

# INTERIM REPORT JANUARY–MARCH 2016 XVIVO PERFUSION AB (PUBL)

*XVIVO Perfusion is a medical technology company which develops and markets solutions and systems for assessing the usability of organs, enabling the treatment of organs and maintaining organs in good condition outside the body pending transplantation. Currently, the company's product Perfadex® has a market share of more than 90 percent in the traditional preservation of lungs for transplantation. The company's products XPS™ and STEEN Solution™ for warm perfusion have regulatory approval in all major markets, and are the only products today to have received regulatory approval from the FDA for warm perfusion of lungs. XVIVO Perfusion employs around 25 people at its headquarters in Gothenburg, Sweden, and its office for North & South America in Denver, USA. The XVIVO share is listed on NASDAQ First North Premier and has the ticker symbol XVIVO. The Certified Adviser is Redeye, [www.redeye.se](http://www.redeye.se).*



# 17% GROWTH (EXCL. DURABLE GOODS) AND 22% EBITDA MARGIN\*

## FIRST QUARTER 2016 (JAN – MAR)

- Net sales of non-Durable goods\*\* in the quarter amounted to SEK 29.1 (25.1) million, corresponding to an increase of 16 percent in SEK. Sales of non-Durable goods increased by 17 percent in local currency. Net sales in the quarter amounted to SEK 33.5 (31.8) million, corresponding to an increase of 5 percent.
  - Operating income before depreciation and amortization (EBITDA) excluding one-time expenses amounted to SEK 7.3 (4.5) million, corresponding to an EBITDA margin of 22 percent. One-time expenses of SEK 2.4 million related to the Nasdaq Stockholm main market listing and the public offer for Vivoline have been charged against the quarter. Operating income before depreciation and amortization (EBITDA) amounted to SEK 4.9 (2.9) million, corresponding to an EBITDA margin of 15 percent.
  - Net income amounted to SEK 1.1 (0.0) million, resulting in earnings per share of SEK 0.05 (0.00), affected by amortization and depreciation of SEK 3.1 (2.7) million.
  - Cash flow from operating activities was SEK 5.3 (-5.9) million and the cash at bank increased by SEK 1.5 million to SEK 42.7 million compared to the last quarter of last year.
- Warm perfusion sales from non-durable goods (STEEN Solution™, products and services related to the use of the XPS™) accounted for 31 (30) percent of the total sales of non-Durable goods. Total sales from warm perfusion (STEEN Solution™, products and services related to the use of the XPS™ and XPS™) accounted for 40 (45) percent of the total sales.
  - During the quarter 3 XPS™ were sold, of which 2 to Europe and 1 to the US. France and Switzerland were new countries that got access to the XPS™ during the quarter.
  - XVIVO Perfusion has been granted a CE mark for a patent-protected product, PrimECC®, developed to prime the heart-lung machine before open heart surgery. The company will expand the clinical documentation for PrimECC® through additional clinical studies in 2016.
  - XVIVO Perfusion AB's shares were admitted for trading on Nasdaq First North Premier 8 February 2016. The company's shares will continue trading with the same short name and ISIN code.
  - Russia's Federal Service for Supervision on Health Care has approved Perfadex® and STEEN Solution™ for lung transplantation. This means that Perfadex® and STEEN Solution™ may be sold for clinical use in Russia.

## SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- Boston's Brigham and Women's Hospital is the first clinic in the New England area of USA to sign an XPS™ contract.
- XVIVO Perfusion announces a recommended public offer to the holders of shares and warrants of series 2015/2016 in Vivoline Medical.
- At the time of publication of this report, 25 clinics have access to the XPS™, including 18 clinics in the US and 6 clinics in Europe.

## MILESTONES PASSED DURING THE YEAR

PrimECC® has been granted a CE mark.

XVIVO Perfusion AB's shares were admitted for trading on Nasdaq First North Premier.

The first XPS™ delivered to France and Switzerland.

\* Sales growth is local currency growth and EBITDA margin is excluding one-time costs. \*\*See note 3 for revenue per segment.

## CEO'S COMMENTS



The first quarter saw a very positive breakthrough in the European market for XVIVO Perfusion's products for Ex Vivo Lung Perfusion (EVLV), the XPS™ and STEEN Solution™. This means that the company has now installed six XPS™ systems at leading clinics in Europe and the company notes continued great interest there. A larger installation

base creates a greater market presence and more customer contacts. This positive spiral leads to a greater interest from clinics and the possibility of more lung transplants being performed using the XPS™ and STEEN Solution™. We have seen this positive generative process develop in the US over the past two years, which has resulted in a large installation base of the XPS™ and, after a start-up period, increasing sales. In the light of this, we are extra pleased to be able to note that the four additions to strengthen our personnel within sales and customer support towards the end of 2015 have already begun to show clear results.

