliances has been the global agreement entered into with Philips Healthcare in Holland for the supply of scanning equipment.

The company has also entered into negotiations with major genetics organisations, universities, international healthcare companies and life insurance or assurance companies for co-operation in linking its multi-year body scanning plans with dedicated health insurance plans.



In the period covered by the interim report, the company had a loss of EUR 69,930. Most of this sum results from costs associated with the company's shares being admitted to trading on First North, Tallinn and the payment of professional advisory fees. Other costs reflect various operational expenditures associated with the everyday business of the company.

As the loss has caused the company's net assets to fall below the level required in the Commercial Code the management of Telescan has taken steps to bring the net assets of the company up to the level required by law. Following the paying up of the initial authorised share capital of 25,000 euros the company completed two issues of additional fully paid-up shares in 2013. During January and February 2014 the company had two further share capital issues with a total size of 41,000 euros (nominal 15,500 euros and premium 25,500 euros) which have been paid up and are to be registered in the Business Registry. The company plans a new share issue in March 2014. The management will closely monitor the net asset level at all times and secure sufficient financing to avoid net assets falling below the required level.