The clinical study on STEEN Solution™ within the field of liver transplantation is ongoing and has produced good clinical results. The first results were recently presented at a conference in the US, and this aroused great interest. Two other promising and exciting clinical studies on the company's products will start soon. The first of these is a cancer study using STEEN Solution™, where patients with cancer metastases in the lungs are treated by isolating the metastases in the body from the blood circulation and subsequently perfusing them with STEEN Solution™ containing added cytostatic. The aim of the treatment is to avoid adverse effects in tissues that are not to be treated and at the same time optimize the dosage of cytostatic. The second study, which will be carried out at Sahlgrenska University Hospital, incorporates the company's new product PrimECC®, which aims to avoid adverse effects in patients undergoing heart surgery procedures using a heart-lung machine, for example bypass operations and heart valve replacement surgery.

After the end of the quarter XVIVO Perfusion published a recommended public offer to the owners of shares and warrants in Vivoline. Vivoline's three largest shareholders, who together own almost half of the company, have committed to accepting the offer. The strategic aim of XVIVO Perfusion is to continue to further build on the scientific, technical, regulatory and market competence that has made us a leader in the preservation and warm perfusion of lungs for transplantation so as to become a leader within the entire thorax transplantation area. Absolutely the most important reason for combining the two companies is that the merged company will create more resources and competence to take Stig Steen's world-leading research in heart transplantation to the commercial phase – through the product development phase via clinical development and regulatory approval out onto the global market. This is a very capital and resource intensive process, something which is a great burden for small companies. In the event of market approval, there will also be opportunities for a rapid market introduction using XVIVO Perfusion's well-developed global sales and marketing organization. As the offer is largely paid in XVIVO Perfusion shares, this means that both XVIVO Perfusion's and Vivoline's shareholders will be given the opportunity to be part of the building of a strong, innovative, international medical device company based in Sweden.

However, it is important to point out that with or without this deal, XVIVO Perfusion stands strong after yet another quarter of good sales development on both sides of the Atlantic, increased growth potential with new indications and products and where the company's strong cash flow secures continued aggressive investment in product development and market expansion.

Magnus Nilsson  
CEO

## CONFERENCE CALL

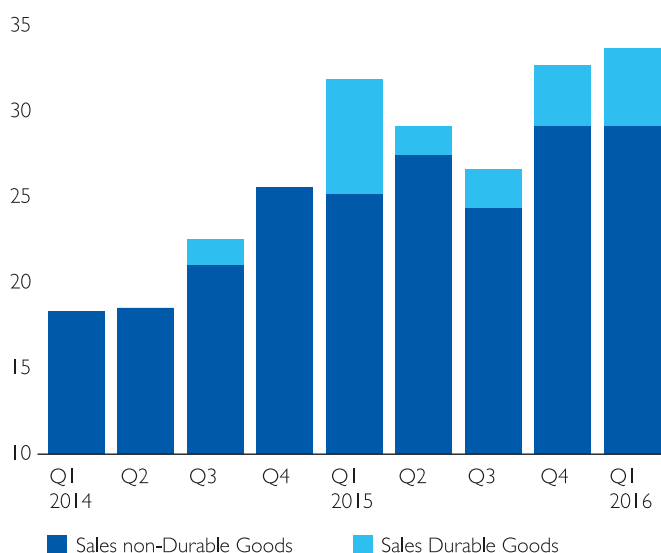
CEO Magnus Nilsson will present the report in a conference call at 2 p.m. CET on Tuesday, April 26, 2016. Telephone: +44 (0) 1452 555566, enter code 76364070.

# FIRST QUARTER 2016 (JANUARY - MARCH)

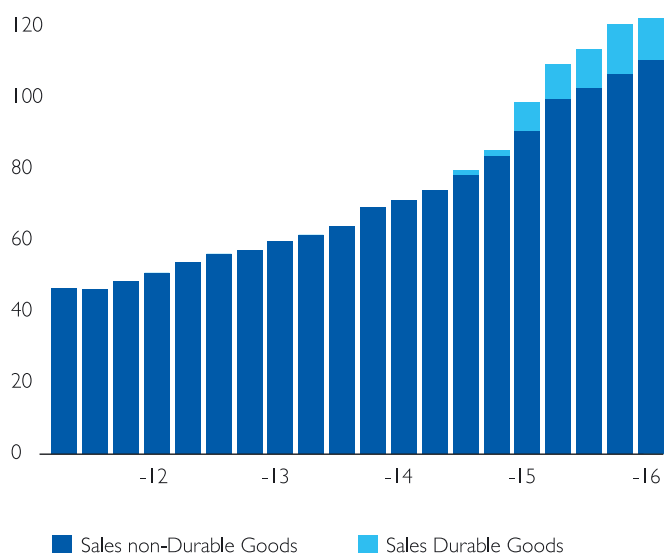
## NET SALES

XVIVO Perfusion's net sales of non-Durable goods\* in the quarter amounted to SEK 29.1 (25.1) million, corresponding to an increase of 16 percent in SEK and an increase of 17 percent in

### NET SALES PER QUARTER (SEK MILLIONS)\*



### NET SALES ROLLING 12 MONTHS (SEK MILLIONS)\*



local currency. Total net sales in the quarter amounted to SEK 33.5 (31.8) million, corresponding to an increase of 5 percent. Warm perfusion sales from non-durable goods (STEEN Solution™, products and services related to the use of the XPS™) accounted for 31 (30) percent of the total sales of non-Durable goods. Total sales from warm perfusion (STEEN Solution™, products and services related to the use of the XPS™ and XPS™) accounted for 40 (45) percent of the total sales.

## COMPILATION OF NET SALES AND EBITDA

TSEK	2016	January - March 2015	Whole year 2015
<b>Net Sales non-Durable Goods</b>	<b>29 054</b>	<b>25 122</b>	<b>105 977</b>
Net Sales Durable Goods	4 477	6 698	14 268
Net Sales Total	33 531	31 820	120 245
<b>Cost of Goods non-Durable Goods</b>	<b>-5 916</b>	<b>-5 999</b>	<b>-23 826</b>
Cost of Goods Durable goods	-3 363	-6 306	-11 459
Cost of Goods Total	-9 279	-12 305	-35 285
<b>Gross income non-Durable Goods</b>	<b>23 138</b>	<b>19 123</b>	<b>82 151</b>
<b>Gross margin non-Durable Goods, %</b>	<b>80%</b>	<b>76%</b>	<b>78%</b>
Gross income Durable Goods	1 114	392	2 809
Gross income Total	24 252	19 515	84 960
Gross margin Total, %	72%	61%	71%
Costs before depreciation and amortization			
Selling expenses	-7 521	-7 372	-32 052
Administrative expenses	-6 326	-3 144	-12 638
Research and development costs	-5 405	-5 660	-20 931
Other operating revenues and expenses	-130	-456	-538
<b>EBITDA</b>	<b>4 870</b>	<b>2 883</b>	<b>18 801</b>
<b>EBITDA in relation to Sales non-Durable Goods, %</b>	<b>17%</b>	<b>11%</b>	<b>18%</b>
EBITDA in relation to Net Sales Total, %	15%	9%	16%
Amortization and Depreciation	-3 094	-2 698	-11 589
<b>Operating income</b>	<b>1 776</b>	<b>185</b>	<b>7 212</b>

\* See note 3 for revenue per segment.

## INCOME

Operating income before depreciation and amortization (EBITDA) amounted to SEK 4.9 (2.9) million, corresponding to an EBITDA margin of 15 percent. One-time expenses of SEK 2.4 million related to the Nasdaq Stockholm main market listing and the public offer for Vivoline have been charged against the quarter. EBITDA excluding one-time expenses amounted to SEK 7.3 (4.5) million, corresponding to an EBITDA margin of 22 percent.

The gross margin for non-Durable goods during the quarter was 80 (76) percent and the increase is mainly attributable to higher prices on certain products. The total gross margin during the quarter was 72 (61) percent mainly due to lower portion of XPS™ sales.

Selling expenses in relation to sales were 22 (23) percent. During the quarter additional resources have been invested in the continued establishment of STEEN Solution™ and XPS™ in the US and Europe, primarily by hiring two service and training specialists in the USA. R&D costs were 24 (26) percent of sales. The decrease is mainly due to economies of scale and that legal one-time expenses of SEK 1.7 million were charged against the same quarter last year. Administrative expenses increased to 19 (10) percent, the increase is mainly due to one-time expenses of SEK 2.4 million related to the Nasdaq Stockholm main market listing and the public offer for Vivoline that have been charged against the quarter. The Administration department has been strengthened with one employee in the USA compared to the same quarter last year. Net other operating revenues and expenses during the quarter were SEK -0.6 (-0.5) million. During the quarter, SEK 1.4 million (1.0) of the development costs for STEEN Solution™ were capitalized as an intangible asset. The whole sum is attributable to the continued NOVEL study with the aim of PMA approval. Depreciation and amortization for the period amounted to SEK 3.1 million (2.7), of which SEK 2.4 (2.4) million is amortization of the FDA HDE approval.

## CASH FLOW

Cash flow from operating activities amounted to SEK 5.3 (-5.9) million. Investments amounted to SEK 3.6 (3.0) million, of which SEK 1.4 (1.0) million was invested in the continued NOVEL study with the aim of PMA approval. The cash flow from financing activities was SEK 0.0 (0.0) million. Cash and cash equivalents at the end of the quarter amounted to SEK 42.7 (39.7) million.

## FINANCING

XVIVO Perfusion's total credit facilities consist of an overdraft facility that at the end of the quarter amounted to SEK 20 (20) million, of which SEK 0.0 (0.0) million was utilized. The equity/assets ratio was 90 (91) percent at the end of the quarter.

## XVIVO PERFUSION AB ADMITTED TO TRADING ON NASDAQ FIRST NORTH PREMIER

XVIVO Perfusion applied for listing of XVIVO Perfusion's shares on Nasdaq First North Premier as part of preparing the company for listing on the Nasdaq Stockholm's main list. Nasdaq approved the Company's application and the first day of trading in XVIVO Perfusion's shares on Nasdaq First North Premier was 8 February 2016. The company's shares will continue trading with the same short name and ISIN code.

## PRIMECC HAS BEEN GRANTED CE MARK

XVIVO Perfusion has been granted a CE mark for a patent-protected product, PrimECC®, which is used to prime the heart-lung machine before open heart surgery. PrimECC® was developed in earlier collaboration with Professor Stig Steen to mimic the blood's physical and chemical properties. This is to avoid the stress that the rapid addition of a large quantity of non-optimized fluid can cause the body when priming heart-lung machines for patients undergoing heart surgery procedures, for example bypass operations and heart valve replacement surgery. The aim of PrimECC® is to minimize adverse effects that may arise during and after use of a heart-lung machine. A "proof of concept" study performed using PrimECC® has shown interesting clinical results. In order to expand the documentation, the company will perform a randomized clinical study on 80 patients at Sahlgrenska University Hospital in Gothenburg in 2016. XVIVO does not plan any extensive launch of the product before this study is complete. XVIVO Perfusion has applied for a patent for PrimECC® in important markets and has so far been granted a patent in the USA and the EU.

## OUTLOOK FOR 2016

As the number of lungs that can be transplanted using traditional cold perfusion cannot be predicted to increase more than the number of lungs donated, it is expected that growth will come primarily from warm perfusion using the STEEN Solution™ method. The focus during 2016 is therefore to establish the STEEN Solution™ method as the standard treatment for lung transplantation. We see increased interest in Europe and Australia for the XPS™ system and the focus will be on the XPS™ launch, as well as on establishing the STEEN Solution™ method at more clinics by means of the good clinical results demonstrated so far. Approximately five percent of the total number of lung transplants in the world today are carried out in Asia, the Middle East and Eastern Europe, but with greater economic strength the number of lung transplants will increase. By establishing the STEEN Solution™ method early in these markets, this development can be more rapid than would otherwise have been possible.

In the USA the main focus will be on the launch of STEEN Solution™ and XPS™ and above all on as many clinics as

possible gaining access to and beginning to use XPS™ and warm perfusion with STEEN Solution™ clinically. Resources for sales and marketing in the USA will be increased to establish the STEEN Solution™ technology, and this is expected to contribute positively to sales during the year. Amortization of the capitalized expenses for STEEN Solution's™ HDE approval will be charged against income during 2016 to the tune of SEK 9.8 million. The clinical NOVEL study will continue with the goal of attaining PMA approval in the American market (current approval is a so-called HDE, Humanitarian Device Exemption). Expenses for the company related to documenting the results of this PMA study will be capitalized on an ongoing basis.

Lung availability is also the limiting factor for increasing the number of transplantations of other organs than lungs. The focus of research and development is therefore on developing the use of the STEEN Solution™ method for more indications and on developing other similar areas of use such as the warm perfusion of organs still in the body.

## THE COMPANY IN BRIEF

### OPERATIONS

XVIVO Perfusion AB is a medical technology company which develops solutions and systems for selecting usable organs and maintaining them in optimal condition pending transplantation. Today, the company's product Perfadex® has a market share of more than 90 percent in the traditional preservation of lungs for transplantation. The company's products XPS™ and STEEN Solution™ for warm perfusion are the only products on the market that have FDA approval for warm perfusion of lungs in the US.

### LUNG TRANSPLANTATION

A great problem in transplantation healthcare is the lack of available lungs. Currently in the USA, only around 20 percent of the available donated lungs are transplanted as it is considered far too risky to transplant the remaining majority. By using XVIVO Perfusion's product STEEN Solution™, the organ is cleared of harmful substances from the donor, thus creating a better environment for the organ's cells. The technology thereby allows the organ to "recover" when possible. It also allows for functional testing to be performed outside the body. In clinical use in the US, Europe, Australia and Canada it has emerged that once STEEN Solution™ perfusion has been carried out, many of the organs that were initially "refused" are assessed as being usable and have been successfully transplanted into patients with end stage lung disease. Therefore the use of STEEN Solution™ has the potential to increase the total number of lung transplants.

### NEW INDICATIONS

The company conducts preclinical and clinical research in transplantation of other organs than lungs as well as drug delivery to an isolated organ.

### BUSINESS CONCEPT

XVIVO Perfusion's business concept is to increase the survival rate of patients in need of an organ transplant by providing effective products that increase the availability and survival potential of organs once transplanted.

### VISION

The company's vision is that no one should have to die waiting for a new organ.

### OBJECTIVE

The company's objective is to establish the warm perfusion of organs with XPS™ and STEEN Solution™ as the standard treatment in the transplantation of lungs and other organs.

### STRATEGY

XVIVO Perfusion's strategy focuses on getting lung evaluation outside the body using the XPS™ and STEEN Solution™ accepted as a standard procedure. A basic precondition of the strategy is to obtain regulatory approval for STEEN Solution™ in all important markets. XVIVO Perfusion has demonstrated through published preclinical and clinical studies that warm perfusion of organs using the STEEN Solution™ method results in more available organs, thereby giving more patients the potential to have a life-saving treatment, better quality of life, socioeconomic gains, and lower morbidity and mortality. Furthermore, the company will strive to increase awareness of the STEEN Solution™ method in important groups of stakeholders and will work with key opinion leaders in the area.

## OTHER INFORMATION

### ORGANIZATION AND PERSONNEL

At the end of quarter the number of employees was 22, of whom 10 were women and 12 were men. Of these, 10 people were employed in Sweden and 12 in the USA. In addition, the company uses around five consultants.

### INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

No transactions that have substantially affected the company's results and financial position have been carried out with related parties during the quarter.

### RISK MANAGEMENT

XVIVO Perfusion is constantly working to identify, evaluate, and manage risks in different systems and processes. Risk analyses are performed continually with regard to the company's normal business activities and also in connection with activities that are outside XVIVO Perfusion's regular quality system.

The market risks that are determined to have particular importance for the future development of XVIVO Perfusion are access to financial funds and medical resources at clinics around

the world. Operational risks primarily comprise risks that limit or prevent XVIVO Perfusion from developing, manufacturing and selling quality, effective and safe products. Legal and regulatory risks may arise from changes in legislation and other regulations. Changes in legislation or political decisions may affect the company's ability to run or develop the business. Including financial risks are the currency risk for the business.

The most important strategic and operative risks affecting the company are described in the 2015 annual report.

### SEASONAL EFFECTS

XVIVO Perfusion's sales are marginally affected by seasonal effects. Mainly in new treatments such as EVLP or warm perfusion of the lungs there are slightly less activity during the summer months.

### EVENTS AFTER THE END OF THE REPORTING PERIOD

On April 18, 2016 XVIVO Perfusion AB announced a recommended public offer to the holders of shares and warrants of series 2015/2016 in Vivoline Medical AB. For every Share, SEK 1.2921 in cash and 0.1543 shares in XVIVO Perfusion are offered and for every Warrant SEK 0.7226 in cash and 0.0863 Bidder Shares are offered. The Consideration corresponds to a value of approximately SEK 9.32 per Share and approximately SEK 5.21 per Warrant. Based on a total number of 11,402,818 outstanding Shares and 4,267,970 outstanding Warrants at the time of the announcement of the Offer, the total value of the Offer amounts to approximately SEK 128.5 million. Vivoline's three largest shareholders, with a combined holding of approximately 48.1% of the total number of Shares and votes in Vivoline and approximately 38% of the total number of Warrants, have undertaken to accept the Offer. Subject to Vivoline becoming a wholly-owned subsidiary of XVIVO Perfusion, a new research agreement between Igelösa Life Science AB and XVIVO Perfusion will enter into force.

### ANNUAL GENERAL MEETING

The Annual General Meeting will be held on May 3, 2016, at XVIVO Perfusion's premises in Gothenburg, visitors' address Mässans gata 10.

April 26, 2016  
Gothenburg

The Board

**THIS REPORT HAS BEEN BRIEFLY REVIEWED BY THE COMPANY'S AUDITORS.**

### FINANCIAL REPORTS

XVIVO Perfusion's interim reports are published on the company's website, [www.xvivoperfusion.com](http://www.xvivoperfusion.com). Following reports are planned to be submitted in 2016:

Interim report April-June: Friday, July 15

Interim report July-September: Thursday, October 27

**FOR FURTHER INFORMATION, PLEASE CONTACT**

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The Certified Adviser is Redeye, [www.redeye.se](http://www.redeye.se)

*XVIVO Perfusion is required to publish the information in this report in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on April 26, 2016 at 8.30 am.*

This is a translation of the Swedish version of the report. When in doubt, the Swedish wording prevails.

## CONSOLIDATED INCOME STATEMENTS IN SUMMARY

SEK THOUSANDS	January – March		Whole year 2015
	2016	2015	
Net sales	33 531	31 820	120 245
Cost of goods sold	-9 279	-12 305	-35 285
<b>Gross income</b>	<b>24 252</b>	<b>19 515</b>	<b>84 960</b>
Selling expenses	-7 521	-7 372	-32 052
Administrative expenses	-6 437	-3 240	-13 154
Research and development costs	-7 958	-8 262	-31 086
Other operating revenues and expenses	-560	-456	-1 456
<b>Operating income</b>	<b>1 776</b>	<b>185</b>	<b>7 212</b>
Financial income and expenses	-72	55	186
<b>Income after financial items</b>	<b>1 704</b>	<b>240</b>	<b>7 398</b>
Taxes	-590	-289	-2 267
<b>Net income</b>	<b>1 114</b>	<b>-49</b>	<b>5 131</b>
<b>Attributable to</b>			
Parent Company's shareholders	1 114	-49	5 131
Earnings per share, SEK	0.05	0.00	0.24
Earnings per share, SEK*	0.05	0.00	0.24
Average number of outstanding shares	21 512 769	21 512 769	21 512 769
Average number of outstanding shares*	21 512 769	21 707 769	21 561 519
Number of shares at closing day	21 512 769	21 512 769	21 512 769
Number of shares at closing day*	21 512 769	21 707 769	21 512 769
<b>EBITDA</b>	<b>4 870</b>	<b>2 883</b>	<b>18 801</b>
Amortization	-2 553	-2 546	-10 155
Depreciation	-541	-152	-1 434
<b>Operating income</b>	<b>1 776</b>	<b>185</b>	<b>7 212</b>

\* After dilution. See note 2 for information on warrant programs.

## STATEMENT OF COMPREHENSIVE INCOME

SEK THOUSANDS	January – March		Whole year 2015
	2016	2015	
<b>Net income</b>	<b>1 114</b>	<b>-49</b>	<b>5 131</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to the income statement</i>			
Exchange rate differences	-1 060	4 980	3 119
Tax attributable to items that have been transferred, or can be transferred to net income	69	-543	-328
<b>Total other comprehensive income, net after tax</b>	<b>-991</b>	<b>4 437</b>	<b>2 791</b>
<b>Total comprehensive income</b>	<b>123</b>	<b>4 388</b>	<b>7 922</b>
<b>Attributable to</b>			
Parent Company's shareholders	123	4 388	7 922



## CONSOLIDATED BALANCE SHEETS IN SUMMARY

SEK THOUSANDS	March 31, 2016	March 31, 2015	Dec 31, 2015
<b>ASSETS</b>			
Goodwill	3 755	3 974	3 849
Other intangible fixed assets	92 109	95 698	93 086
Tangible fixed assets	8 663	2 809	7 123
Financial and other fixed assets	3 430	4 393	4 487
Inventories	25 006	26 938	28 598
Accounts receivable	21 043	22 112	19 513
Other current receivables	9 216	5 402	6 290
Liquid funds	42 722	39 663	41 234
<b>Total assets</b>	<b>205 944</b>	<b>200 989</b>	<b>204 180</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity, attributable to the Parent Company's shareholders	184 997	182 578	184 874
Provisions	3 791	3 607	3 725
Accounts payable	4 797	5 839	3 650
Current tax liabilities	952	1 375	1 574
Other short-term liabilities	594	602	729
Accrued expenses and prepaid income	10 813	6 988	9 628
<b>Total shareholders' equity and liabilities</b>	<b>205 944</b>	<b>200 989</b>	<b>204 180</b>
Pledged assets for own liabilities	20 224	20 226	20 223
Contingent liabilities	-	-	-

## CONSOLIDATED KEY RATIOS

	January – March		Whole year
	2016	2015	2015
Gross Margin non Capital goods, %	80	76	78
Gross margin, %	72	61	71
Operating margin before R&D costs, %	29	27	32
EBITDA portion of net sales non Capital goods, %	17	11	18
EBITDA, %	15	9	16
Operating margin, %	5	1	6
Net margin, %	3	0	4
Equity/assets ratio, %	90	91	91
Return on equity, %	1	0	3
Income per share, SEK	0.05	0.00	0.24
Shareholders' equity per share, SEK	8.60	8.49	8.59
Share price on closing day, SEK	50.25	42.70	58.50

## CONSOLIDATED CASH FLOW STATEMENTS IN SUMMARY

SEK THOUSANDS	January – March		Whole year 2015
	2016	2015	
Income after financial items	1 704	240	7 398
Adjustment for items not affecting cash flow	3 913	2 650	11 510
Paid taxes	-2 897	-520	-3 438
Change in inventories	3 065	1 380	-1 130
Change in trade receivables	-2 257	-8 336	-6 025
Change in trade payables	1 766	-1 345	263
<b>Cash flow from operating activities</b>	<b>5 294</b>	<b>-5 931</b>	<b>8 578</b>
Cash flow from investing activities	-3 639	-2 994	-14 290
Cash flow from financing activities	0	0	-1 468
<b>Cash flow for the period</b>	<b>1 655</b>	<b>-8 925</b>	<b>-7 180</b>
Liquid funds at beginning of period	41 234	48 203	48 203
Exchange rate difference in liquid funds	-167	385	211
<b>Liquid funds at end of period</b>	<b>42 722</b>	<b>39 663</b>	<b>41 234</b>

## CONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY

SEK THOUSANDS	Attributable to Parent Company's shareholders				Sum shareholders' equity
	Share capital	Other paid in capital	Reserves	Retained earnings incl. profit for the year	
<b>Opening balance January 1, 2015</b>	<b>550</b>	<b>154 466</b>	<b>6 349</b>	<b>17 055</b>	<b>178 420</b>
Total comprehensive income			2 791	5 131	7 922
Share warrant program		101			101
Repurchase of warrants				-1 569	-1 569
<b>Closing balance December 31, 2015</b>	<b>550</b>	<b>154 567</b>	<b>9 140</b>	<b>20 617</b>	<b>184 874</b>
<b>Opening balance January 1, 2016</b>	<b>550</b>	<b>154 567</b>	<b>9 140</b>	<b>20 617</b>	<b>184 874</b>
Total comprehensive income			-991	1 114	123
<b>Closing balance March 31, 2016</b>	<b>550</b>	<b>154 567</b>	<b>8 149</b>	<b>21 731</b>	<b>184 997</b>

## CONSOLIDATED INCOME STATEMENTS PER QUARTER

SEKTHOUSANDS	Jan - Mar 2016	Oct - Dec 2015	Jul - Sep 2015	Apr - Jun 2015	Jan - Mar 2015	Oct - Dec 2014	Jul - Sep 2014	Apr - Jun 2014
Net sales	33 531	32 680	26 618	29 127	31 820	25 543	22 427	18 474
Cost of goods sold	-9 279	-8 055	-7 528	-7 397	-12 305	-5 937	-6 474	-3 863
<b>Gross income</b>	<b>24 252</b>	<b>24 625</b>	<b>19 090</b>	<b>21 730</b>	<b>19 515</b>	<b>19 606</b>	<b>15 953</b>	<b>14 611</b>
Selling expenses	-7 521	-9 095	-6 878	-8 707	-7 372	-5 794	-5 586	-6 313
Administrative expenses	-6 437	-3 384	-3 035	-3 495	-3 240	-3 034	-2 495	-3 023
Research and development costs	-7 958	-7 877	-7 513	-7 433	-8 262	-10 474	-5 461	-3 811
Other operating revenues and expenses	-560	-475	-129	-396	-456	196	52	125
<b>Operating income</b>	<b>1 776</b>	<b>3 794</b>	<b>1 535</b>	<b>1 699</b>	<b>185</b>	<b>500</b>	<b>2 463</b>	<b>1 589</b>
Financial income and expenses	-72	-122	381	-127	55	166	36	-81
<b>Income after financial items</b>	<b>1 704</b>	<b>3 672</b>	<b>1 916</b>	<b>1 572</b>	<b>240</b>	<b>666</b>	<b>2 499</b>	<b>1 508</b>
Taxes	-590	-874	-579	-526	-289	-382	-659	-412
<b>Net income</b>	<b>1 114</b>	<b>2 798</b>	<b>1 337</b>	<b>1 046</b>	<b>-49</b>	<b>284</b>	<b>1 840</b>	<b>1 096</b>
<b>Attributable to</b>								
Parent Company's shareholders	1 114	2 798	1 337	1 046	-49	284	1 840	1 096
Earnings per share, SEK	0.05	0.13	0.06	0.05	0.00	0.01	0.09	0.06
Earnings per share, SEK*	0.05	0.13	0.06	0.05	0.00	0.01	0.08	0.06
Average number of outstanding shares	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769	19 562 769
Average number of outstanding shares*	21 512 769	21 512 769	21 512 769	21 512 769	21 707 769	21 707 769	21 707 769	19 757 769
Number of shares at closing day	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769	19 562 769
Number of shares at closing day*	21 512 769	21 512 769	21 512 769	21 512 769	21 707 769	21 707 769	21 707 769	19 757 769
<b>EBITDA</b>	<b>4 870</b>	<b>6 881</b>	<b>4 440</b>	<b>4 597</b>	<b>2 883</b>	<b>3 107</b>	<b>3 445</b>	<b>1 756</b>
Amortization	-2 553	-2 504	-2 557	-2 547	-2 546	-2 543	-916	-102
Depreciation	-541	-583	-348	-351	-152	-64	-66	-65
<b>Operating income</b>	<b>1 776</b>	<b>3 794</b>	<b>1 535</b>	<b>1 699</b>	<b>185</b>	<b>500</b>	<b>2 463</b>	<b>1 589</b>

\* After dilution. See note 2 for information on warrant programs.

## STATEMENTS OF COMPREHENSIVE INCOME

SEKTHOUSANDS	Jan - Mar 2016	Oct - Dec 2015	Jul - Sep 2015	Apr - Jun 2015	Jan - Mar 2015	Oct - Dec 2014	Jul - Sep 2014	Apr - Jun 2014
<b>Net income</b>	<b>1 114</b>	<b>2 798</b>	<b>1 337</b>	<b>1 046</b>	<b>-49</b>	<b>284</b>	<b>1 840</b>	<b>1 096</b>
<b>Other comprehensive income</b>								
<i>Items that may be reclassified to the income statement</i>								
Exchange rate differences	-1 060	-182	549	-2 201	4 980	3 577	2 205	1 345
Tax attributable to items that have been transferred, or can be transferred to net income	69	19	-11	207	-543	-395	-163	-143
<b>Total other comprehensive income, net after tax</b>	<b>-991</b>	<b>-163</b>	<b>538</b>	<b>-1 994</b>	<b>4 437</b>	<b>3 182</b>	<b>2 042</b>	<b>1 202</b>
<b>Total comprehensive income</b>	<b>123</b>	<b>2 635</b>	<b>1 875</b>	<b>-948</b>	<b>4 388</b>	<b>3 466</b>	<b>3 882</b>	<b>2 298</b>
<b>Attributable to</b>								
Parent Company's shareholders	123	2 635	1 875	-948	4 388	3 466	3 882	2 298

## INCOME STATEMENTS FOR THE PARENT COMPANY IN SUMMARY

SEK THOUSANDS	January – March		Whole year
	2016	2015	2015
Net sales	19 254	16 853	80 761
Cost of goods sold	-6 855	-5 524	-19 065
<b>Gross income</b>	<b>12 399</b>	<b>11 329</b>	<b>61 696</b>
Selling expenses	-4 053	-4 161	-19 804
Administrative expenses	-4 677	-2 364	-9 431
Research and development costs	-7 958	-7 912	-31 090
Other operating revenues and expenses	-560	-460	-1 540
<b>Operating income</b>	<b>-4 849</b>	<b>-3 568</b>	<b>-169</b>
Financial income and expenses	-388	2 521	1 661
<b>Income after financial items</b>	<b>-5 237</b>	<b>-1 047</b>	<b>1 492</b>
Taxes	958	-	-464
<b>Net income</b>	<b>-4 279</b>	<b>-1 047</b>	<b>1 028</b>

The Parent Company has no items to report as other comprehensive income, therefore a statement of comprehensive income is not presented.

Depreciation and amortization has reduced income for the period by SEK 3 012 thousand (2 585).

## BALANCE SHEETS FOR THE PARENT COMPANY IN SUMMARY

SEK THOUSANDS	March 31, 2016	March 31, 2015	Dec 31, 2015
<b>ASSETS</b>			
Balanced expenditures for development	90 698	94 387	91 797
Patents and licencies	1 391	1 286	1 268
Trademarks	19	24	21
Tangible fixed assets	7 460	1 910	6 127
Participation in affiliated companies	14 475	14 475	14 475
Other financial fixed assets	1 179	922	1 179
Inventories	6 582	12 532	7 129
Accounts receivable	10 168	6 995	4 338
Receivables from affiliated companies	19 080	20 501	32 924
Other current receivables	8 726	5 061	5 721
Liquid funds	34 297	37 306	32 111
<b>Total assets</b>	<b>194 075</b>	<b>195 399</b>	<b>197 090</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	168 868	171 700	173 147
Untaxed reserves	12 238	12 238	12 238
Provisions	1 099	915	1 033
Accounts payable	2 515	2 939	1 956
Current tax liabilities	674	1 500	746
Other short-term liabilities	8 681	6 107	7 970
<b>Total shareholders' equity and liabilities</b>	<b>194 075</b>	<b>195 399</b>	<b>197 090</b>
Pledged assets for own liabilities	20 224	20 226	20 223
Contingent liabilities	-	-	-

## NOTE 1. ACCOUNTING PRINCIPLES

For the Group, the report is presented pursuant to the Swedish Annual Accounts Act and IAS 34, Interim Financial Reporting, and for the Parent Company pursuant to the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

Accounting principles applied for the Group and the parent company correspond, unless otherwise stated below, with the accounting policies used for the preparation of the latest annual report. No new or revised accounting policies that became effective in 2016 have had any significant impact on the Group.

## NOTE 2. SHARE WARRANT PROGRAMS

In total there are 410,000 outstanding warrants in two programs. If all the warrants are exercised to subscribe for shares, the share capital will increase by around SEK 10,500 and the number of shares will increase by 410,000 shares in total, corresponding to dilution of approximately 1.9 percent of the total number of shares and votes. Share warrant program 2014/2016 consists of 195,000 warrants and in June 2016 each warrant will entitle the holder to subscribe for one new share at a price of SEK 58.60. Share warrant program 2015/2017 consists of 215,000 warrants and in June 2017 each warrant will entitle the holder to subscribe for one new share at a price of SEK 60.92.

## NOTE 3. FINANCIAL DATA PER SEGMENT, GROUP

SEK Thousands	January - March					
	Net sales of non-Durable goods		Durable goods		Total consolidated	
	2016	2015	2016	2015	2016	2015
Net sales	29 054	25 122	4 477	6 698	33 531	31 820
Cost of goods sold	-5 916	-5 999	-3 363	-6 306	-9 279	-12 305
<b>Gross income</b>	<b>23 138</b>	<b>19 123</b>	<b>1 114</b>	<b>392</b>	<b>24 252</b>	<b>19 515</b>

## NOTE 4. FINANCIAL INSTRUMENTS

The Group's financial assets and liabilities valued at acquisition value amount to SEK 68 (62) million and SEK 17 (15) million respectively. Fair value of the Group's financial assets and liabilities is assessed to correspond to the book value.

## REVIEW REPORT

To the Board of Directors of XVIVO Perfusion AB (publ)  
Corp.id.556561-0424

### INTRODUCTION

We have reviewed the summary interim financial information (interim report) of XVIVO Perfusion AB (publ) as of 31 March 2016 and the three-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Göteborg 26 April 2016  
KPMG AB

(Signature on the original document)

Jan Malm  
Authorized Public Accountant

# PRODUCTS



## **XPS™**

SALES TYPE  
Warm Perfusion  
Durable Goods



## **STEEN Solution™**

SALES TYPE  
Warm Perfusion



## **XPS Disposable Kit™**

SALES TYPE  
Warm Perfusion



## **XVIVO Lung Cannula Set™**

SALES TYPE  
Warm Perfusion



## **XVIVO Organ Chamber™**

SALES TYPE  
Warm Perfusion



## **XPS PGM Disposable Sensors™**

SALES TYPE  
Warm Perfusion



## **PERFADEX®**

SALES TYPE  
Cold Perfusion



## **Silicone Tubing Set™**

SALES TYPE  
Cold Perfusion



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